

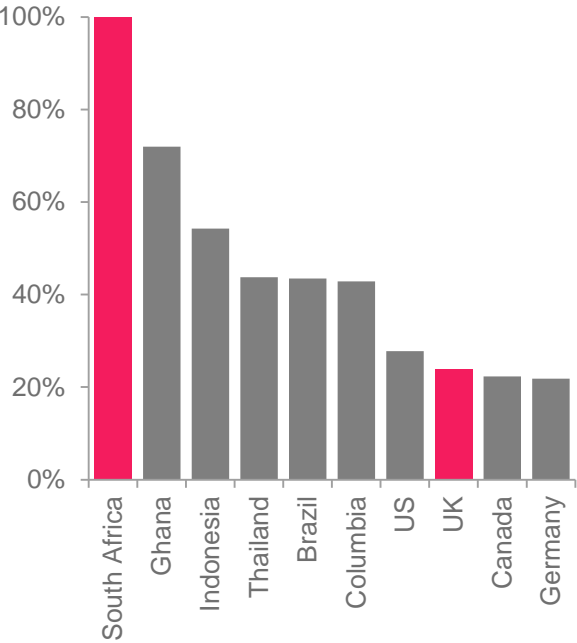
A high-angle, slightly blurred photograph of a person's legs and feet running on a paved path. The person is wearing black leggings and bright pink sneakers. A black leash is attached to a small black and tan dachshund dog that is running alongside them. The path is made of dark, textured paving stones. The overall scene conveys a sense of active lifestyle and pet companionship.

## An integrated wellness and insurance model

Dr Dawn Richards, Medical Affairs Director, VitalityHealth

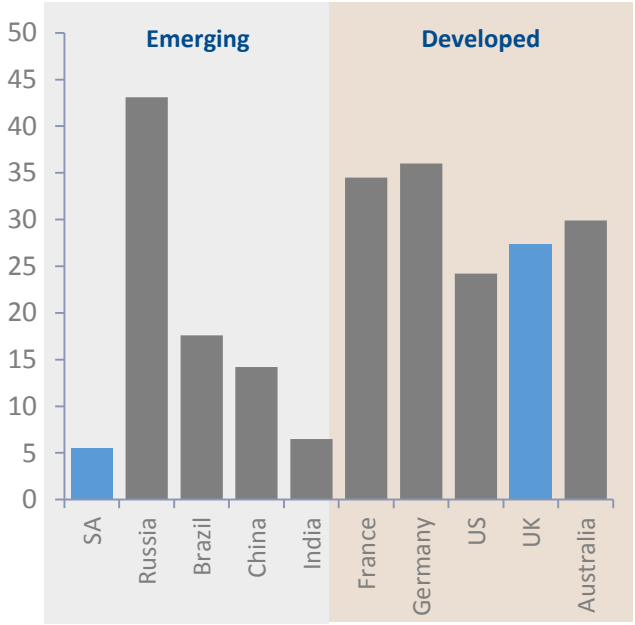
The genesis of Vitality, and the need to make people healthier:  
Overview of the South African healthcare system

Burden of disease  
(Indexed, SA = 100)



SA has an absolute burden of disease 4 times higher than UK

Doctors per 10,000



Significant undersupply of doctors, with levels aligned with low income countries

