



Take Care

HEALTH • FAMILY • FINANCES • FUTURE

**Building A Culture of Health
and Wellness**

ARAMARK

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Human Resources Services



ARAMARK: Who We Are

- A \$12 billion world leader in professional services, providing food service, hospitality management, facilities management, and uniforms for:
 - 7,500 businesses
 - 2,200 hospitals and senior living communities
 - 2,000 universities, colleges and K-12 school districts
 - 400 stadiums, arenas and convention centers
 - 17 national and state parks
 - 30 conference centers
 - 300 oil rigs, mines, and other remote locations
 - 170,000 refreshment services locations
 - 49,000 public safety agencies and 500 correctional facilities
- 255,000 employees (175,000 full-time) in 22 countries

ARAMARK: Who We Are

- Medical Plan Participating Population
 - 34,000 employees
 - 14,000 Salaried and 20,000 Hourly
 - 27,000 dependents
 - Spread over approximately 5,000 client locations throughout U.S.

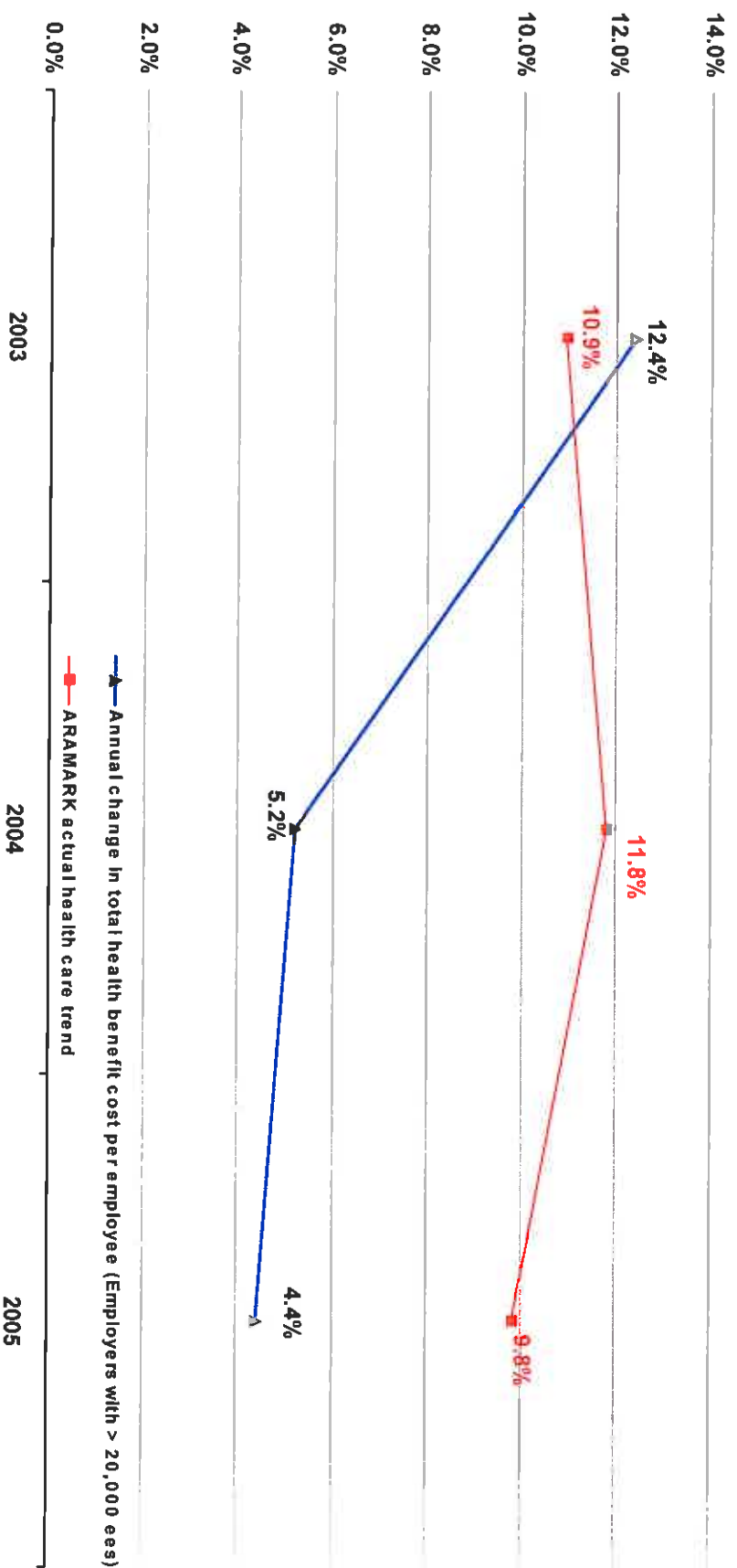
ARAMARK's population
is highly diverse and highly dispersed

