



Hummingbird
COACHING SERVICES

CONSIDERATIONS FOR PROVIDERS OF
HEALTH COACHING PROGRAMS:
TO BUILD OR BUY?

A White Paper by Hummingbird Coaching Services

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"One of the recommended employer actions to address at-risk employee populations is offering one-on-one health coaching: personal, telephonic or online."

—Partnership for Prevention
(2005, p. 20)¹

Coaching for improving health and lifestyle behaviors is one of the fastest-growing areas of the larger employee wellness movement. The most recent survey of human resource professionals indicated that in 2008, a third of organizations (33 percent) already offered health and lifestyle coaching and another nine percent planned to offer it in the future.²

Effective Businesses Offer Health Coaching

So why are companies interested in offering health coaching services? It could be because of the association between health coaching and better business performance that comes from having healthy employees. The most recent *Stay@Work* study by the health benefits consulting company Watson Wyatt Worldwide offers some evidence for this point.³ It surveyed 355 HR and health benefits managers in U.S. organizations that had at least 1,000 employees. The companies that made good use of effective health and productivity management practices had 20 percent higher revenue per employee, 16 percent higher market share for their industry and 57 percent higher returns per share for stockholders when compared to the low-effectiveness companies. These high-performance companies were also more than twice as likely to offer their employees health coaching services for lifestyle behavioral change than low-effectiveness organizations.

Offering Coaching Services: To Build or Buy?

As employer demand increases for health coaching services, more specialty and ancillary service companies are getting into the business of offering health coaching, including disease management companies, employee assistance programs (EAPs), third-party administrators (TPAs) and even some health plans. The concern with this trend, however, is how well-prepared these various companies are to create and deliver high-quality health coaching services in a cost-effective manner. The choice facing providers who want to offer health coaching services is either to buy the service from another provider and resell it as part of their other services or to build it internally. This "build or buy" question is difficult to answer because there are many aspects to consider.

PART I: REASONS TO BUILD

What are the advantages of building a health coaching program? Most organizations that plan to create their own health coaching program usually do so because the company thinks that building the program will:

- Get the program to market faster.
- Provide more control over the design and content of the program.
- Be easier to integrate with existing programs and software.

- Transfer the same development principles from existing disease management and case management programs to the new health coaching program.
- Leverage existing case managers and other staff who can serve as resources for the coaching service.
- Ultimately cost less than buying an external program.
- Yield a product that is owned by the company.

These assumptions are overly optimistic and do not take into account the many complexities involved in creating and managing a health coaching program. Internet-based programs also have the ongoing need of staff for technical support, maintenance and new content creation. It takes much longer to design, test and implement a program from scratch than it does to buy an already-proven program. For this reason, it also usually ends up costing more than was initially anticipated.

PART II: TOP DESIGN ISSUES FOR COACHING PROGRAMS

When considering whether to build a coaching program internally or to buy services from a vendor, there are some practical issues that should be recognized concerning the core components of coaching programs.

1. Target Client Population

Designing a health coaching program begins with a definition of the client population. Which people will receive the coaching program services? Is it those with chronic diseases, those at high risk for chronic conditions, those who are healthy and want to keep it that way, or all groups? As these sub-populations differ in clinical severity, condition complexity and group size, the health care spectrum should be determined. Coaching services can address all three groups, but in different ways and with different design implications.

2. Theoretical Practice Model

The theoretical underpinnings for the clinical practice model are of paramount importance in creating an effective coaching program. How should the coaches approach wellness and health behavior management goals with clients? What conceptual framework best supports client behavior change and health improvement? Is the primary role of a coach to be a *content* expert or an expert in the *process* of behavior change? Some coaches have professional medical education (e.g., nurses and trainers), which is largely a top-down “expert” model that fosters the role of advice-giving. In contrast, coaches who have backgrounds in the social sciences (e.g., psychology or social work) tend to adhere more

to a “collaborative” model in which they partner with participants to achieve goals. Several research studies have concluded that the collaborative model is more successful than the expert model at helping participants remain engaged and achieve their health improvement goals.^{4, 5, 6, 7, 8}

3. Staffing Criteria

It is important to determine how many coaches to hire, the desired qualifications for the coaches, and what kind of additional and ongoing staff training is needed. Presently, there is no specific industry certification or practice licensure that is required for being a health coach. However, it should be noted that the National Committee on Quality Assurance (NCQA) has recently released a preliminary guide for basic standards in the delivery of health coaching (see Appendix).⁹



...it is critical to hire the most qualified people who can achieve behavior change in the coaching clients

In the industry today, a wide range of professionals are called “coaches.” For example, the coaches in some programs have backgrounds as disease management nurses, health educators, EAP counselors, utilization/case management nurses, and fitness trainers. With this diversity of prior training and clinical experiences, it is critical to hire the most qualified people who can achieve behavior change in the coaching clients. Program coaches ideally should be experienced and formally trained in modern psychological methods of behavior change. Typically, this kind of background is found among those with graduate degrees in counseling, psychology and social work.

There are also some hidden costs for the development and management of an internal coaching program. The company must budget and staff for supervisory personnel, training and development processes and ongoing quality assurance activities as well.

