

# Communicating the Value of Employee Health Benefits

**March 27, 2019**

**Arrival, Breakfast, Networking: 8:00 – 8:30 am**

**Employer-Only Roundtable: 8:30 – 9:30 am**

**Program: 9:30 – 11:15 am**

*Sponsored by:*





**Barbara Gniewek**  
Principal, GHR  
*PwC*



**Carolyn Kennedy**  
Vice President, Employee Benefits  
*Chubb*



**Virginia Peddicord**  
Director, Global Employee  
Population Health  
*Merck*

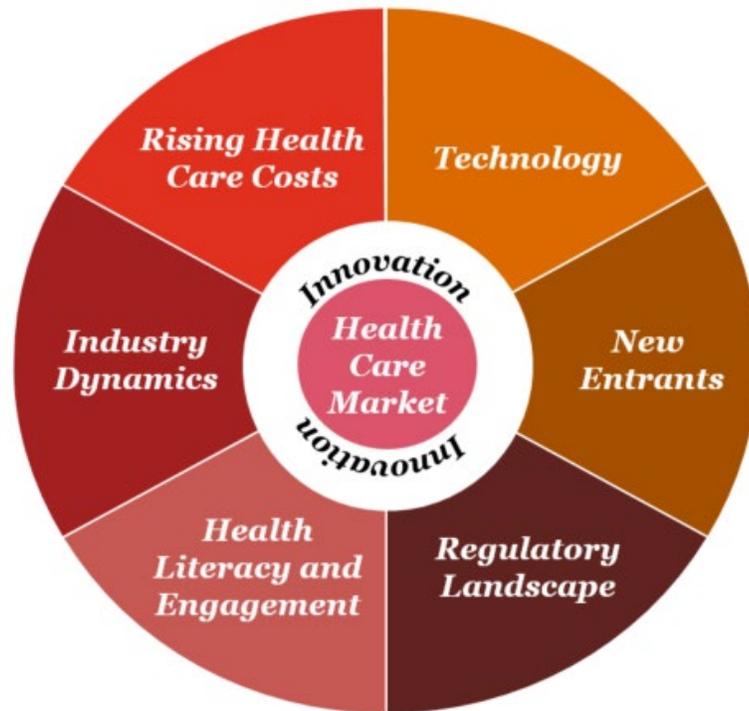


**Shelley Sinclair**  
Assistant Director, Total  
Rewards-Benefits  
*EY*

NEBGH



# Key market factors driving change in health care and health benefits

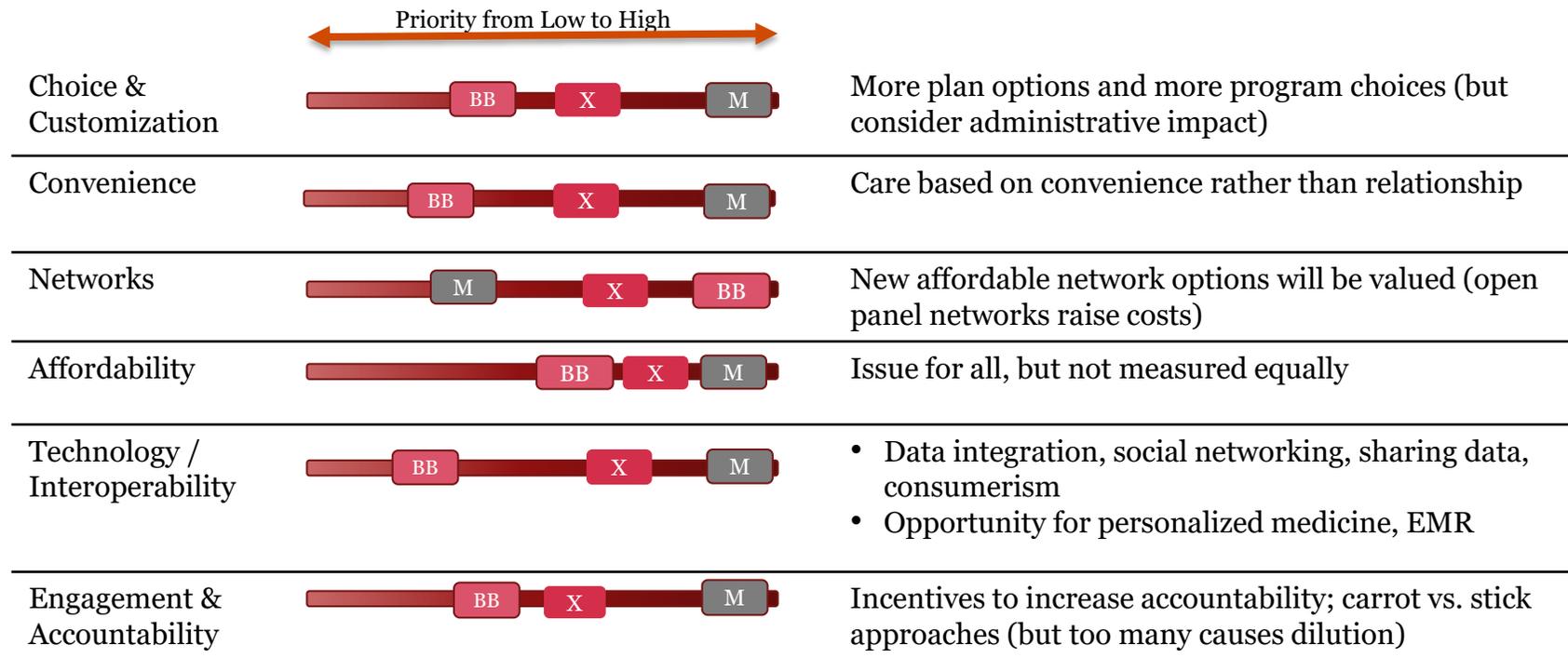


- Leveraging technology and innovation to improve convenience and engagement
- New entrants will improve the user experience and / or be disruptive
- Protecting from irrational regulatory change that will drive costs up
- Changing delivery models have the potential to bend the cost curve
- Misaligned provider, payer, or advisor incentives continue to perpetuate the status quo and drive up health care costs
- **Educating is critical to improve personal accountability and create efficient consumers**

The evolving dynamics of the workforce are accelerating the pace of change.

## The internal challenge of a multi-generational population adds complexity when considering health care needs

Current solutions are often not well positioned to meet diverse needs, or how people secure information.



# Health literacy and engagement

## ***Health Literacy undermines engagement***

More than obesity, heart disease and mental health, our collective lack of informed understanding of how the U.S. health system works is costly and threatens our future.

