



# Walgreens: Championing Everyone's Right to Be Happy & Healthy



# Today's speakers

**Melissa Williams, MS, CHES**

Strategic Account Manager



**Jennifer P. McMurray, PharmD**

Director, Healthcare Products and Services  
Team Member Benefits & Well-Being



**Dana Park**

Product Marketing  
Walgreens - Digital Health



# A healthy employee is a productive employee

Maintain this health/productivity balance to achieve these goals

Reduce your per-capita cost of each person's healthcare

Improve the health of the employee population

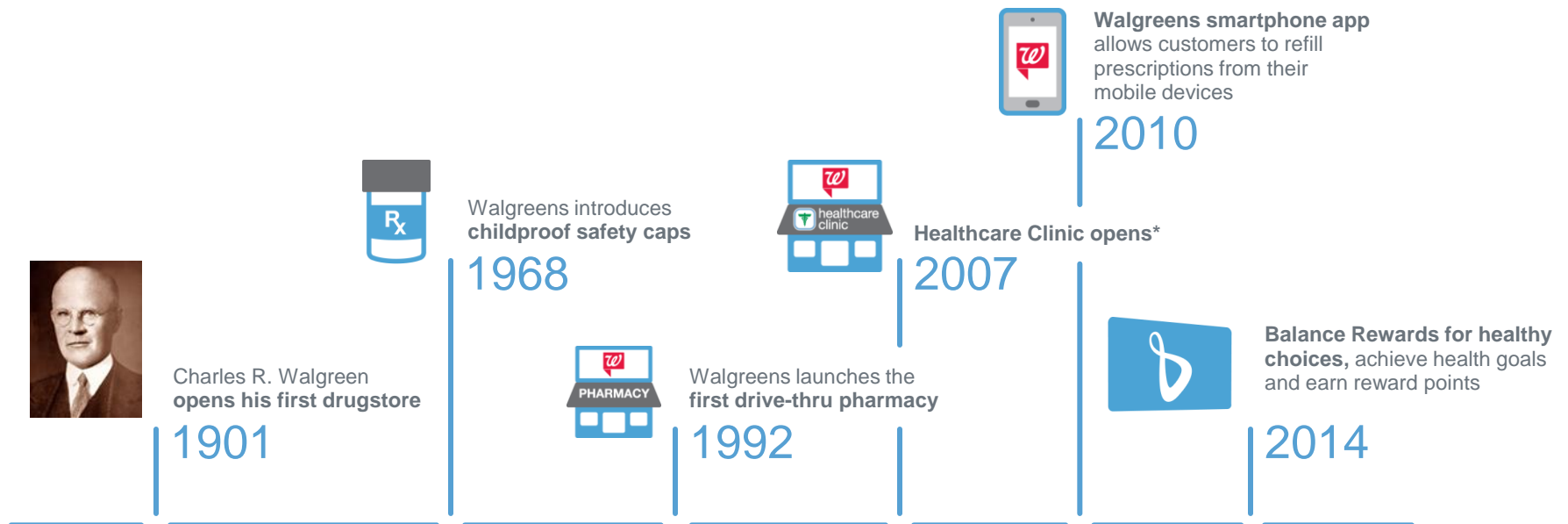


Improve each employee's patient experience



# From the corner drugstore to healthcare leader

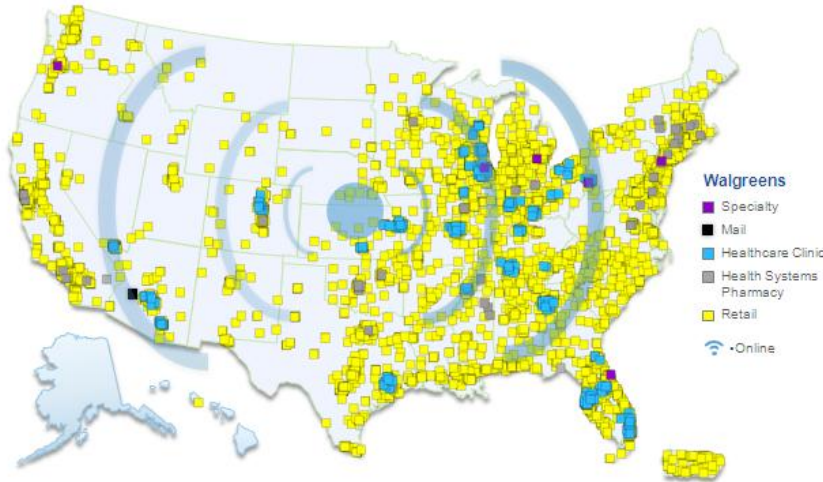
Over 110 YEARS of innovation



\* Formerly known as Take Care Clinic. Patient care services provided by Take Care Health Services, an independently owned corporation whose licensed healthcare professionals are not employed by or agents of Walgreen Co., or its subsidiaries, including Take Care Health Systems, LLC.