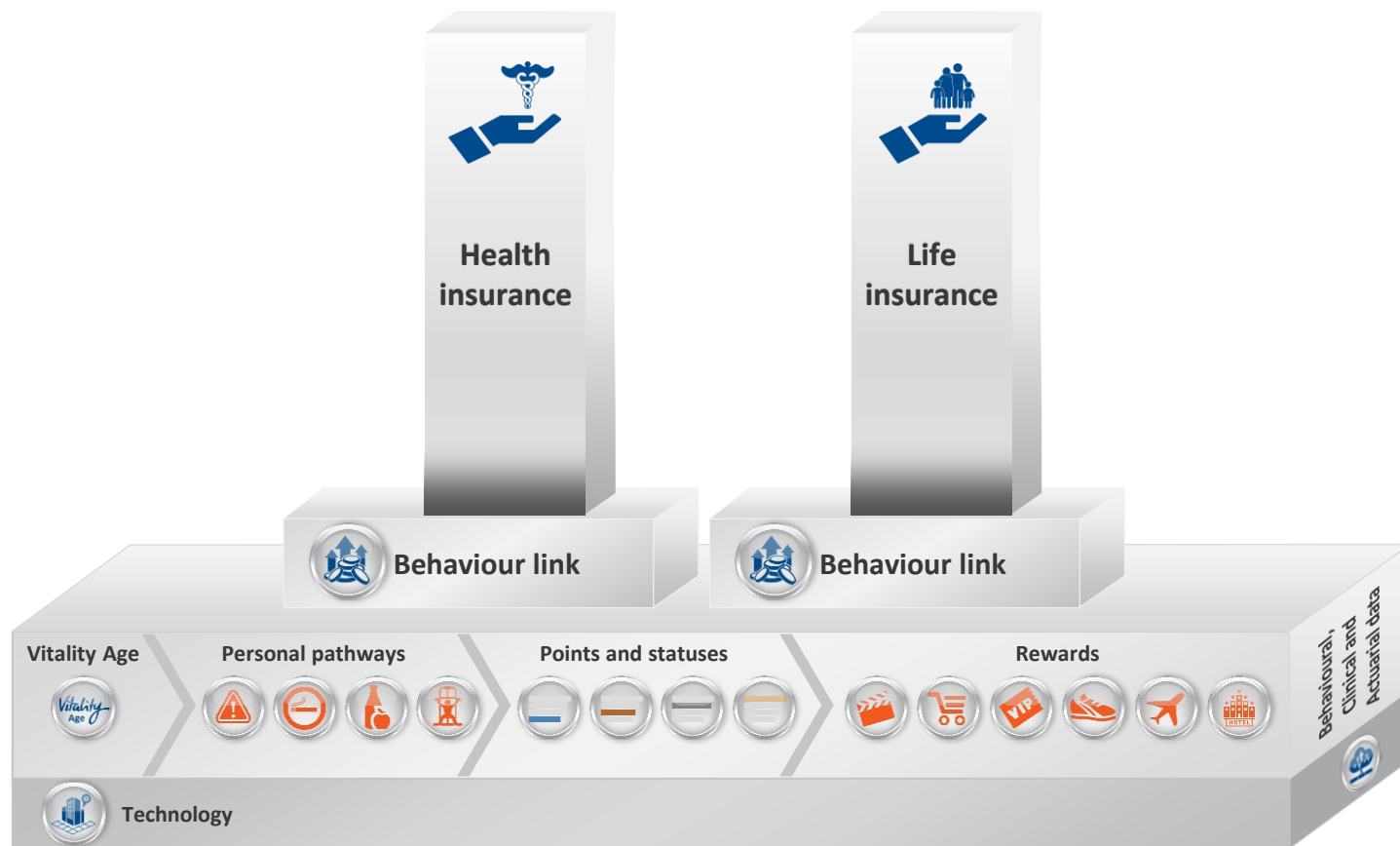
Regulatory system



Risk adjusted premium	R1,200	R4,500
Average premium per family	R3,000	R3,000

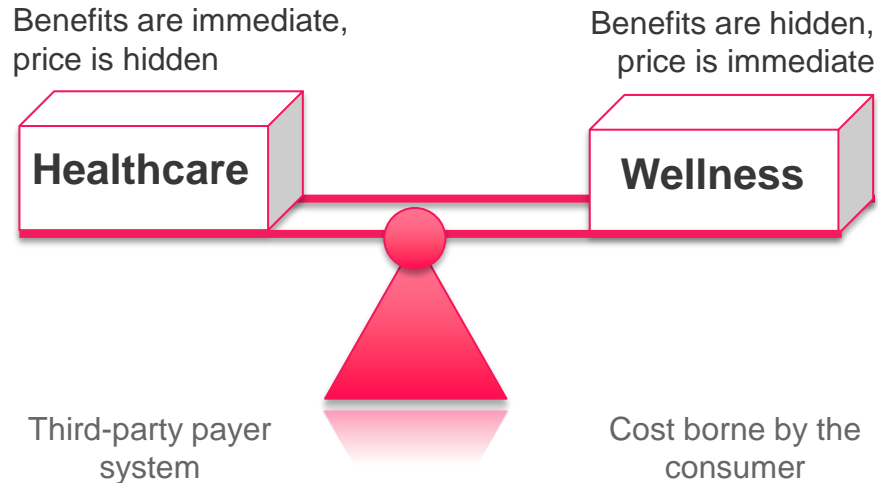
Non-discriminatory and egalitarian private health care funding system

The genesis of Vitality, and the need to make people healthier:  
An insurance model that integrates prevention and health promotion with sickness care