Where We Were—Our Health and Wellness Story

- **1990s:** ARAMARK was an early adopter of managed care
 - Helped to mitigate cost increases throughout the '90s
 - Encouraged plan members to seek care and treatment through Primary Care Physician networks
- **Early 2000s:** National health care trend soared well into double digits
- **By mid-2000s:** ARAMARK's trend was above national average

Where We Were: Our Trend Far Exceeded National Averages

Nationwide vs. ARAMARK



Reference: Towers Watson Health Care Survey

Where We Were: The Situation

- Limited Utilization Data (provided by the carriers)
- Little insight into major health care cost drivers
- Few clearly-defined targeted solutions
- Some wellness initiatives, but not widely publicized or closely managed
- No forward thinking strategy for health improvement

In light of unsustainable cost increases,
something had to be done

What We Did: Gain Senior Management Support & Commitment

- Formed Health Care Task Force
 - Consisted of our CEO, CFO, EVP/HR, benefits professionals and consulting firm partners
 - Review and analyze how our employees use health care (or not)
 - Identify key cost drivers across the book of business
 - Examine demographics to improve understanding of our population (e.g., where and when are they seeking care?)
 - Evaluate what other Fortune 500 companies were doing
 - Conduct employee focus groups to gain insight into our employees' understanding of health care costs

The outcome: a blueprint for health improvement and cost management, with senior leadership support

The Blueprint: Strategies in Four Key Areas— Setting Health Goals and Program Elements

Financial Management

- Developed Health Care Dashboard
- Negotiated performance standards with service providers
- Implemented Consumer Choice Plan

Health Management

- Developed member risk profile
- Strengthened support for chronic conditions
- Encouraged healthy behaviors

Benefits Delivery (Value-Based Designs)

- Revised plan design
- Introduced Health Assessments
- Promoted preventive care

Communications

- Rebranded health care communications
- Developed regular, ongoing wellness communications
- Introduced full range of media as vehicles

The Health Care Dashboard: Identifying Diagnostics & Metrics

- Provides an at-a-glance look at:
 - How health care dollars are being spent
 - How claims, fluctuations, and large claims relate to our budget
 - How employees and dependents are accessing care
 - How our utilization compares to benchmark data
- ✓ By Group
- ✓ By Line of Business
- ✓ By Quarter
- ✓ By Year-Over-Year

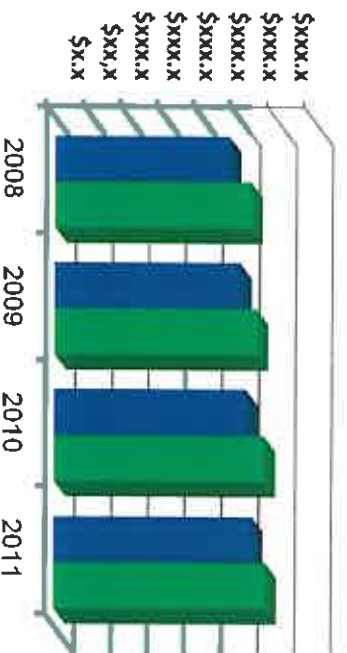
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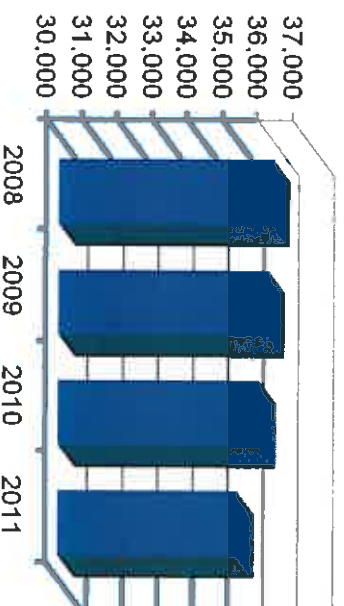
Sample Aggregate Cost and Enrollment (\$ in millions)