# Leveraging our footprint



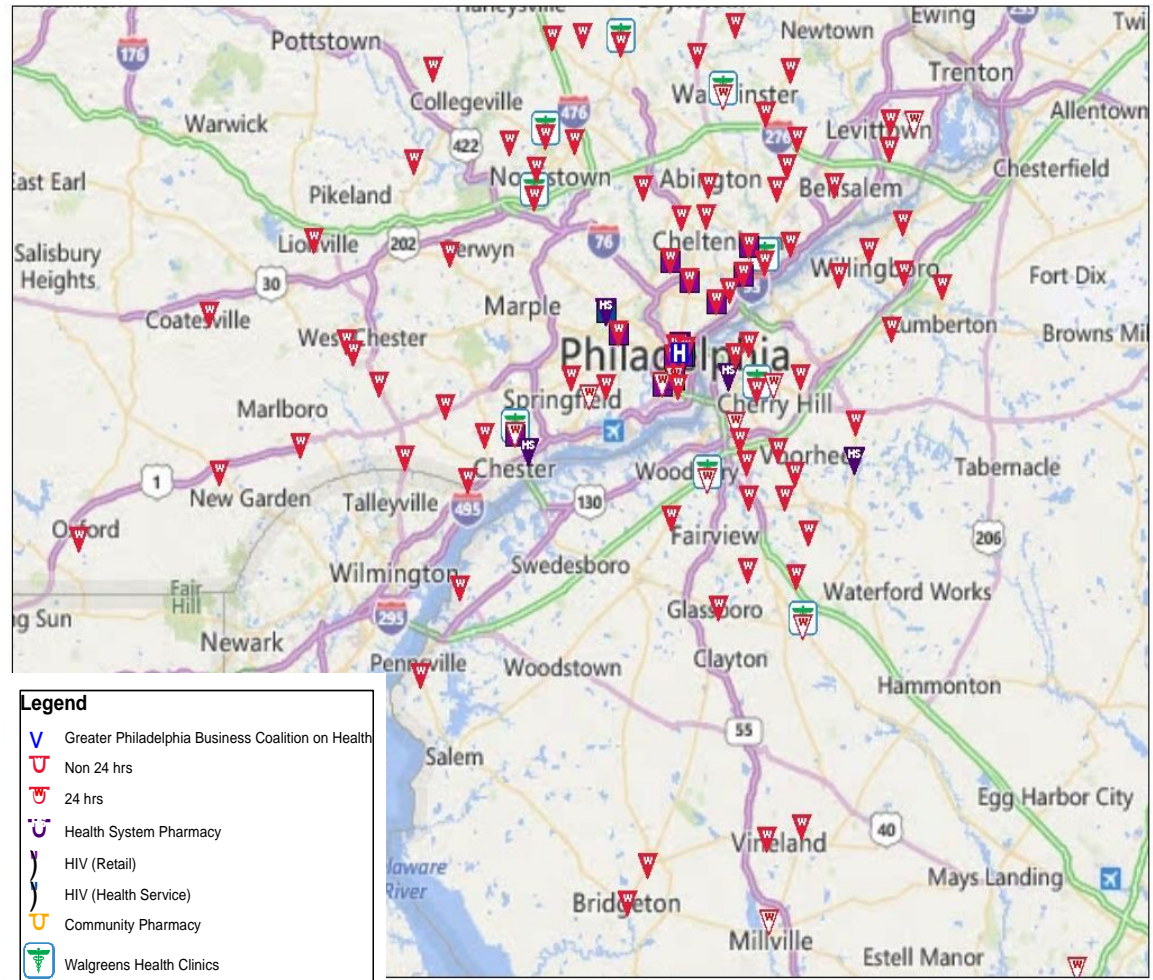
Nearly 2/3rds of Americans live within 3 miles of a Walgreens

- ✓ Over 8,000 stores & 8,500 Points of Care
- ✓ 27,000 Certified Immunizing Pharmacists and over 37,000 certified technicians, patient care clinicians, affiliated providers including RNs and NPs
- ✓ 6.1 million customers a day. We fill more than 21% of all scripts
- ✓ 75% of African-American and 78% of US based Hispanic population live within 3 miles of a Walgreens

