**TO: City Council**

**FROM: Eric Hansen, City Manager**

**DATE: November 25, 2013**

**RE: City Wellness Program – Dave Ramsey Financial Peace**

In 2010, as an additional benefit to the partnership with TriHealth for the Community Center expansion City Council authorized $40,000 to be used for the implementation of an Employee Wellness program. The goal for the program was to improve employee health thereby reducing overall health insurance expenses of the City. The program has progressed from its initial implementation to include a three-tiered program with incentives for those employees attaining the top two tiers. This past year 129 employees participated in the program with 69 attaining Tier I level. Incentives for reaching the Tier I or Tier II levels include memberships to the Community Center, gift cards, personal training sessions and contributions to the employees’ Health Savings Agreements (HSA). The program has also provided the City the opportunity to strategically reduce health care costs in those areas where costs were significantly increasing. For instance in order to attain Tier I or Tier II levels employees must be tobacco free or enroll in a tobacco cessation program. In addition, in order to attain Tier I or Tier II levels the program requires employees to undergo annual physical exams and screenings that often will detect health issues early eliminating the potential for long-term care or more costly procedures.

The Employee Wellness program combined with the move to a high deductible health insurance plan and HSA accounts for employees has significantly reduced health care costs for the City. From 2009-2011 health care costs were increasing 25% annually. This year, staff are projecting a 17% decrease in health care costs and a positive fund balance

This year new for the 2013 Employee Wellness Program the City introduced the Dave Ramsey’s Financial Peace program.  The interest was in educating employees about the importance of personal financial health towards their overall health and wellness goals. It has been found that financial stress, especially in the current economic climate: homes lost to foreclosure, job losses across almost every sector of the economy, dwindling retirement portfolios, and frozen credit markets has also led to a number of health related symptoms such as head­aches, backaches, ulcers, increased blood pressure, depression and anxiety. Extended periods of stress can take their toll on physical, mental, and emotional health, compounding the difficulties communities face during troubled economic times. In order to strengthen health and community development the goal is to increase financial stability at the individual level and improve the health and well-being of employees.

Staff worked to find a program that was more about educating and empowering employees and not about sales pitches and financial incentives directed at selling employees’ financial securities.  Dave Ramsey—author, talk show host and personal finance expert has developed an intense personal-finance training course that helps participants strategically remove debt and build wealth.

The program involves a small-group format, where participants watch a video, participate in a discussion and are given homework assignments relative to items presented in the video.  This 12 week course-taught by personal finance expert Dave Ramsey—covers everything from budgeting and paying off debt to retirement and charitable giving. Most videos are 45 minutes in length although 1-2 may be as long as 11/2 hours. The City paid for the leadership kit, which includes the videos and facilitator information to allow selected individuals to act as facilitators for the program. Employees who participated in the program paid $93-the cost of the participant’s workbook for participation in the class.

The first session of Dave Ramsey’s Financial Peace 12-Week Program began on September 11 and concluded this past week.  Participation in the program was on a first-come-first-serve basis with 18 employees representing most departments of the City successfully completing the program.  One employee attended many of the classes but was unable to successfully fulfill the requirements for the entire program. At the conclusion of the program participants who completed all requirements were surprised to receive reimbursement for the cost of the participant’s workbook along with an additional $300 to be used for meeting their overall objectives for financial peace as outlined in the Dave Ramsey program. Based on feedback from the class the City will host another program likely to begin in early January and concluding by April 1. Participants of the first class have volunteered to act as facilitators for the next program and have been very grateful and enthusiastic about the opportunity the City provided.

If you have any questions please contact me.