Annual Gross Plan Cost and Budget (\$ millions)



Gross Plan Cost (YTD)	2008	2009	2010	2011
ASO Med Claims (A/C/U)	\$xxx.x	\$xxx.x	\$xxx.x	\$xxx.x
ASO HRA Claims (A/C/U)	\$x.x	\$x.x	\$x.x	\$x.x
ASO Rx Claims	\$xx.x	\$xx.x	\$xx.x	\$xx.x
ASO Regional HMO Budget	N/A	N/A	\$x.x	\$x.x
ASO Fees	\$xx.x	\$xx.x	\$xx.x	\$xx.x
Insured HMO Premium	\$xx.x	\$xx.x	\$xx.x	\$xx.x
Total	\$xxx.x	\$xxx.x	\$xxx.x	\$xxx.x
Budget	\$xxx.x	\$xxx.x	\$xxx.x	\$xxx.x
Surplus (Deficit)	\$xx.x	\$xx.x	\$xx.x	\$xx.x
Loss Ratio (Target 90%)	x.xxx	x.xxx	x.xxx	x.xxx
Total Cost Share	2008	2009	2010	2011
EE Contributions	\$xx.x	\$xx.x	\$xx.x	\$xx.x
Net ARAMARK Cost	\$xxx.x	\$xxx.x	\$xxx.x	\$xxx.x
AMK Plan Cost Share	xx%	xx%	xx%	xx%

Average Annual Enrolled Employees



Demographics	2008	2009	2010	2011
Enrolled Employees*	xx,xxx	xx,xxx	xx,xxx	xx,xxx
- ASO Plans (A/C/U)	xx,xxx	xx,xxx	xx,xxx	xx,xxx
- ASO Regional HMOs	N/A	N/A	xxx	xxx
- Insured HMOs	x,xxx	x,xxx	x,xxx	x,xxx
- COBRA**	N/A	N/A	xxx	xxx
Enrolled Members*	xx,xxx	xx,xxx	xx,xxx	xx,xxx
Members:Ees	x,xx	x,xx	x,xx	x,xx
Avg Age (members)	xx.x	xx.x	xx.x	xx.x
% Female (members)	xx.x%	xx.x%	xx.x%	xx.x%
Avg YOS	x.x	x.x	x.x	x.x
Turnover % (enrolled)	xx%	xx%	xx%	xx%

* Excluding COBRA
 ** Average aggregate enrollment. COBRA demographics are excluded from utilization metrics

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Sample Key Utilization Metrics (self-funded plans color coded vs. Benchmark)