Consumer engagement is the elusive holy grail when it comes to health care, with the root cause for lack of engagement being health illiteracy. Specifically:

- 14% of adults have Basic or Below Basic Health Literacy\*,
- 53% have intermediate health literacy skills.
- 21% have basic and
- 12% have proficient health literacy skills

Unfortunately a person's health literacy is directly correlated to their personal usage of the health care system.

★ *(National Assessment of Health Literacy, U.S. Department of Education, 2003 Institute of Education Sciences, 2003)*

However, the changing workforce, technology and the new entrants are beginning to shift this trend, with the most dramatic shift starting with millennials:

- Millennials care about convenience and data
- New entrants are creating apps with the information / access that millennials crave

Engagement will be easier with the right products, choices and technology, starting with the tech savvy generations forcing a transformation.

# Thank you

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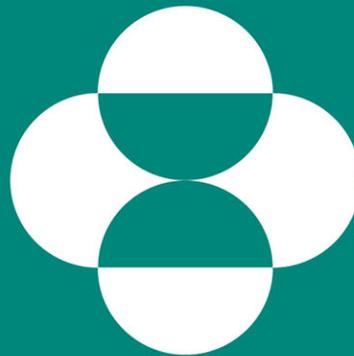
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**GLOBAL**  
**POPULATION HEALTH**

# HEALTH PROMOTION AND PREVENTION AT MERCK

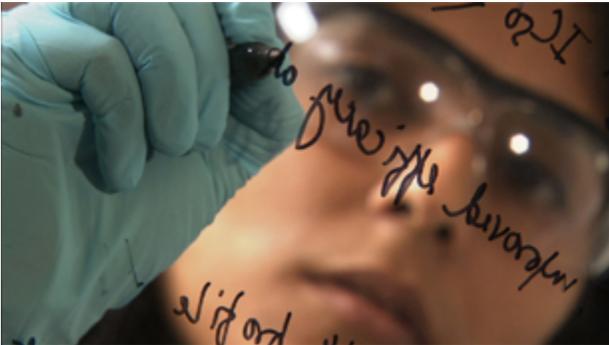
Virginia Peddicord  
Director, Global Employee Population Health  
March 27, 2018



**INVENTING**  
FOR LIFE

# What Is Merck?

- A global health care company with a 125-year history of working to make a difference in global health
- Inspired by a shared vision and a mission to save and improve lives
- Focused on innovation and scientific excellence to deliver vaccines, medicines, and animal health products that can help millions around the world