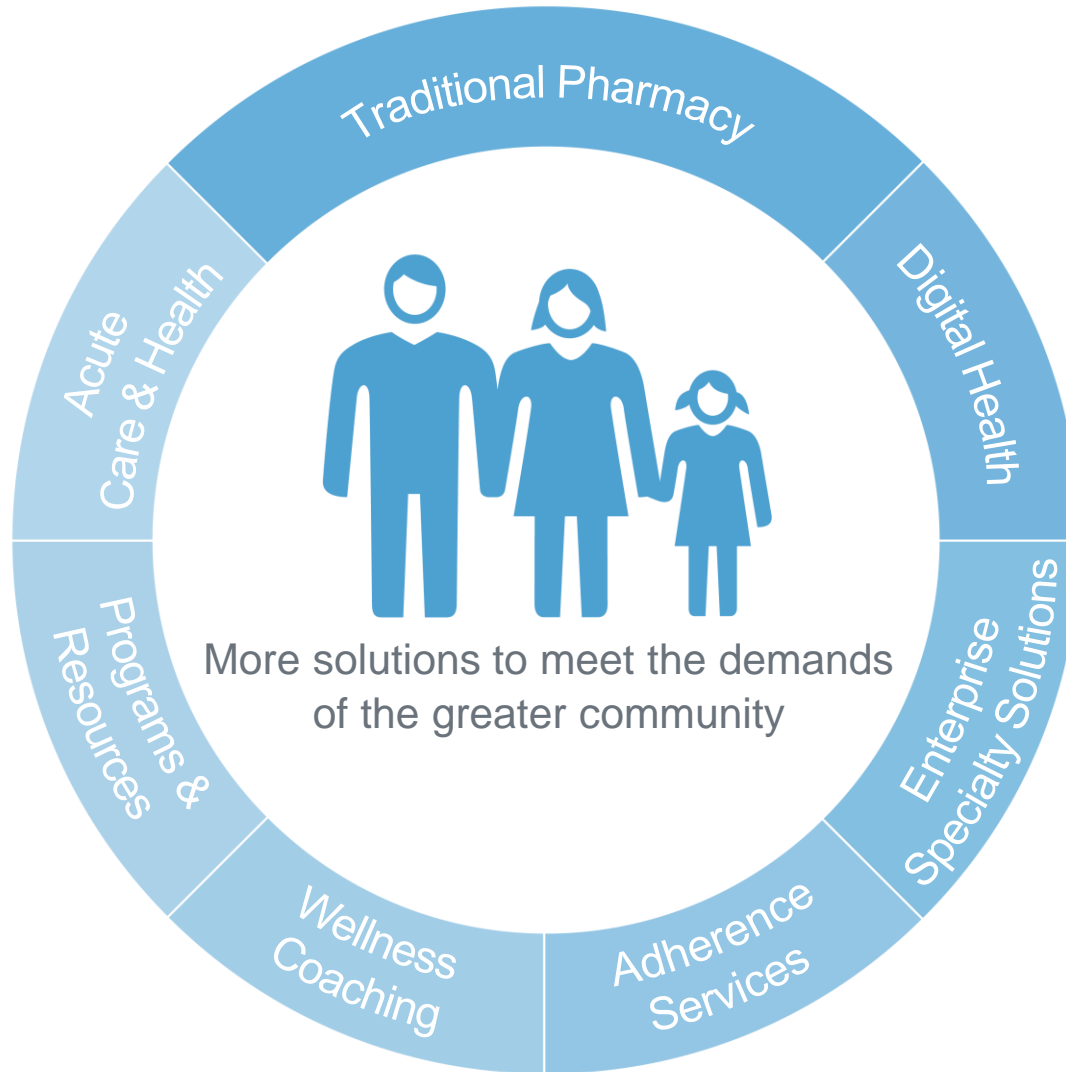


# GPBCH access at-a-glance

- 96 Walgreens pharmacies
- 1 Community Specialty pharmacy
- 9 Healthcare Clinics
- 15 HIV centers of excellence
- 7 Hospital System pharmacies



