

★ WELCOA's News & Views

Where There's Smoke, You're FIRED

A CEO Implements An Aggressive Smoke Free Policy With Remarkable Outcomes

A WELCOA Expert Interview
with Howard Weyers



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ABOUT **HOWARD WEYERS**



Howard is President of Weyco, a Meritain Health Company. Meritain Health is the largest independent provider of services for self-funded health plans in the United States. Meritain Health serves over 1,400 self-funded clients and over a million members nationally. The company provides plan administration, innovative wellness, medical management, disease management, network management, and cost management services. Meritain Health is also a pioneer and now the leading independent provider of Consumer Directed Health Plans. Meritain Health employs over 1,350 people with headquarters in Amherst, NY, and regional offices in 28 cities across the country.

ABOUT **DR. DAVID HUNNICUTT**



Since his arrival at WELCOA in 1995, David has interviewed hundreds of the most influential business and health leaders in America. Known for his ability to make complex issues easier to understand, David has a proven track record of asking the right questions and getting straight answers. As a result of his efforts, David's expert interviews have been widely-published and read by workplace wellness practitioners across the country.

David Hunnicutt can be reached at dhunnicutt@welcoa.org.

Howard Weyers, CEO of Weyco, is a very interesting man. He has a heart-felt passion for the health and well-being of his employees. And, he's also got a rock-hard conviction on ensuring that Weyco employees abstain from tobacco use. In this interview with WELCOA's President, Dr. David Hunnicutt, Howard reveals himself as a leader who cares deeply about his employees—and he's willing to promote health within his company with both backbone and heart.



Q1 When did you get the notion that going smoke-free at Weyco—and more specifically, not employing smokers in that equation—was the way to go?

Howard Weyers: To answer that question, I need to share with you my professional background. Prior to getting into the insurance business, I spent 20 years coaching high school and college football. Smoking was the one thing that I was very tough on when I look back over the years. I really came down hard on athletes and other people who smoked. I've never been involved with it personally and it wasn't in my family. But I can tell you right now, I don't like it and it's certainly not good for people.

I guess I carried that view into the workplace when I started Weyco. But I never really acted on it because I didn't feel like it was my place to do so. Then, in 2003, everything changed—simply by accident.

By chance I found out that there was no law in Michigan that prohibits an employer from making employment decisions based on a person's use of tobacco. When I had that piece of information confirmed by my labor attorney, that's when I really went to work on this issue.

In fact, I immediately determined in my mind that Weyco would not hire tobacco users from this point forward. I put questions on all of our employment applications. Indeed, that's one of the first questions we ask people, "do you use illegal drugs or tobacco?" It lets people know right up front that tobacco users are not welcome at Weyco.

We put this hiring policy into place in April of 2003.

We then told our employees that they couldn't smoke on our campuses or our property. Moreover, we wouldn't allow our employees to take breaks away from Weyco. Our goal was to make it very difficult for tobacco users to engage in this nasty habit during the workday.

The third step we took was in January of 2004. We told our employees that we were going to implement an organization-wide testing program

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for tobacco use. We shared with them that if they didn't take the test—or were positive on the test—it would cost them an additional \$50 per month in 2004. But we gave them an option. If they were positive on the test and they would sign a letter of intent to quit, we would waive the \$50 penalty and pay for any treatment program for them. That's what we did in 2004. My intention in making this part of our culture was to find out how many of my employees were tobacco users and isolate them so that we could go to work on developing policies and interventions that would help them.

In 2005, we then told our employees that the same test would be mandatory—and if you did not take the test or were positive on the test—then your employment at Weyco was officially done.

So you can see that not only were we very tough on our tobacco stance, but we also spent a lot of time encouraging people to quit and to get into programs that would help them.

Q2 Did you get a lot of employee resistance?