4. Client-Coach Relationship Model

The client’s relationship with a coach can be a significant motivating factor in driving behavior change. For this reason, pairing a client with the same coach for the duration of the health coaching engagement is an important consideration. In the “primary coach” model, the participant can develop a one-to-one relationship with the same coach. Thus, the individual gets not only expert facilitation from the coach, but also develops rapport and trust. In contrast, some health coaching programs employ a “team” approach, where a client can interact with different coaches each time they use the service. This may be expedient from a program delivery standpoint and offer immediate access to the participant. Yet it does not allow for the opportunity to build a therapeutic foundation of trust and credibility between the client and coach that is necessary for achieving goals.¹⁰



Having immediate access to coaches can drive participation and program engagement.

5. Communication Channels

The timing of the communication method between client and coach is a defining factor for the program. Will the program require clients to call in at specific times (the appointment approach), or will a coach contact the client, or both? Ideally, a coaching program will be flexible, with inbound and outbound capabilities. In today's 24/7 world of instant communication, many clients expect convenience and frequent interaction. Having immediate access to coaches can drive participation and program engagement. The channel of program delivery—or method of contact between client and coach—is critical and can take several forms. Consider enabling multiple channels of communication between client and coach, including telephone and online via instant messaging, e-mail or text messaging and mobile device application. The real challenge is designing cost-effective delivery channels that create ongoing and client-driven interactions. When this is done properly, it can result in sustainable behavior change for the clients.^{11, 12, 13, 14}

6. Legal Issues

The legal considerations in building a health coaching program can also be daunting. All forms of workplace health promotion programs are subject to regulations set by the ADA (Americans with Disabilities Act), HIPAA (Health Insurance Portability and Accessibility Act) and other applicable federal and state laws.¹⁵ Coaching programs must be constructed in a way that does not impinge upon employees' legal off-duty conduct, such as smoking or drinking during off-hours. Coaching programs that are discriminatory, don't offer reasonable alternatives, or use inappropriate incentives can be grounds for lawsuits and fines—not to mention hard feelings over what was intended to improve employee well-being and morale.¹⁶

For instance, an Indianapolis-based hospital system recently planned to dock the pay of employees who did not meet predetermined targets for body mass index, cholesterol, blood pressure, smoking, and other health factors. After employees expressed their anger, the company decided instead to financially reward those who met the targets. Even though the company was well-intentioned, their program was discriminatory and clearly offered inappropriate incentives.

A “Bona Fide” Wellness Program

The U.S. Department of Labor, the U.S. Department of Health and Human Services, and the IRS have issued a proposed regulation with four requirements for a “bona fide wellness program” that would be HIPAA compliant:

- The rewards that are offered to an individual must be limited (the departments suggest a limit of 10 to 20 percent of the total cost of employee-only coverage).
- The program must be reasonably designed to promote good health or prevent disease for the individuals in the program, and must give eligible individuals the opportunity to qualify for the reward at least once per year.
- The reward must be available to all similarly situated individuals, and a reasonable alternative standard must be made available for any individual for whom, due to a health factor, it would be unreasonably difficult to meet the initial standard (or for whom it is medically inadvisable to attempt to satisfy that standard).
- All plan materials that describe the terms of the wellness program must disclose the availability of a reasonable alternative standard.

—SOURCE: Hall (2005);¹⁷ Notice of Proposed Rulemaking, 66 Federal Register 1421 (January 8, 2001); U.S. Department of Labor Proposed Regulation 2590.702(f).

7. Measurement and Reporting

It is important to build measurement and reporting capabilities into the coaching program. Program outreach and engagement rates, participation rates at the beginning and end of programs, changes in lifestyle risk factors and work performance factors, client satisfaction, and estimates of medical cost offset savings are common areas used for measurement of the program activities and outcomes. The program should summarize these metrics in quarterly and annual reports. Quality standards to evaluate coaches’ performance should be built in as well, and the coaches should receive regular evaluations of their performance. In an industry where ROI has been hard to quantify, it is essential to have a measurement system that can report on the program’s activities and client behavior results and translate that experience into dollar value to compare against the cost of delivering the program.

8. Systems Integration

Another consideration is that the health coaching program will likely need to interact with and share data with related medical and employee benefit programs. Often there is a need to collaborate with human resources (HR), health plan enrollment, and other health program partners both inside and outside the company. An internally built program can take advantage of insider knowledge of their company practices and systems. But to do

so often involves pulling busy IT staff away from other projects in order to support the new coaching program service. This additional IT staff support role and cost should be considered when developing a program. In contrast, most coaching service vendors are experienced at integration of their systems and can efficiently marry them to existing systems and data sharing programs.

9. Program Branding

Building a health coaching program from the ground up may appeal to some providers because it enables them to maintain control over the design and content. The program has the company's unique stamp on it. Although the client may respect and like the larger company brand, how this feeling translates to the newly built internal program is unknown. Or the company can leverage their brand by private-labeling a third-party program. Still others providers may choose a program and use the established vendor's brand name.