# Extensive healthcare services



# **Walgreens Team Member Wellness Strategy Overview**



# Walgreens team member wellness strategy

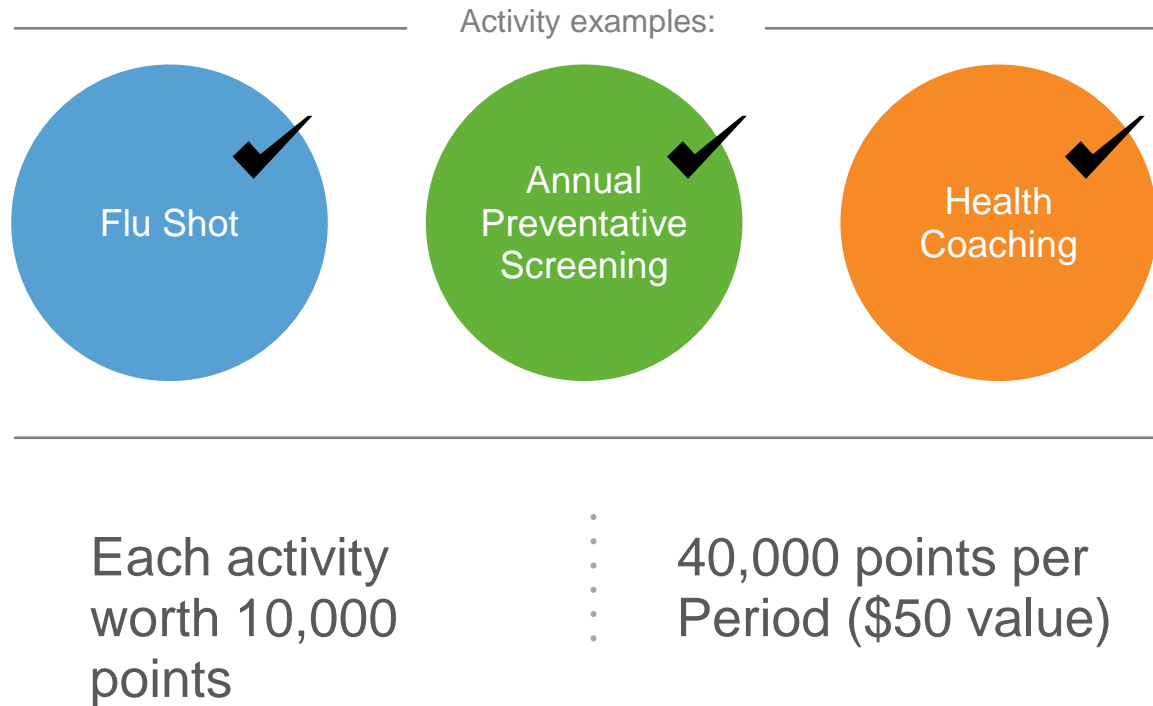
- Mission Statement
  - “Walgreens is driven by the vision to become America’s most love pharmacy-led health, well-being, and beauty enterprise. Our Company’s passion is to help people across the world lead healthier and happier lives”
- Objectives
  - Resourceful collaboration between Walgreens and it vendors to offer innovative programs
  - Creative and diverse communications that educate and demonstrate the value to our robust total rewards package
  - Raise awareness that team members have individual accountability to the overall health of our company’s workforce and its effect on healthcare costs
  - Increase engagement



# **Walgreens transition to a Balance<sup>®</sup> Rewards incentive**

# Walgreens own 2014 team member incentive program

Walgreens team members complete healthy activities across three time periods

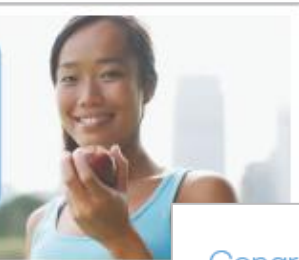


# Team member communications



Don't miss your chance to earn 40,000 Balance® Rewards points!

Your opportunity to complete Healthy Activities during Period 2 ends **June 30**. Complete yours today to earn up to 40,000 Balance® Rewards points.



Congrats! Your points are now available.



Congratulations on taking steps toward a healthier lifestyle! By completing your Period Two Healthy Activities by June 30, 2014, you've earned Balance Rewards™ points. This email acknowledges that your points were successfully deposited into the Balance Rewards™ account number you provided during your registration on [www.youandwalgreens.com](http://www.youandwalgreens.com).

You can verify your deposit (under transaction date 1/1/14), by clicking [here](#).

If you have questions, please email [Benefits.policies@walgreens.com](mailto:Benefits.policies@walgreens.com).

Don't forget—you can participate in Period Three Healthy Activities between July 1 and September 30. Log in today to earn 40,000 Balance Rewards™ points.



I want to get rewarded!

## Earn 40,000 Balance® Rewards points.

Complete Healthy Activities on [youandwalgreens.com](http://youandwalgreens.com) now through September 30 and earn 40,000 points.

Team members and spouses/domestic partners in a Walgreen Health Plan can each earn 40,000 Balance® Rewards points for completing Healthy Activities!