## The use of incentives is a critical enabler of the model: Issues of behavioural psychology

Individual behaviour is irrational and difficult to change  
The health – wellness paradox



### Other behavioural psychology issues

#### Conflicting information

True impact of different health and wellness approaches is not well understood

#### Over- optimism

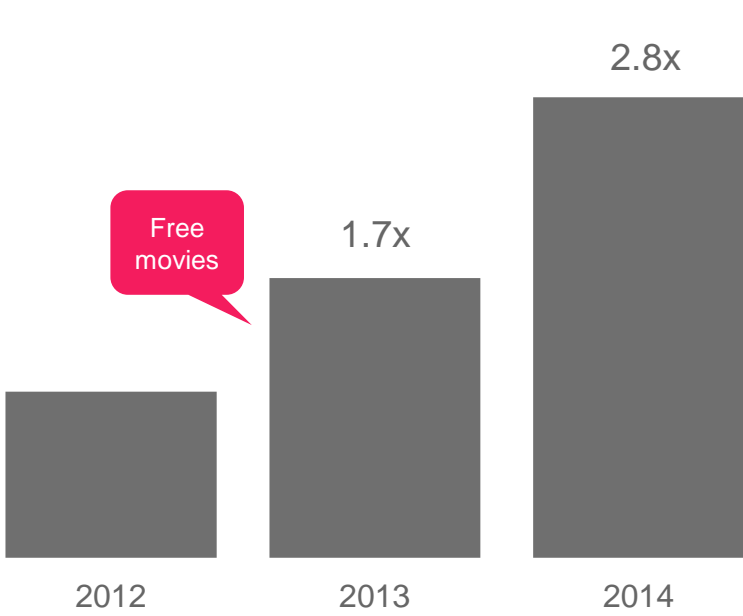
People tend to overestimate their current state of health and their ability to improve it in the future

#### Hyperbolic discounting

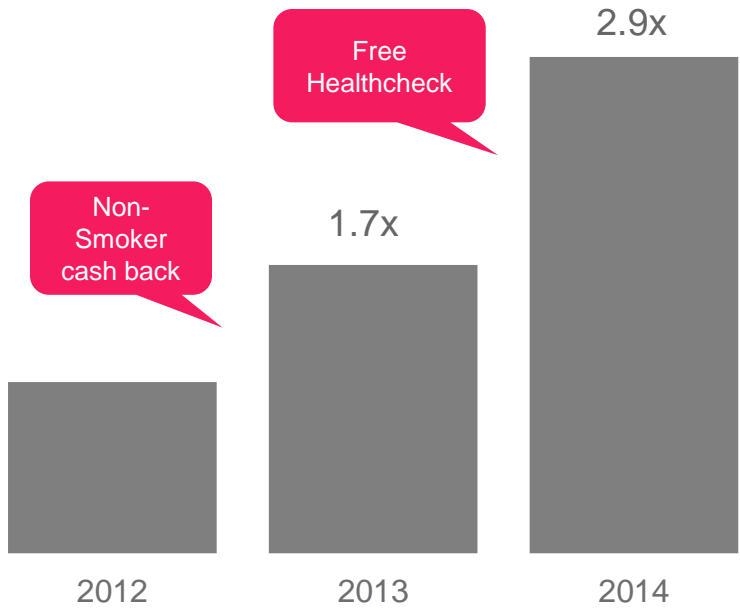
Future rewards of a healthy lifestyle are significantly undervalued relative to cost today

Evidence from the Vitality programme:  
Vitality motivates simple and complex behaviour change

