

## Farmer's Rural Electric Coop says “safety and wellness rock!”

**Company Name:** Farmer's Rural Electric Cooperative Corp. (RECC)

**Location:** Glasgow, Kentucky

**Industry:** Electric power

**Founded:** 1938

**Number of Employees:** 64

**Age of Workplace Health Program:** 6 years

### Company Profile

Farmer's Rural Electric Cooperative Corp. (RECC) is an electric company located in central Kentucky that provides electricity in the residential and business markets.

### Employee Health Program Origin

In 2007, at the age of 55, the CEO of RECC suddenly died of a heart attack. The company hired a new CEO, who pulled together a cross-section of employees to develop a plan to improve the health of employees and better contain healthcare costs. In 2008, the group started to implement company workplace health strategies, starting with improvements in safety conditions. “We wanted our employees to always be safe and to be able to go home each and every day to their families as well as remain healthy, so that when they retire from our company, they have several more quality years in front of them,” says Linda Foushee, RECC executive assistant and human resources coordinator.

### RECC Workplace Health Program Features

Some of the main features of the RECC program are:

- « Annual health screening for employees
- « A wellness representative for each department
- « A \$200 wellness credit for participants to purchase health-related items, such as gym membership, fitness equipment such as shoes, bikes, etc
- « A healthcare deductible credit program in which employees can eliminate their medical insurance deductible if they meet certain achievable benchmarks within a given period
- « Employees can cash in their sick time of up to 960 hours when they leave RECC
- « *Me Visits* which provides virtual doctor visits for minor health problems saving the use of sick time
- « Health education workshops



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Company organizes health education workshops.

## Program Costs

RECC budgets \$7,000 per year for its wellness program.

## Program Outcomes

RECC has 100 percent participation in its health program. It identified several employees who were diabetic, but weren't aware of that before the health program screenings. The company's healthcare costs have declined from \$1,500 per employee to \$1,300 since 2008. RECC achieved a significant benchmark of 500,000 hours worked with no lost time due to accidents over a four-year period, and experienced less absenteeism.

## Program Success

The CEO and a select group of employees were the visionaries and initiators of the program before the wellness committee was formed. The buy-in and support of the CEO and upper-level management helped create a culture of health. The development of an active wellness committee added to the success. The primary factor that keeps the employees engaged, however, is that they know if they meet the wellness benchmarks they won't have to pay a high deductible, which means they get to keep more of their earnings in their pockets.

## Challenges

Initially, there was some concern from the spouses of employees who were in poor health because the deductible credit was tied to the employee's health status, not the family's health status. Also, changing the culture of food that employees were accustomed to getting from RECC-sponsored events from donuts and bagels, to fruit and breakfast bars, was not popular at first. And some employees had difficulty identifying appropriate items to spend their "wellness credits" on.

*"Our employees are engaged. They have skin in the game," says Linda Foushee, RCC executive assistant and human resources coordinator. "We are saving money. Morale has improved. Call it employee engagement. Call it luck... But whatever it is, it is working here in southern Kentucky. Safety and wellness rock!"*

# Farmer's Rural Electric

## Facilitators of Program Success

Buy-in and support from the CEO and upper management. The company's healthcare administrator has also been very helpful in establishing and implementing the program.

CDC supports a coordinated, systematic and comprehensive approach to workplace health promotion. This profile is intended as an example of one employer's approach and is not intended as an endorsement. For more information on developing workplace health programs, please visit <http://www.cdc.gov/workplacehealthpromotion>



*\*Based on an interview with Farmer's Rural Electric Cooperative Corp. (RECC) in October 2012 as part of the development of the CDC Work@Health® employer training program. This employer is not a participant in the Work@Health® program.*