\*In addition to the HRA funds you earn through Well Informed, your health care flexible spending account (FSA) dollars are also deposited on your YSA debit card. FSA dollars will be spent first because these do not roll over year to year, followed by your HRA dollars.

Participation is subject to the tax laws of your state.

Log in to [youandwalgreens.com](http://youandwalgreens.com) from your computer, tablet or smartphone today!

Points are deposited into the 13-digit Balance® Rewards account number you provide on [youandwalgreens.com](http://youandwalgreens.com) and are available for use within six weeks after the end of Period 2, which ends on June 30.



I want to get rewarded!

**Walgreens Team Members Please Read**

**Walgreens team members can now receive information on company benefits, free programs, discounts and incentives by texting LIVEWELL TO #21525**

\*By signing up you agree to receive marketing text messages, which may be sent through an automated telephone dialing system, from Walgreens at the mobile phone number provided. Message and data rates may apply. For terms and privacy, please visit myHR.

**Live Well Alerts for Walgreens Team Members**

Walgreens® Team members: To determine your eligibility for these benefits, please visit myHR.

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# Walgreens team member engagement success

## Change in incentive offering: 2013 to 2014

- From \$150 in Walgreens gift cards to \$150 in Balance® Rewards points

## Overall participant engagement: 2013 to 2014

- Period 1: 68% increase
- Period 2: 480% increase
- Period 3: 239% increase

## Maintained and increased participant engagement

- Period 1 to Period 2 in 2014: 18%
- Period 2 to Period 3 in 2014: 20%



# Why the shift to Balance<sup>®</sup> Rewards

# An opportunity with powerful benefits

Employers can leverage Balance<sup>®</sup> Rewards to:

Improve health  
outcomes

Manage healthcare  
spending

Improve productivity  
and reduce  
absenteesim

Maximize employee  
recruitment and  
retention



# Balance<sup>®</sup> Rewards points are different

Cost effective

High levels of adoption

Integrated experience

Continuous engagement





# Capitalizing on digital health tracking trend



- 21% of Americans use some form of technology to track their health data<sup>1</sup>
- We're compatible with their favorites
- Members have connected more than 150,000 devices and apps
- And more

Walgreens Activity Trackers



1. Pew Research Internet Project, Health Fact Sheet.  
<http://www.pewinternet.org/fact-sheets/health-fact-sheet/>. Accessed December 30, 2014.



# Participants are achieving weight goals

During a six-month study of 6,196 participants who tracked their weight through Balance Rewards for healthy choices®:



All participants  
lost an  
average of  
**3.3 lb.**



27% of  
participants  
lost more than  
**6 lb.**



Walgreens data on file.

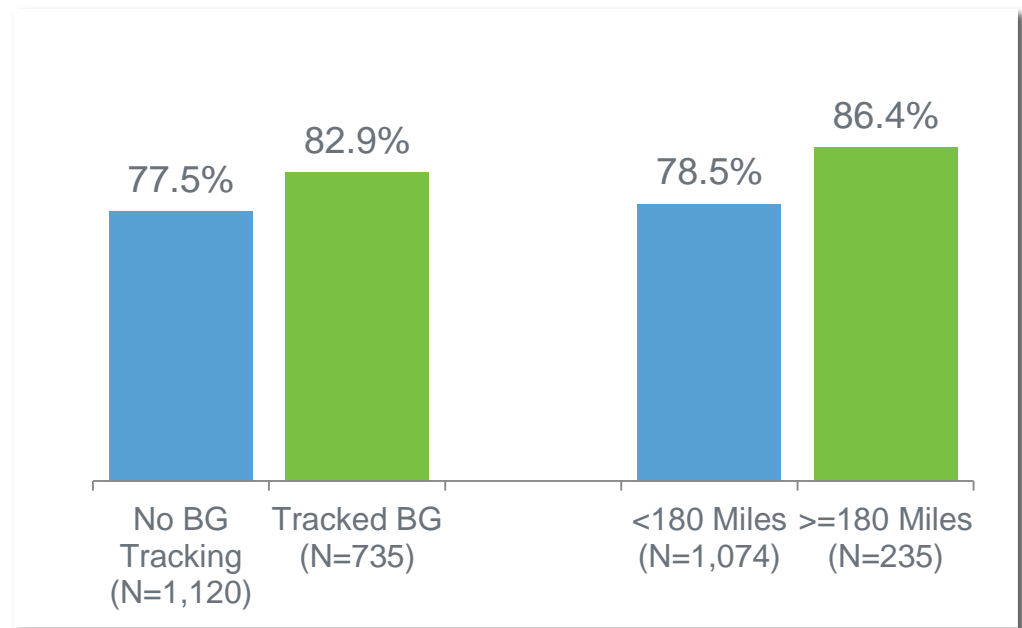


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# Greater medication adherence for members who tracked healthy behaviors—diabetes

