



Recess Program Impact Estimate

Number of employees 300 Locations 1
 Year 1 health care costs per emp. per year \$ 4,567.00
 Average annual health trend (increase % age) 11%

Per Employee Cost (based on actual 2006 HRA partic)

| Risk levels | Employees | % total | yr1 | yr2 | yr3 | yr4 | yr5 |
|-------------|-----------|---------|-------------|--------------|--------------|--------------|--------------|
| Low | 60 | 20% | \$ 2,394.36 | \$ 2,657.74 | \$ 2,950.09 | \$ 3,274.60 | \$ 3,634.81 |
| Non partic | 196 | 65% | \$ 4,764.77 | \$ 5,288.90 | \$ 5,870.68 | \$ 6,516.45 | \$ 7,233.26 |
| Med | 30 | 10% | \$ 5,315.48 | \$ 5,900.18 | \$ 6,549.20 | \$ 7,269.61 | \$ 8,069.27 |
| High | 14 | 5% | \$ 9,505.60 | \$ 10,551.22 | \$ 11,711.86 | \$ 13,000.16 | \$ 14,430.18 |

Average baseline health cost per employee \$ 4,567.00 \$ 5,069.37 \$ 5,627.00 \$ 6,245.97 \$ 6,933.03

Best practices wellness program

| Risk levels | Employees | % total | yr1 | yr2 | yr3 | yr4 | yr5 |
|-------------|-----------|---------|---------------|---------------|---------------|---------------|---------------|
| Low | 127 | 42% | \$ 303,899.39 | \$ 337,328.32 | \$ 374,434.44 | \$ 415,622.22 | \$ 461,340.67 |
| Non partic | 80 | 27% | \$ 381,181.92 | \$ 423,111.93 | \$ 469,654.25 | \$ 521,316.21 | \$ 578,661.00 |
| Med | 63 | 21% | \$ 337,328.32 | \$ 374,434.44 | \$ 415,622.22 | \$ 461,340.67 | \$ 512,088.14 |
| High | 30 | 10% | \$ 281,512.13 | \$ 312,478.47 | \$ 346,851.10 | \$ 385,004.72 | \$ 427,355.24 |

| | | | | | | | | | | |
|----------------------------------|----|--------------|----|--------------|----|--------------|----|--------------|----|--------------|
| Total health costs with wellness | \$ | 1,303,921.76 | \$ | 1,447,353.16 | \$ | 1,606,562.01 | \$ | 1,783,283.83 | \$ | 1,979,445.05 |
| Total health costs no wellness | \$ | 1,370,100.00 | \$ | 1,520,811.00 | \$ | 1,688,100.21 | \$ | 1,873,791.23 | \$ | 2,079,908.27 |
| Gross savings | \$ | 66,178.24 | \$ | 73,457.84 | \$ | 81,538.20 | \$ | 90,507.41 | \$ | 100,463.22 |
| Cost of wellness | \$ | 43,440.00 | \$ | 43,440.00 | \$ | 43,440.00 | \$ | 43,440.00 | \$ | 43,440.00 |
| Net savings | \$ | 22,738.24 | \$ | 30,017.84 | \$ | 38,098.20 | \$ | 47,067.41 | \$ | 57,023.22 |
| Cost: benefit | \$ | 1.52 | \$ | 1.69 | \$ | 1.88 | \$ | 2.08 | \$ | 2.31 |