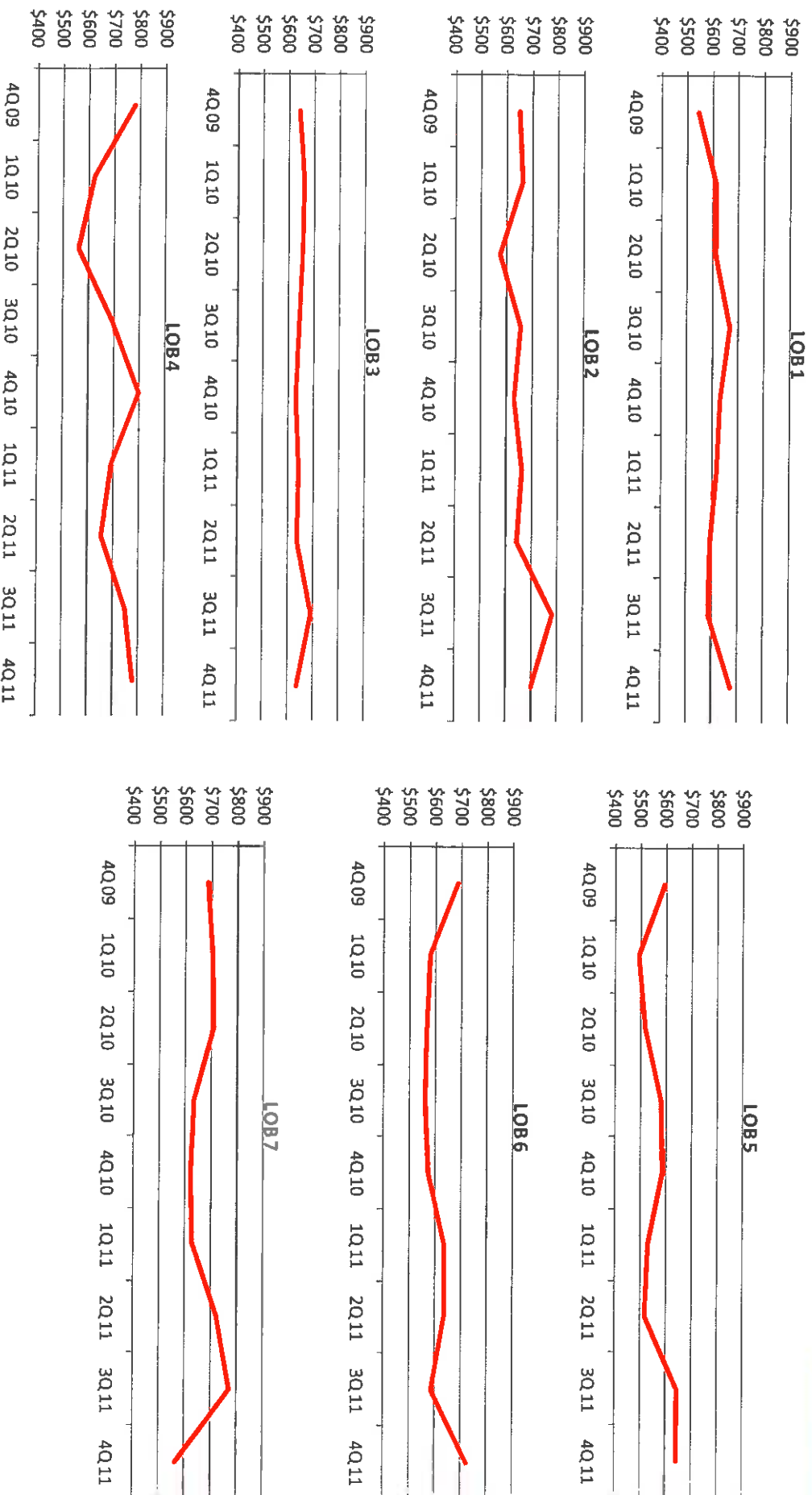
Legend:	20% above Benchmark	10% - 19% above Benchmark	0% - 9% above Benchmark	Equal to or below Benchmark					
Metric	4Q 09	1Q 10	2Q 10	3Q 10	4Q 10	1Q 11	2Q 11	3Q 11	4Q 11
Claimants >\$50K	xx	xx	xx	xxx	xxx	xx	xxx	xxx	xxx
% of Claims over \$50k	xx.x%	xx.x%	xx.x%	xx.x%	xx.x%	xx.x%	xx.x%	xx.x%	xx.x%
Utilization per 1,000 members									
Inpatient									
All inpatient admissions	xx.x	xx.x	xx.x	xx.x	xx.x	xx.x	xx.x	xx.x	xx.x
Average length of stay	x.x	x.x	x.x	x.x	x.x	x.x	x.x	x.x	x.x
Average cost per admission	\$xx,xxx	\$xx,xxx	\$xx,xxx	\$xx,xxx	\$xx,xxx	\$xx,xxx	\$xx,xxx	\$xx,xxx	\$xx,xxx
Average cost per day	\$x,xxx	\$x,xxx	\$x,xxx	\$x,xxx	\$x,xxx	\$x,xxx	\$x,xxx	\$x,xxx	\$x,xxx
Maternity admissions	x.x	x.x	x.x	x.x	x.x	x.x	x.x	x.x	x.x
Ambulatory									
Physician office visits	xx.x	xx.x	xx.x	xx.x	xx.x	xx.x	xx.x	xx.x	xx.x
ER visits	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx
X-Ray services	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx	xxx
Lab services	x,xxx	x,xxx	x,xxx	x,xxx	x,xxx	x,xxx	x,xxx	x,xxx	x,xxx
Prescription Drug									
Scripts per member	x.x	x.x	x.x	x.x	x.x	x.x	x.x	x.x	x.x
Retail	x.x	x.x	x.x	x.x	x.x	x.x	x.x	x.x	x.x
Mail	x.x	x.x	x.x	x.x	x.x	x.x	x.x	x.x	x.x
Avg paid per script	\$xx	\$xx	\$xx	\$xx	\$xx	\$xx	\$xx	\$xx	\$xx
Generic Substitution Rate (Retail)	xx.x%	xx.x%	xx.x%	xx.x%	xx.x%	xx.x%	xx.x%	xx.x%	xx.x%
Generic Dispensing Rate	xx.x%	xx.x%	xx.x%	xx.x%	xx.x%	xx.x%	xx.x%	xx.x%	xx.x%