- Significantly greater<sup>†</sup> medication adherence was noted in participants who:
  - Tracked their blood glucose
  - Tracked their activity and logged an average of one mile per day

Mean adherence by blood glucose tracking status and total miles logged\*,<sup>1</sup>



<sup>†</sup> P < 0.05

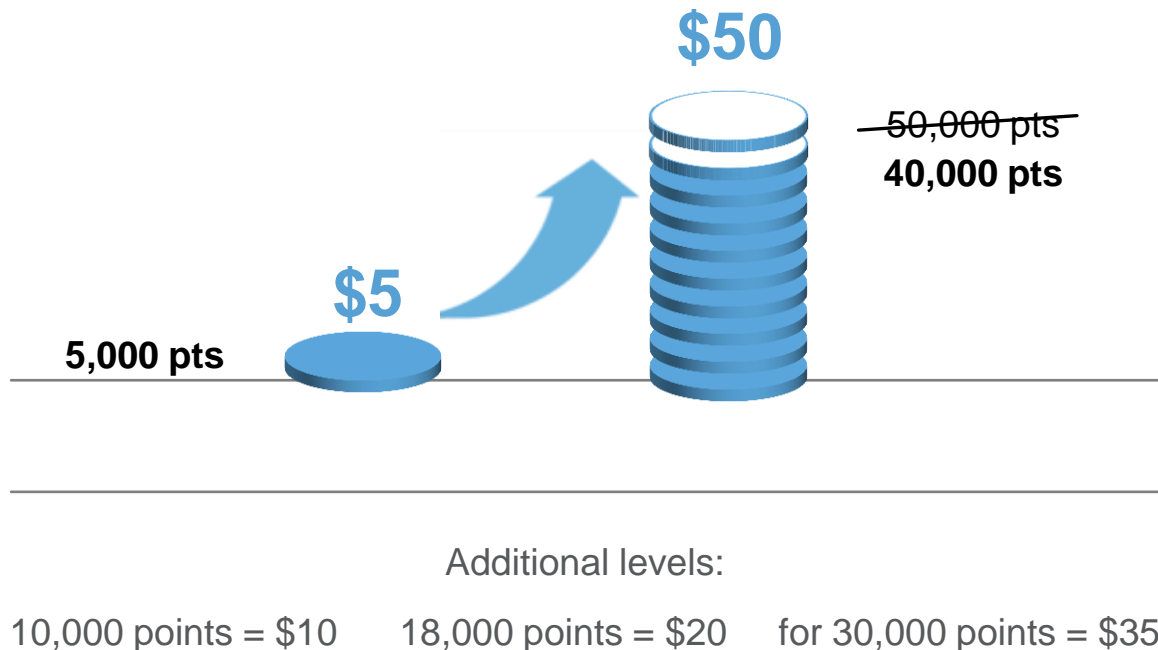
\*Adherence measure as proportion of days covered (PDC)

1. Walgreens data on file.



# As rewards add up, our investment goes farther

Balance<sup>®</sup> Rewards provides more value than traditional cash programs



# Balance<sup>®</sup> Rewards points benefits close-up

	Traditional/Prior incentives	The Walgreens difference
<b>Experience</b>	<b>One-time</b> infrequent rewards with long wait periods	<b>Consistent</b> , timely rewards with long-term value ✓
<b>Options</b>	<b>Limited</b> health-related reward options	<b>Thousands of healthy products</b> and services at 8,200 store locations <sup>1</sup> , Walgreens.com and more ✓
<b>Costs</b>	<b>Between 10%-30%</b> administrative costs	<b>No</b> administrative fees ✓
<b>Engagement</b>	<b>Low</b> engagement	<b>Proven</b> engagement ✓
<b>Integration</b>	<b>Complex</b> integration	<b>Add to your existing</b> wellness platform ✓

<sup>1</sup>Points cannot be redeemed on the purchase of: dairy; alcohol; tobacco; stamps; phone/pre-paid/gift cards; money order/transfers; transportation passes; charitable donations; prescriptions; pseudoephedrine or ephedrine products; immunizations, health tests or other healthcare items or services; Prescription Savings Club membership fee; clinic services.



# More ways to earn rewards

Employees can also earn points for a variety of activities, including purchasing Walgreens weekly specials.