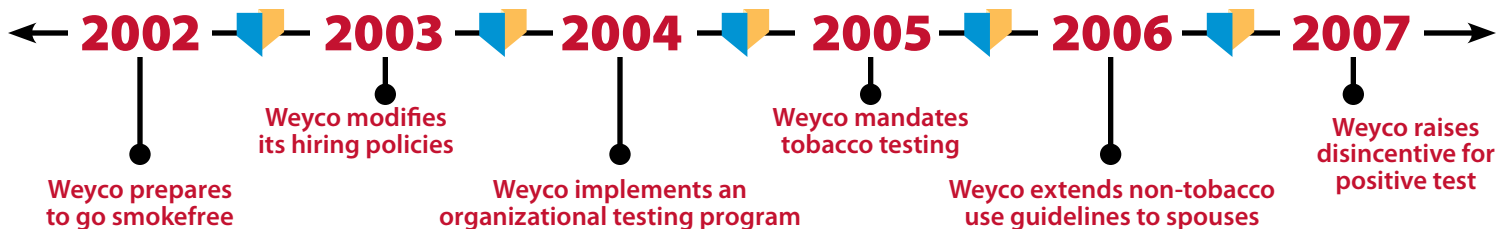
HW: You bet. The interesting part is that we received resistance not only from tobacco users but from non-tobacco users as well. I think that happened because it was a new policy. I can tell you from my heart that it was all part of the prevention equation and I have no malice toward tobacco users. You have to understand that we are trying to create a “best fit” environment for the type of employee that we want to represent our organization.

As we moved closer to the mandatory test in 2005, we did have four people say that they wouldn't take the test and they left the company. That's what created the media storm that most people are familiar with. Nevertheless, we went through with the test in January of 2005 and we had everybody pass. But we weren't finished yet.

In 2005, we announced that we would be doing random testing. We informed our employees that if they tested positive in a random test, we'd send them home for a month without pay, so that they would have time to think about everything. Then, when they'd come back, we'd test them again before they could reenter our workforce. If they tested positive again, we wouldn't let them reenter. If they were negative, they could return but they would have to sign a “last chance” agreement that we could test them daily.

Since January 2005, to date, we've lost four people to the random test. Three out of the four resigned during that 30-day unpaid period. One person did return, but tested positive again two weeks later—so we sent them home. So that's the way it's gone—we random test about six times per year.

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Q3 This is a pretty aggressive program.

HW: Well, we're not finished yet. In January of 2006, we extended the non-tobacco use guidelines to spouses. We started with the spouses who are on our medical plan first and that's gone well. And I want you to know that we test the spouses. In fact, if you're on our medical plan, you have to test. If a spouse tested positive in 2006, it resulted in increased costs for the employee of about \$80 per month.

If the spouse would sign a letter of intent to quit, we'd waive the fee and pay for any treatment plan they'd choose to go to.

For 2007, we just raised the ante. If a Weyco employee smokes it will be an additional \$50 per pay period or \$1,200 per year. The penalty is an additional \$1,300 if the employee's spouse tests positive.

By the way, this is the last year that we'll pay for tobacco treatment programs. And, our program is working because we're down to one or two spouses that haven't quit yet.

Q4 From a leadership perspective, you obviously feel a strong moral responsibility to help your employees live a longer life by being healthy. Is my observation correct?

HW: Absolutely. I think a healthy lifestyle is vitally important to living a complete life. And, as a CEO, I want what everybody else wants—healthy and productive employees. From where I sit, I think everybody just talks about it—it's just a bunch of lip service. I feel personally compelled to take a stronger stance. I believe in my heart that we are doing the right things. We are not doing anything wrong or outside of the law. I can tell you straight up that we are doing this for our employees. We're trying to engage our total population—employees and spouses—in our health improvement program. And, it's a very good program. So, the bottom line is that I feel a moral and personal responsibility to help my employees lead healthier lives? The answer is yes.

Q5 Are you seeing a shift in the overall culture at Weyco?

HW: We are. In fact, we have about 97% of our employees and spouses involved in our total health promotion program which includes health risk appraisals, biometric evaluations, activity programs, preventive exams, and onsite coaching among other things. So, from my perspective, health is becoming a way of life at Weyco.