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Sample Quarterly Per-Employee-Per Month Plan Costs by Line of Business (excludes EE Out-of-Pocket Costs)



Plan Design Initiatives

- **Consumer Driven Health Plans**
 - Designed to encourage greater awareness of health care costs and “budgeting” of plan dollars
 - Participation has steadily increased; currently stands at 29% of total
- **Other Plan Design Considerations**
 - Emphasis on comprehensive, but cost-efficient, design. Examples:
 - Prescription drugs:
 - generic substitution (exceeds book-of-business by 10%)
 - mandatory home delivery of maintenance medications
 - lower co-pays for generics and “formulary”
 - reduced co-pay for chronic condition medications
 - Co-pay differentials to drive usage of urgent care centers instead of ER (where appropriate)

Health Assessments

- Offered through 3rd party service provider
- Designed to identify health risks and provide participant with confidential personalized “Health Report” (blueprint for health improvement, with suggested action plans and resources)
- Paired with health claims data to identify cost drivers and areas for health improvement

To encourage completion:

2009 – 2010	2011 – 2012
Weekly incentive paid 30% completed	Weekly premium charged 70% completed (expanded to spouses in ‘12)

A Deeper Dive: Health Care Cost Drivers

- **Developed Medical Plan Member Risk Profile**
 - Approximately 25% have chronic health conditions
 - At least 30% smoke
 - BMI data indicates many are overweight
 - 19% being treated for high blood pressure; 17% for high cholesterol
 - 70% not receiving routine preventive care screenings
 - Spouse claims 20% higher than employee

ARAMARK employees had above average health risks and used more health care services more frequently

Preventive Care

- Goal is early identification/treatment of health risks and disease states
- Paid a *Wellness Pays* incentive for preventive screenings to eliminate co-pay as a barrier to receiving care
 - More than 25,000 members received rewards; 70% of them did not receive preventive screenings in the prior year
- New Initiatives
 - Expanded support for regular **biometric screenings**
 - Bundled **cancer screenings** for women (through hospital partnership)

Chronic Condition Support and Disease Management

- **Healthy Steps**
 - Designed to assist participants who are dealing with chronic conditions or who have significant health risk factors to manage their conditions, achieve better health and avoid complications
 - Potential participants (employees and spouses/domestic partners) are identified by 3rd party service provider through health claims data and Health Assessment data

To encourage participation:

2010	2011 – 2012
Financial incentive paid 20% of eligible group completed	Annual premium charged 60% of eligible group completed

Encourage Healthy Behaviors

- **Weight Management**
 - Provide telephone-based coaching from RNs, nutritionists, and fitness experts to help participants achieve and maintain a healthy weight
 - Currently exploring a team-based weight loss challenge
 - **Smoking Cessation**
 - Partner with American Cancer Society's Quit for Life Program to provide telephonic counseling
 - Prescription medication (and other cessation aids such as nicotine replacement therapy) provided at no cost to the member
 - Participation has been low historically
- To discourage smoking:

2011 – 2012

Weekly premium charged to smokers (employee and spouse)
Self-reported* smoking rates dropped from 30% to 18%
*honor system

Other Initiatives

- **Dependent Coverage**
 - Initiatives designed to ensure fair administration and pricing
 - Implemented monthly Working Spouse Premium (2012) for ARAMARK-enrolled spouses/domestic partners who have health coverage available from their employers
 - Addresses 20% differential in claims cost for employees vs. dependents
 - Dependent Audit
 - Employees required to submit proof that enrolled dependents meet eligibility requirements for health plans
 - Resulted in elimination of 1,900 ineligible participants
 - Ongoing audits to continue for new hires

Communications

- **Ongoing Communications Support Is Vital**
 - ARAMARK's employee wellness communications represent a year-round commitment
 - They encompass a wide range of vehicles, including: brochures, newsletters, email, websites, webinars, video, eMagazines, posters, postcards, contests, and calendars
 - Branding ("Take Care") fosters recognition and trust
 - All communications for hourly employees are in English/Spanish
 - Future plans include greater use of social media and a benefits app

**Recognized by National Business Group on Health as a
"Best Employer for Healthy Lifestyles" three years in a row**



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Communications Samples – Print



New Year, New You

Out with the old and in with the new. For many, the start of a new year brings fresh hopes and resolutions to change for the better. Your ARAMARK benefits can help you meet some of your goals.