Prescriptions and immunizations



Weekly offers on thousands of items



Balance Rewards for healthy choices™

Points will not be awarded to anyone who currently is or was at any time in the 6 months prior to purchasing Pharmacy Items covered by Medicare, Medicaid, Tricare or any other government-funded healthcare program.



**Balance Rewards for  
healthy choices®**

# Balance Rewards for healthy choices<sup>®</sup> program

Points act as incentives for setting goals, completing daily activities that help toward goals and achieving goals.



250 points/1<sup>st</sup> goal



250 points/device  
or app linked



20 points/mile



20 points/daily log



20 points/daily  
weight log



20 points/blood  
pressure test



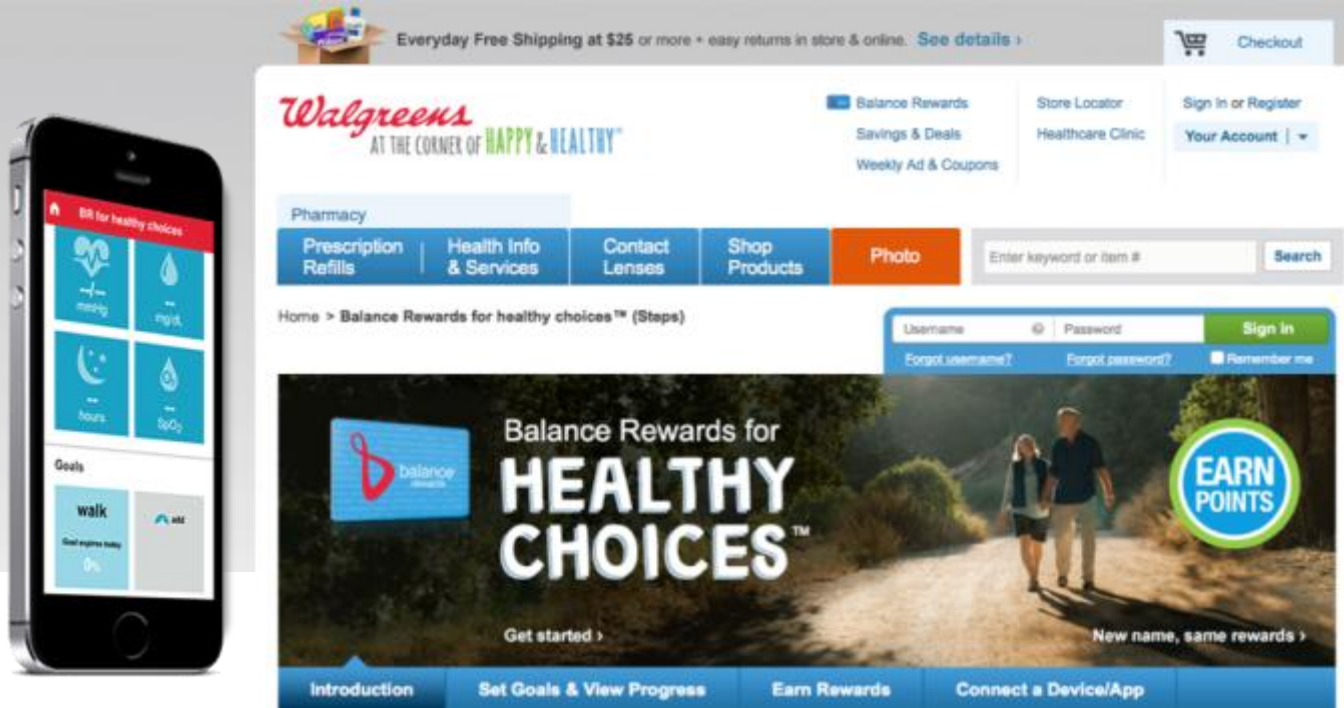
20 points/blood  
glucose test

Points may be limited per the terms and conditions of the program. Information provided to Walgreens online is covered by the terms of our Online Privacy and Security Policy and the terms and conditions of Balance<sup>®</sup> Rewards. Personally identifiable information is not covered under HIPAA or the Walgreens Notice of Privacy Practices. For full program terms and conditions, visit [Walgreens.com/healthychoices](http://Walgreens.com/healthychoices).