## CORE AREAS OF FOCUS

Diabetes  
Hospital Acute Care  
Oncology  
Vaccines  
Animal Health

## HEADQUARTERS

Kenilworth, NJ, USA

Operating in more than 60 countries

## EMPLOYEES

### Worldwide

Approximately **69,000**



### In the US

Approximately **24,000**

## 46.5 YEARS OLD

steady, incremental increase in average employee age since 2014



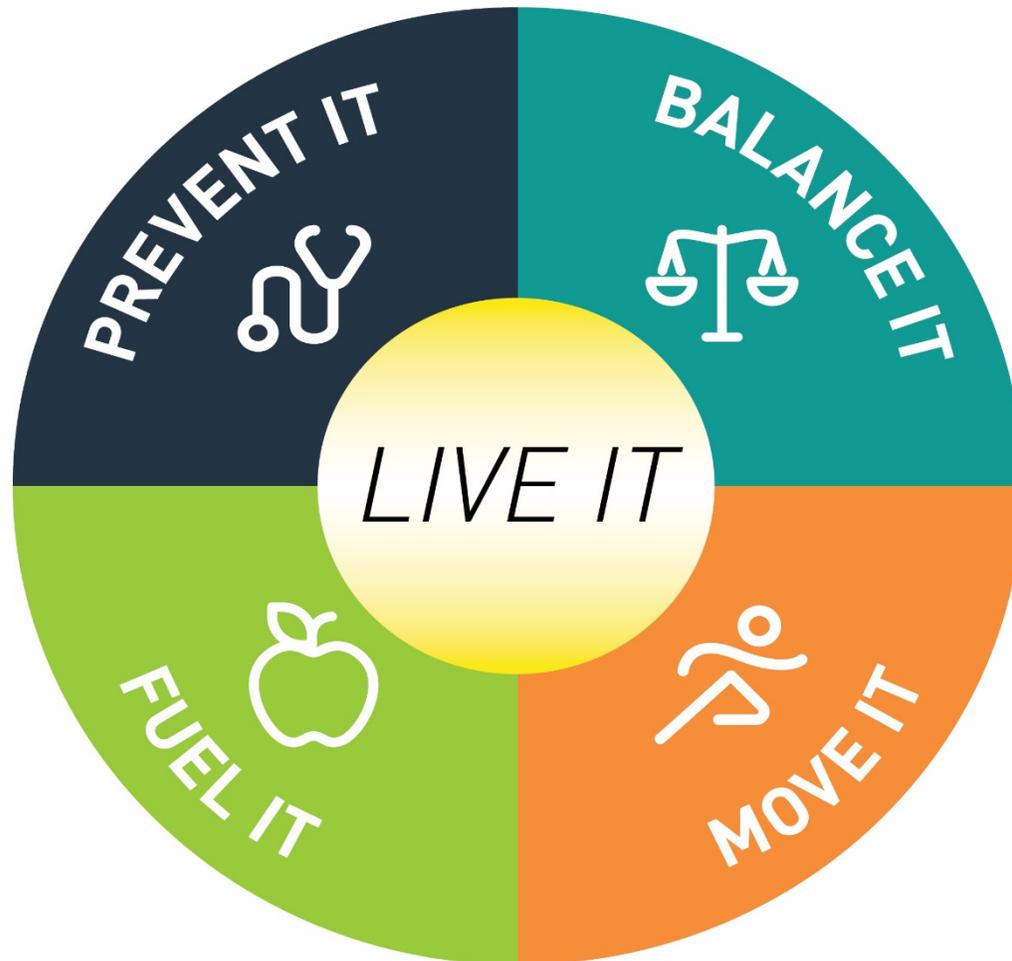
## 51% FEMALE

increase in % of female employees increasing annually since 2014

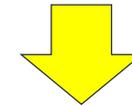


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# LIVE IT - A Holistic Approach to Wellbeing Designed by and for Merck Employees & Their Families

