

# Case Study on McCarthy Building Companies, Inc.

## Business Journal's Healthiest Employers Award

*McCarthy Building Companies, Inc. (McCarthy) is a multi-state employee-owned construction company with 1,900 employees (and 1,000 spouses covered on their medical plan). Headquartered in St. Louis, MO, McCarthy has presence across 26 states with a diverse employee population made up of field, office and remote employees. They began their own internally developed wellness program in 2010 following several years of escalating claims costs and medical premiums for their employees. Health and safety has always been important parts of the culture at McCarthy. It started at the top, with buy-in from their past President/COO, a strong advocate of personal accountability for healthy living (who was an Ironman athlete), and has carried forward to the rest of the leadership, with more than 80 percent of executives engaging. McCarthy's goals for a wellness program for their employee-owners were and continue to be:*

- 1. meet their employees where they are in their health by delivering a program that offers autonomy with an ability to create a personalized pathway;*
- 2. keep their employees safe while at work and at home by encouraging healthy behaviors while at work and at home; and*
- 3. demonstrate a strong presence in the community by supporting and contributing to health-focused organizations and charities.*

### Program Background

Throughout the first few years of the company's wellness program, McCarthy made significant progress in creating a culture of wellness. Many of their sites had assigned wellness champions as well as fitness centers or workout rooms to encourage and support healthy activity at work. In addition, they emphasized awareness around "knowing your numbers" and "following-up with your physician" by offering biometric screenings to all employees. Early on, they added a rewards program, which provided employees with premium reductions upon completion of a biometric screening and a HRA. Over time, they enhanced the requirements by linking contribution levels to points associated with behavior change, allocating higher points for logging workout activities, eating healthier and quitting smoking. This was an important first step in applying behavioral economic principles, and they made notable strides in improving their employees' health. However, they identified several key barriers to engagement and challenges through their previous program that they wanted to overcome.

They were:

- limited time in front of computers on job sites, lack of familiarity with online tools,
- incorporation of other employer benefits into the program,
- and simplification of the program.

They wanted to strengthen their wellness program, 'Build for Life,' and, with a shared philosophical outlook, Vitality was deemed to be the optimal partner to assist in enhancing their existing offerings.



# Employee Engagement

McCarthy began their journey with Vitality in September 2012 and has completed four years with Vitality. With wellness now an indispensable part of their corporate culture, Vitality was featured as an integral component of McCarthy's employee health and benefit offerings. Working with their Vitality account manager (wellness strategy manager), they deployed the following strategies to build on past success and overcome their historical challenges:

- conducted on-site biometric screenings that were seamlessly integrated into Vitality's platform presenting the results in a way that were easy to understand
- educated employees with support from McCarthy wellness champions (who serve as well-being ambassadors or champions; they are walking/talking advocates for McCarthy's wellness program to their partners)
- promoted using Vitality Bucks™ (currency used to redeem rewards for program engagement) to purchase wearable devices
- encouraged the use of Vitality's simple and intuitive mobile app during team meetings enabling McCarthy to reach employees where they are at
- conducted three to four Challenges per year
- integrated important McCarthy programs into Vitality's portal by providing Vitality Points™ for participating in employer programs, EAP sessions, e.g., financial planning, community events, benefit sessions, workplace courses, coaching programs, etc.

When McCarthy partnered with Vitality, they did so with the goal of changing their employees' behavior to improve their health. To do this, a thoughtful approach to rewarding participation had to be used. McCarthy utilized Vitality's point structure that would require employees to continue engaging in

healthy lifestyle activities over time, thus creating new lifestyle habits. They also understood the power that incentives can have in driving lasting engagement, so they leveraged Vitality Status®, a structure that required months of sustained participation in order to reach higher status levels. As such, they aligned the achievement of higher Vitality Statuses to different dollar incentive contribution amounts.

As a result of their partnership with Vitality and the strategies that were deployed, McCarthy's goals have been achieved. Together, McCarthy and Vitality made it easy and rewarding for employee-owners and their families to get healthy. Through the program, employees could easily sync devices and receive rewards for healthy decisions without having to log into the program every day. Points acted as incentive for employees to participate in important McCarthy company initiatives as well as in challenges. This resulted in more employees reaching higher status levels and improving their overall health outcomes, e.g., employee satisfaction and work productivity as well as members' overall risks. McCarthy's wellness champions played a vital role in developing and supporting these initiatives to help educate their employees and enable their pathways to healthier lifestyles. Appealing to the best tools and practices provided by Vitality, McCarthy continued to evolve their program each year. This, paired with continually evaluating results and considering potential new ways to motivate their employees, has led to a program that has contributed to increasing and ongoing McCarthy employee engagement with Vitality. Furthermore, McCarthy has received numerous community awards and recognition for their support of the greater good of the community.

## After Four Years

McCarthy's membership experienced high participation levels and improved health outcomes:



**88%**

Increase in employees reaching Gold or Platinum Status over 4 years<sup>1</sup>



**52%**

of employees who registered on Vitality were logging into the mobile app



**68%**

employees used fitness devices



**15.5%**

overall improvement in risk<sup>2</sup>



**Over 21,000**

employer sponsored events with 69% of employees engaging



**77%**

completed Health Risk Assessment



**5.4x**

Increase in employees' monthly average activities over 4 years



**129 activities**

per employee per year (10.7 per month)

*"I have truly started **better eating and exercise habits** since I started this program. Though it was a slow start for me, I gained a lot of **knowledge** listening to the videos and healthy habits which started my healthier life style. GREAT WAY TO GET HEALTHIER!!!"*

- McCarthy Vitality Member

<sup>1</sup> Status data are from 4-year consistent cohort

<sup>2</sup> From current eligible members with at least two known measurements for all ten risk factors, and there must be at least 90 days between the first and last recorded measurement for all included risk factors.