# Online and mobile support



**Discover**  
new ways  
to stay well

**Track**  
progress

**Share**  
with  
friends

**Earn**  
points

**Connect**  
a device  
or app



# We are seeing results



154M total miles logged

143M miles walked

8M miles ran

2M miles biked



# Our active users love this program



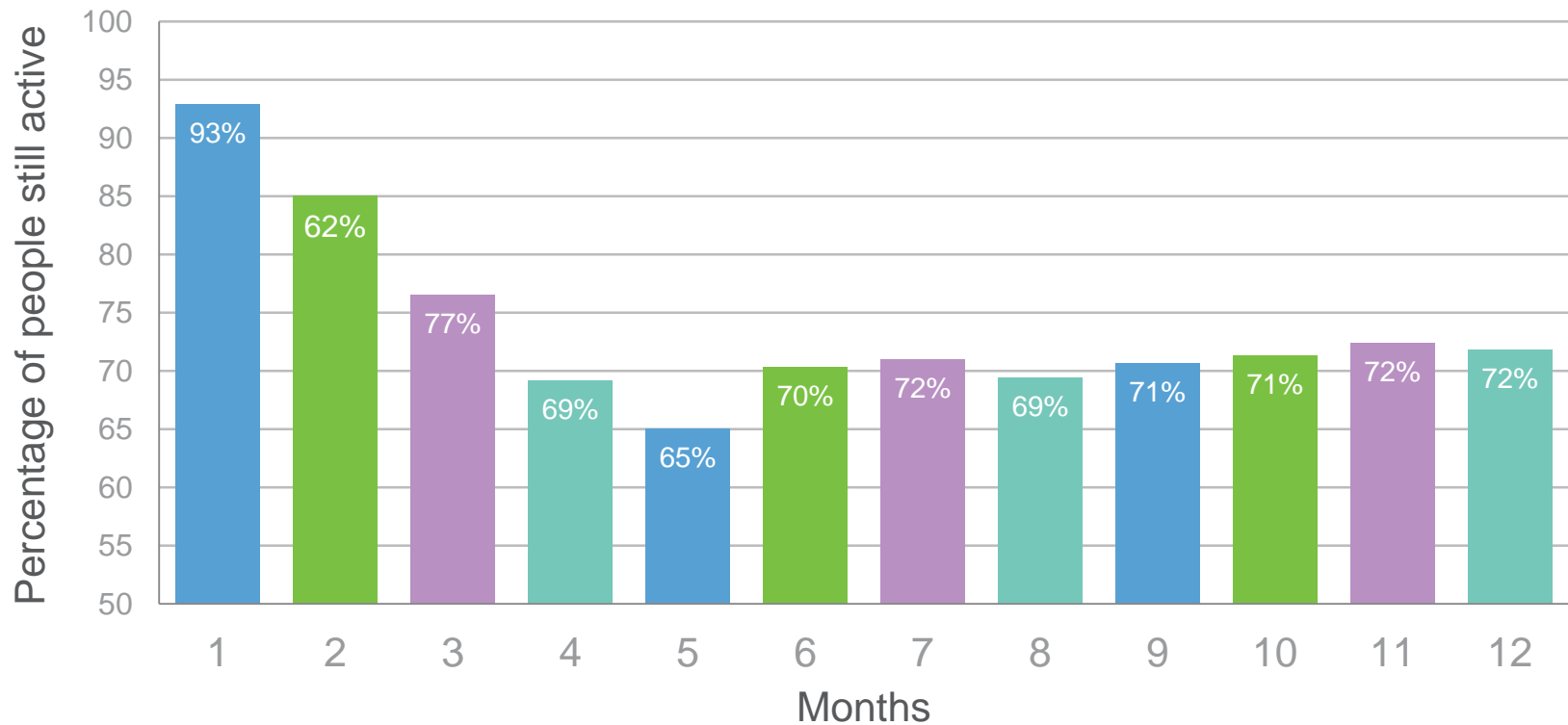
500K active users

1.4 B points awarded



# Once signed up, people stay with the program

## Retention of active Balance Rewards for healthy choices™ members with connected device\*1



\*Active defined as having logged an activity in the past 30 days

1. Walgreens data on file. Data collected September 2014.



# Delivering wellness in-store and online

Walgreens provides healthy redemption choices and access to Pharmacists trained in behavioral coaching

Adherence programs

Smoking cessation

Weight management

Fitness & nutrition



# **Summary and Next Steps**

# Summary and next steps

- Walgreens wants to **support** your population health and wellness rewards program by:
  - Providing Balance® Rewards currency as part of your incentive offering
  - Complementing your wellness program through our Balance Rewards for healthy choices® tracking and rewards platform
  - Serving your employees through our assets in-store and online



# Questions, comments, concerns

**Please contact Melissa Williams  
Strategic Account Manager  
[melissa.williams@walgreens.com](mailto:melissa.williams@walgreens.com)**

