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WHAT DO WORKPLACE WELLNESS PROGRAMS DO? EVIDENCE FROM THE
ILLINOIS WORKPLACE WELLNESS STUDY

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ABSTRACT

Workplace wellness programs cover over 50 million workers and are intended to reduce medical spending, increase productivity, and improve well-being. Yet, limited evidence exists to support these claims. We designed and implemented a comprehensive workplace wellness program for a large employer with over 12,000 employees, and randomly assigned program eligibility and financial incentives at the individual level. Over 56 percent of eligible (treatment group) employees participated in the program. We find strong patterns of selection: during the year prior to the intervention, program participants had lower medical expenditures and healthier behaviors than non-participants. However, we do not find significant causal effects of treatment on total medical expenditures, health behaviors, employee productivity, or self-reported health status in the first year. Our 95% confidence intervals rule out 78 percent of previous estimates on medical spending and absenteeism. Our selection results suggest these programs may act as a screening mechanism: even in the absence of any direct savings, differential recruitment or retention of lower-cost participants could result in net savings for employers.

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A randomized controlled trials registry entry is available at <https://www.socialscienceregistry.org/trials/1368>
The Illinois Workplace Wellness Website is available at <http://www.nber.org/workplacewellness>
Appendices are available at <http://www.nber.org/data-appendix/w24229>