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Q6 Are you getting any residual negative feedback on your tobacco use stance?

HW: No. I don't think that we are. We had a few employees complain about our general health promotion requirements, but I view this whole thing as a work in progress. I knew going into this that this was not going to be a popular position to take. But I think that's what you need to do if, as a leader, you believe in something. And, as I've said before, I believe in my heart that I'm doing the right thing. That for me is my compass.

Q7 In looking back, would you have done anything differently?

HW: No. I don't think that I would have changed much. Really, I guess when I think about it, the only thing I would have changed would have been that I wouldn't have told our employees when the mandatory testing would occur because it is possible to game the tests. But that's about all I would have changed.

Q8 As a TPA, you have a lot of clients you provide services for. How have they responded to all of this?

HW: In most cases, it's been a very positive thing. I think I've lost one client that I know was opposed to my stance. But that's the way it goes. I'm telling you we are doing the right thing. We are in the middle of changing our culture, and that can be a long, arduous, and sometimes painful process. But I'm not calling off the dogs. This is something that we need to do as a company and I believe that if we're going to solve the healthcare crisis in the U.S., other companies are going to have to do it as well.

Q9 Do you ever wonder whether you're missing out on talented employees who are x'd out of the equation because they use tobacco?

HW: If that's the case, I'm willing to pay the price. Do I believe that there are tobacco users who are extremely talented? I do. They're just not welcome here. I don't believe that tobacco users are bad or deviant people. Again, I'm just trying to find the right fit for our organization. Tobacco users do not figure into the Weyco equation.

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Q10 What advice would you give to other CEOs about starting and delivering a health promotion program?


HW: The first thing that I would tell them is that you've got to figure out your position on the matter right from the beginning. Do you believe in healthy employees? If the answer is yes, then you've got to get up in front of your people and tell them that change is coming. Then you've got to empower other leaders within your company to share the vision. After you've done that, the heavy lifting is done.

But for CEOs, I don't think it's reasonable to expect significant change if you're not willing to take a strong and definitive personal stance.

Q11 Do you think other CEOs will follow your lead?

HW: Without question. I know that I picked up on other CEOs' views on health promotion, and I have no doubt that others will take similarly strong stances. The reason I believe this is that I truly am convinced that our country is in the middle of a healthcare crisis. If we don't take a strong stance now, we are going to have a lot of water in the boat in the next decade.

Q12 When it's all said and done, what do you hope employees will say about Howard Weyers?

HW: I would hope that they say that I cared about my people. And, I cared enough to take on some pretty difficult topics which caused some discomfort in the short term, but over the long term, paid big dividends. I guess, come to think of it, that's what tough love is all about. 



WEYCO, INC was founded in 1979, and is located in Okemos, MI. In 1983, we became a licensed Michigan Third Party Administrator (TPA) to administer self-funded Medical, Dental, Vision, and Short-term Disability Plans.

WEYCO, INC is a service company specializing in Employee Benefit Plans and Benefit Management.

WEYCO, INC is also an agent for Insured Plans such as Life, Long Term Disability, Medical, Dental, Vision, and Flexible Spending Accounts.

WEYCO, INC Mission Statement

To promise and provide our clients the highest quality services in order to continually prove ourselves to be the premiere benefit and healthcare information management organization.

WEYCO, INC Creed

- We recognize we must work together to thrive.
- We understand another's point of view.
- We treat others as we would want to be treated, with courtesy, respect and dignity.
- We acknowledge and respond to fellow workers' requests with regard to each other's time and priorities.
- We are responsible for our own positive attitude.
- We treat problems as learning opportunities while working together toward resolution.
- We provide an atmosphere for open, honest and objective communication without fear.
- We strive for individual excellence that enables others to perform their jobs.
- We encourage initiative, new ideas and decisive problem solving.
- We acknowledge the equal importance of all fellow workers.



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