Vitality Age (Health risk assessment) completion



Biometric screening completion



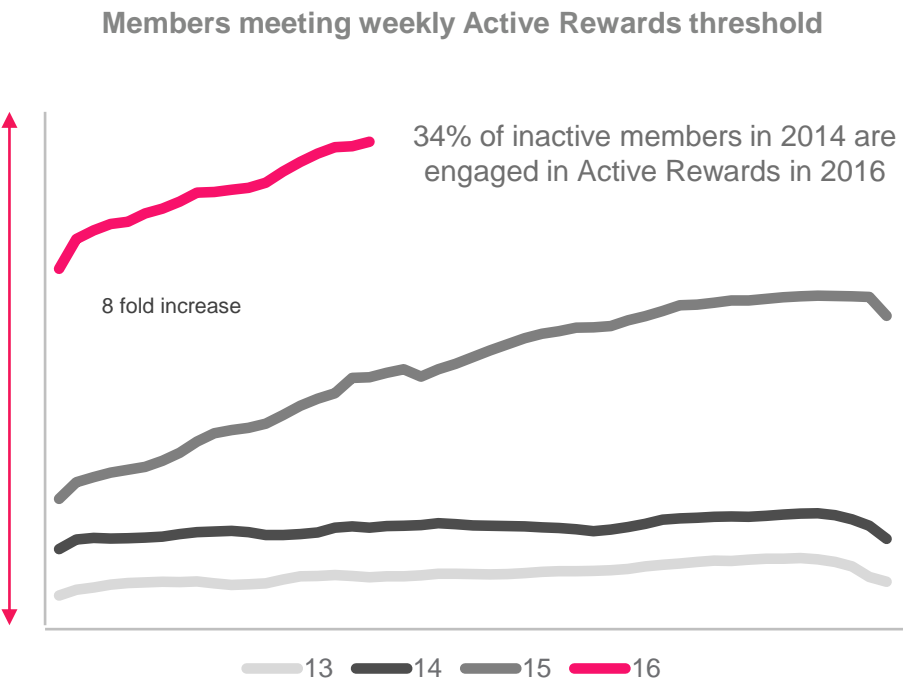
Source: Vitality UK member data

Evidence from the Vitality programme:  
Vitality motivates simple and complex behaviour change – example of physical activity

Active Rewards benefit design



Impact of Active Rewards on physical activity



Source: Vitality UK member data



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#### Eating Better for Less: A National Discount Program for Healthy Food Purchases in South Africa

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#### Abstract

**Background**—Improving diet quality is a key health promotion strategy. The HealthyFood program provides up to a 25% discount on selected food items to about 260,000 households across South Africa.

**Objectives**—Examine whether reducing prices for healthy food purchases leads to changes in self-reported measures of food consumption and weight status.

**Methods**—Repeated surveys of about 350,000 HealthyFood participants and nonparticipants.

**Results**—Program participation is associated with more consumption of fruits/vegetables and wholegrain foods, and less consumption of high sugar/salt foods, fried foods, processed meats, and fast-food. There is no strong evidence that participation reduces obesity.

**Conclusions**—A substantial price intervention might be effective in improving diets.

#### Introduction

Improving diet quality is a key health promotion strategy. Released in June 2011, the National Prevention Strategy: America's Plan for Better Health and Wellness, considers healthy eating a priority area and calls for increased access to affordable healthy foods in communities (National Prevention Council, 2011). A hotly debated topic is the role of food prices: Nutrient-rich foods including fruits and vegetables, have become more expensive relative to calorie-dense, nutrient-poor foods, and some researchers believe that the increasing price differential contributes to obesity and sociodemographic health disparities (Drewnowski and Specter, 2004; Drewnowski and Darmon, 2005; Monsivais and Drewnowski, 2007; Drewnowski, 2010).

It is not known whether a price discount on fruits, vegetables, or other healthy foods can meaningfully change dietary behaviors in the population, let alone reduce the prevalence of obesity. The Food, Conservation, and Energy Act of 2008 (Public Law 6124, also known as the Farm Bill, Senate and House of Representatives, 2008) requires the U.S. Department of

## Discounts of 10% and 25% for healthy foods resulted in ...



an increase in the ratio of healthy food expenditure to total food expenditure by

6% and 9.3%



an increase in the ratio of fruit and vegetables to total food expenditure by

5.7% and 8.5%



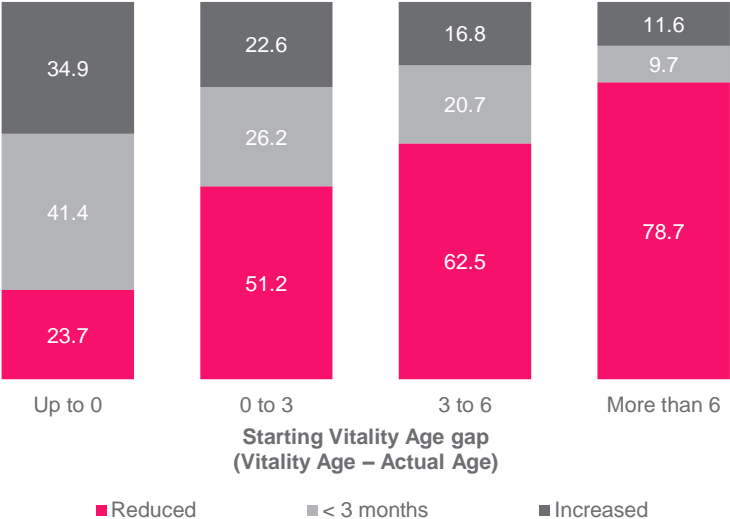
and a decrease in the ratio of less-healthy foods to total food expenditure by