You may want to lose weight, get more active, spend more time with the family, or keep in touch with friends. Although it's a great time to make plans for change, don't set yourself up for a letdown by making unrealistic resolutions. If you have decided you want to change, here are some pointers to help you stick to your wellness plan:

1. **Be realistic:** Don't expect too much too soon – set realistic goals within realistic time frames. If you want to lose weight, aim to do it by making small changes one at a time. Why not start by cutting out your snacks between meals, or snacking on fruit and nuts, and see if it makes a difference to your weight after a month?
2. **Be specific:** Instead of telling yourself "I am going to get fit this year," say "I will go for a 30-minute brisk walk after lunch three days a week." It is far more likely that you will actually do it if you are specific about your attention.
3. **Stick to a few:** It is much better to have one or two resolutions that you can really focus on and accomplish than an end less list of unreachable goals.

Is losing weight one of your resolutions?

Your medical plan's Weight Management Program can help you achieve a healthy weight and feel better. The program offers you the opportunity to work with a professional health coach and a nutritionist to build healthy eating and

- ✓ Free as part of your plan
- ✓ Completely private
- ✓ Over the phone or in person
- Call 1-800-XXX-XXXX, ext. 100

Two Ways to Start

1. **Dealing with an ongoing health condition?** Talk to your Health Coach or your primary care physician. They will be contacting you to get you started in the program. (Typically, a 1-hour appointment is provided at no additional cost.)
2. **Complete an update of your health and fitness goals.** Plus you'll receive a premium in your plan. Go to www.aramark.com/health to get started today.

As an eligible employee, you can enroll in the program. For more information, contact your HR representative.

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When I'm tired of fighting my cancer alone, my nurse coach is there to help.

Something today's cancer care is common: one-on-one coaching. But the way you can do it helps control your symptoms and side effects.

Whether you've just been diagnosed or are in treatment or remission, you can get help over the phone and support from a registered nurse. And you can talk to your nurse coach as often as you like.

It's all part of a confidential program called InformED Care Management, which is included in your medical plan at no extra cost.



Who can we help?

While our nurses can help with any kind of cancer, we have specialized programs for people with:

- Leukemia
- Lymphoma
- Breast
- Colon
- Lung
- Prostate



Wouldn't it be nice to talk things over with an understanding nurse whenever you needed to?
Of course, it would. And that's why we have a nurse coach to help you deal with your cancer.
Thanks to Healthy Steps, part of your ARAMARK medical plan, you can!

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Communications Samples – Online



eMagazine

Whiteboard Video



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Communications – Kids Calendar Contest

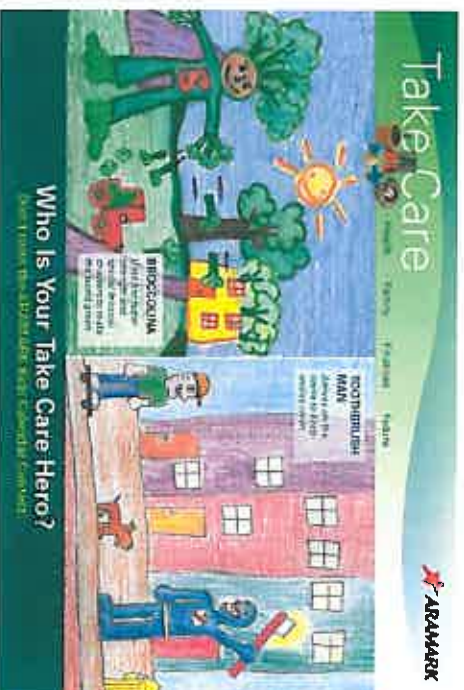


How do you TAKE CARE of yourself?

Don't miss the **APPA/AAEP** e-learning content & benefit artwork today!



