

**The University Senate of Michigan Technological
University
Proposal 17-26**

**Proposal to Keep Husky Health Wellness 360
Incentive Program in Place Until Redesigned
Wellness Program is Developed**
(Voting Units: All)

Submitted by: Senate Fringe Benefits Committee

I. Introduction

The current Husky Health Wellness 360 Incentive Program is being paused at the end of 2025, and it has been explained that "a redesigned program with holistic measures and meaningful engagement" will launch in 2027. This proposal requests that the current Husky Health Wellness 360 Incentive Program remain in place until the redesigned program is ready to launch.

II. Rationale

Workplace wellness programs can yield enormous benefits relative to return on investment to an organization. The current MTU Husky Health Wellness 360 Incentive Program has been in place since October of 2023. Prior to that, the wellness program was known as Husky Health. The program is free to employees and voluntary. The program's stated goal is:

"The goal of MTU Wellness 360 is to encourage sustainable, healthy lifestyles that help prevent chronic disease and other health conditions, and manage rising healthcare costs. Additionally, MTU Wellness 360 strives to provide faculty and staff with valuable tools and resources to support their emotional, social, and financial wellbeing."

The program has provided a strong financial incentive for participation, and over half of our employees participate. In 2024, the last year of record, there were 797 participants in the Wellness Incentive program, out of about 1,550 employees at MTU. This resulted in a non-trivial payout of approximately \$353,000 by the University to participating employees in proactive support of their wellness.

The program provides an incentive to employees to undergo an annual wellness exam, to participate in the BCBS Health & Wellness Assessment, to be a non-nicotine user or to

participate in tobacco cessation; the financial incentive for this is \$250/year. If that is completed, the program further incentivizes activity (either an active fitness membership, a seasonal pass or fitness class pass, health program participation, 90 minutes of exercise per week), or, meeting with a financial advisor; that incentive is \$200. Thus, the total incentive is \$450.

Because Michigan Technological University is essentially self-insured for medical benefits, (as per the 2025 Financial Report, section (8), page 49), providing preventative health wellness programs can provide a direct impact to the bottom line of what is needed in the University's self-insured claims liability balance and to what the stop-loss coverage fees are. The 2025 financial report shows that claims incurred have markedly risen between 2023 and 2025, increasing from about \$18.5 million to over \$28 million comparing 2023 to 2025. While the university does pay for stop-loss coverage for medical coverage, having less claims incurred, by dollar value, will save the University money, as stop-loss coverage is based on what the average expected monthly claims are expected to be.

It is our committee's view that the planned one year pause of the program in 2026 will have an adverse effect on employee health and morale as well as a potentially adverse effect on the University's bottom line because of even larger numbers and amounts of increased claims. Also, we fear the loss of "wellness momentum" as employees who previously participated may become discouraged and lose interest in habits that support preventative health. The program encourages the use of a HSA (this is one of the several options available for disbursement), which is financially wise, as it becomes pre-tax dollars available for medical purposes (e.g. out of pocket expenses). Finally, the program proportionately helps those with lower salaries, the most; amounting to nearly \$40/month across 12 months.

In summary, there is strong organizational need relative to rising health care costs, and strong employee participation in the current program focused on health and wellness. Our current program, while yet not redesigned, is better than having no program at all in 2026.

III. Proposal

We respectfully request that the MTU Husky Health Wellness 360 Incentive Program be continued in 2026 until the University has the redesigned program available.