5.6% and 7.2%<sup>42</sup>

Evidence from the Vitality programme:  
Engagement in wellness results in a reduction in risk

Reductions in Vitality Age are evident across the board

Change in Vitality Age gap after 1 year



Two-thirds of engaged Vitality members reduce their Vitality Age gap over a period of 1 year

Engagement results in reduced risk factors

Reduction in risk factors  
(2015 vs. 2014)



% at-risk in 2014 who moved into healthy range in 2015

Of 5,355  
members:  
**35%**

Of 37,733  
members:  
**43%**

Of 47,033  
members:  
**30%**





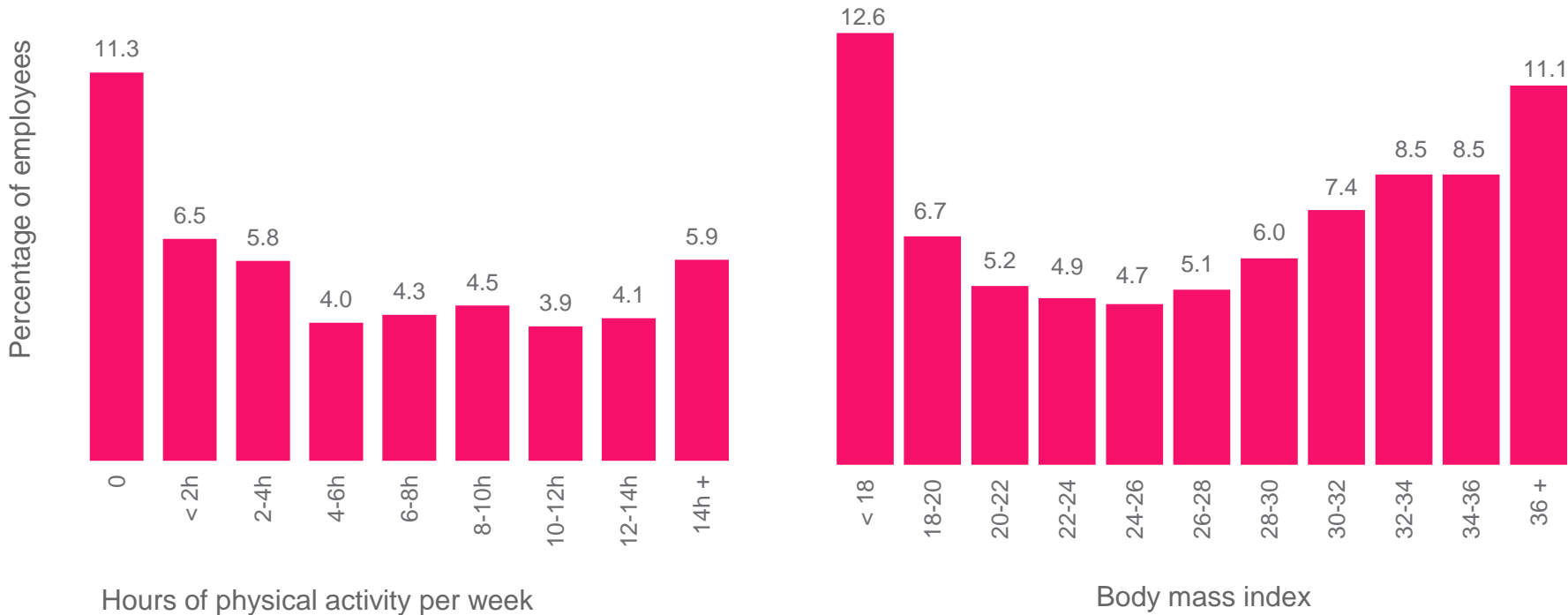
Are the benefits of good health limited to claims costs?  
Healthier people perform better on a range of important outcomes



Source: Britain's Healthiest Workplace 2016

Considerations for mental wellbeing:  
There is a strong correlation between physical and mental health – the direction of the relationship is unknown

Percentage of employees with at least mild symptoms of depression



Source: Britain's Healthiest Workplace 2015

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