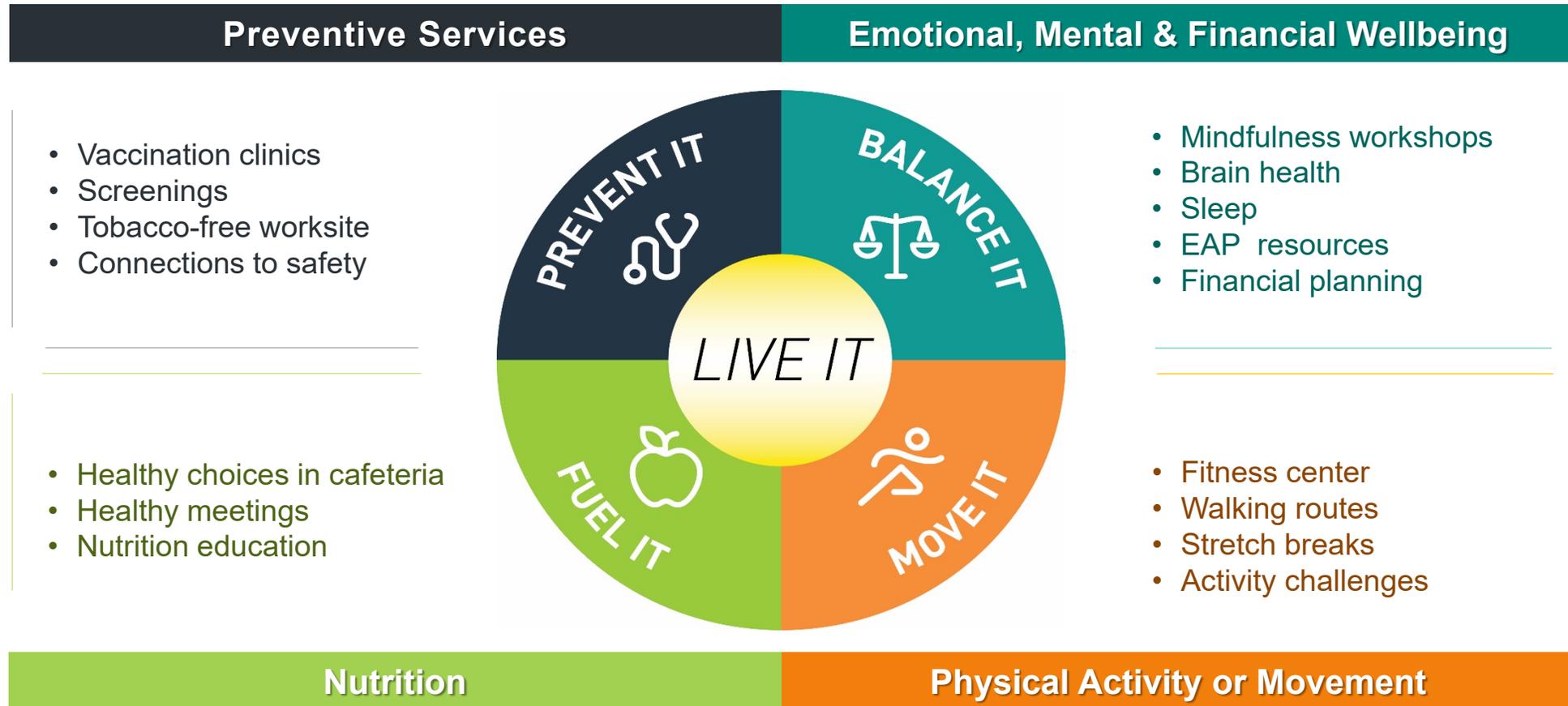


Introduced in the US in  
Sept. 2011 to bring  
together the health &  
wellness offerings under  
one branded program

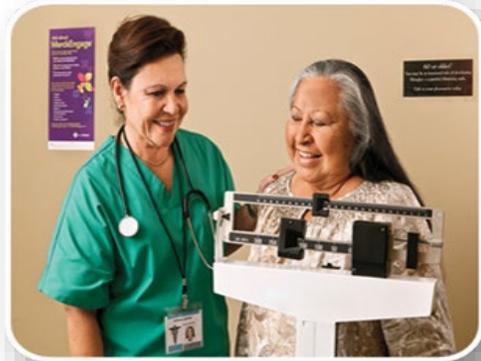


LIVE IT has launched to  
over 68,000 employees in  
65 countries, representing  
99% the workforce

# LIVE IT - A Holistic Approach to Wellbeing Designed by and for Merck Employees & Their Families



# Health Promotion and Prevention



## 1. Improve health in targeted areas

- Cardiometabolic risk
- Vaccinations
- Cancer screening & prevention
- Stress



## 2. Establish a workplace that promotes health and wellness and is focused on daily habits

- Movement / Activity
- Nutrition
- Mindfulness
- Tobacco Free Campuses
- Safety
- Champion's Network