Take Care Calendar



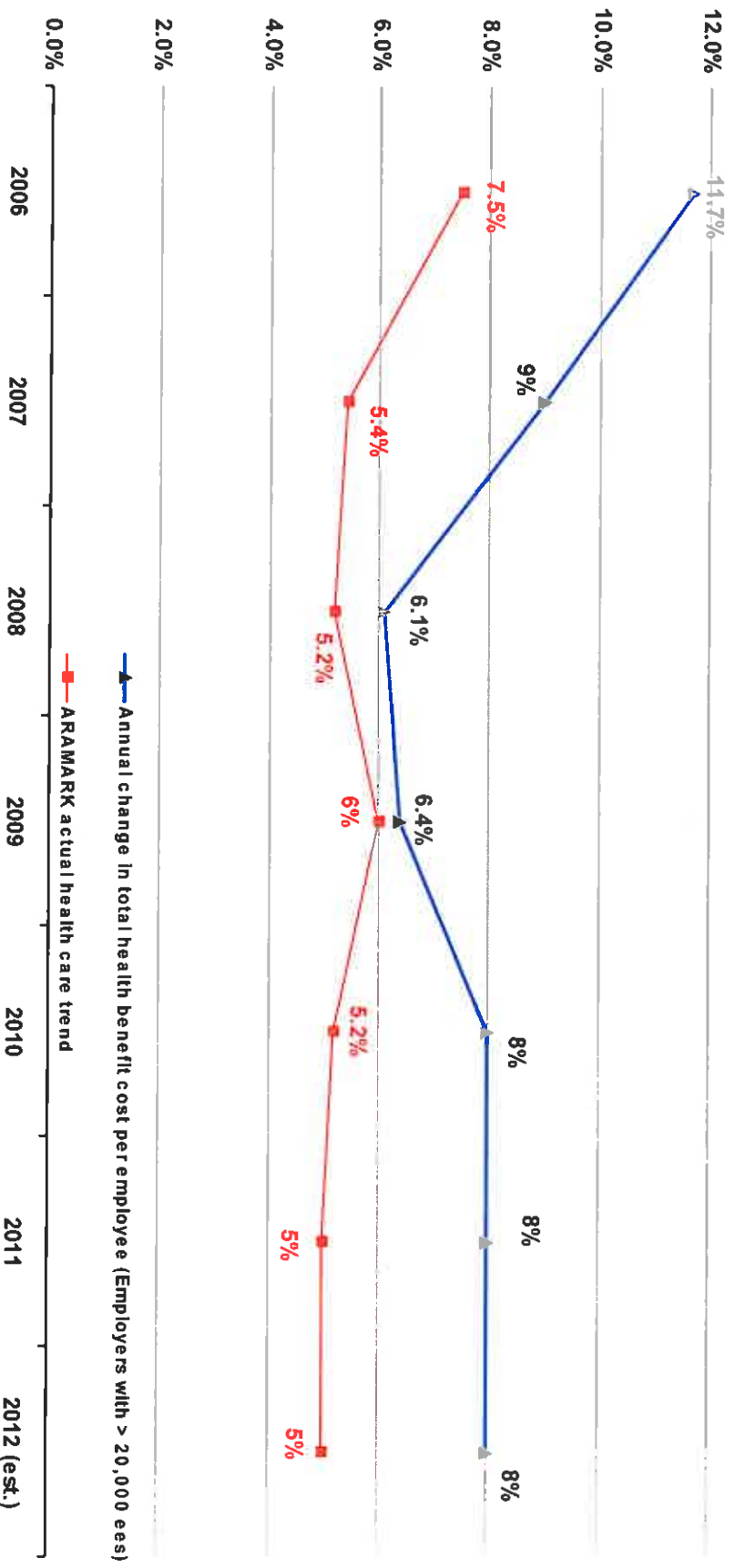
Who Is Your Take Care Hero?

Acquisition of the *Hydrellia* food web by a community



Take Care Calendar

Results: Our Health Initiatives Continue To Make A Difference Nationwide vs. ARAMARK



Estimated Savings: National vs. Actual Trend - \$38.4 million

Reference: Towers Watson Health Care Survey

Looking Ahead

- **Managing Future Trend While Supporting Employee Wellness**
 - Continue current health and wellness initiatives and support programs and explore new options in the U.S. and globally
 - Track claims of participating populations to measure “before and after” results over time
 - Seek closer integration of health and disability claims management
 - Further analyze claims data to focus health management efforts and evaluate provider performance
 - Monitor Health Care Reform developments and lay foundation for 2014 coverage requirements