These top nine components of designing a wellness coaching program should help determine what resources and skills are needed to develop an effective program.

PART III: REASONS TO BUY



...building a health coaching program from scratch can be a resource-intensive and time-consuming process

Although there are some tempting reasons to create a program internally, building a health coaching program from scratch can be a resource-intensive and time-consuming process. Some of the reasons for buying include:

- Costs for the program are determined up-front. There is a defined budget for how much the company will pay for the service.
- The technology behind the program has already been created and tested by the vendor. The company does not need to reinvent the wheel.
- A good external vendor can provide detailed and customizable reporting on the program, as well as technical and account management support.
- Vendor programs are compliant with HIPAA, ADA, and other regulations and have adequate liability insurance.
- There will already be a theoretical framework in place. The company does not have to become experts in the subtleties of different behavior change approaches. It helps to be somewhat knowledgeable in this important area, however, since vendors' approaches vary significantly in scientific credibility.
- When choosing a well-known product, the company can also choose to exploit the market recognition from the vendor's brand.

What to Look For When Buying: A Checklist

When buying a health coaching program, there are certain critical features to look for that can indicate a higher quality program. These features are listed in Table 2.

Table 1: Checklist of Features of Effective Health Coaching Programs

	Feature
1	Can the program be customized to the company's needs and, if necessary, can reports be customized as well?
2	Can a telephonic delivery component be used?
3	Can an Internet delivery component be used?
4	Can a local worksite delivery component be used?
5	Does the program use a collaborative clinical model, such as a partnership-based Positive Psychology approach that encourages and empowers rather than just advises?
6	Does the program use evidence-based theories of behavior change in the design of its operational practices?
7	Is the coaching process client-driven or is it scripted?
8	Can the program link to a health risk assessment or other assessment tools from another vendor?
9	Does the vendor help drive participation with high-quality technology, credible coaches, account support, educational materials, incentives and communication?
10	Are there accommodations for communications and client contact in languages other than English?
11	Does the program comply with HIPAA and all applicable laws?
12	Is the pricing structure compatible with your company's current purchasing process? Does the vendor charge only for those who engage in the program, or is there a standard per-employee rate?
13	Is the vendor willing to have performance guarantees or some kind of risk-based contractual agreement?
14	Does the coaching vendor have a proven track record of delivering health coaching as their primary business?

CONCLUSION

...buying a coaching program from an established vendor may actually be a more cost-effective option...

As demand for health coaching increases, organizations have important choices to make about how to best fill this need. Building a proprietary health coaching program may sound like a good idea, but the company must be prepared to spend the time and money it takes to have the appropriate staff and knowledge to effectively develop all of the technical, clinical and operational aspects of the program. In the end, buying a coaching program from an established vendor may actually be a more cost-effective option because it leverages the expertise of a coaching company to deliver a high-quality program in a more timely fashion.

Table 2: Summary of Reasons to Build or Buy a Health Coaching Program

Why Build Internally	Why Buy from External Vendor
<ul style="list-style-type: none"> • More control over the design and content of program practices • Transfer of development principles and related staff from other similar internal programs • Potential for easy integration with other internal programs, software and IT systems • Ownership of program • Add new program component to own brand of products 	<ul style="list-style-type: none"> • Turn-key implementation • Established operational and clinical practices • Proven technology tools • Theoretical framework built-in to system and trained coaching staff • Account management and technical support • Compliant with legal and ethical issues • Customizable reporting • Leverage a known brand • Defined budget • Scalable program cost with performance guarantees

ABOUT HUMMINGBIRD COACHING SERVICES

Hummingbird Coaching Services has provided one-on-one health coaching since 1997. Through its innovative technology platform and coaching programs, Hummingbird provides health, parenting and life coaching that drive real behavior change for individuals. For more information about Hummingbird Coaching, visit www.hummingbirdcoaching.com.

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Appendix

NCQA—Proposed Standards for 2009: Section 7—Wellness coaching

INTENT: Helps participants develop skills to make healthy choices and improve their health. Wellness coaching offers ongoing person-to-person support, for a period of time following initial contact, to motivate and support an individual to change behaviors.

Element A. Scope of Wellness coaching Program

Topics for change include: healthy weight maintenance (BMI), smoking cessation, physical activity, eating habits and nutrition, managing stress.

Element B. Initial Training for Coaches

8 areas: Confidentiality, emergency situations, evidence base around health promotion topics, behavioral change models, coaching strategies, goal setting, referral process, cultural competence

Examples Emergency situations

- Participant threats to harm themselves or others
- Calling 911
- Abusive situations

Health education

- Weight loss
- Physical activity
- Smoking cessation

Behavioral change models,

- Prochaska and DiClemente Transtheoretical Model
- Knowledge-Attitude Behavior Model
- Health Belief Model
- Theory of Reasoned Action
- Social Cognitive Theory

Coaching strategies

- Motivational interviewing techniques
- Cognitive behavioral therapy techniques

Identification for referrals

- Process for how coaches identify participants who would benefit from referral
- Process for how organization handles referrals
- Process for coaches to follow-up on referrals

Cultural competence training

- Communication styles
- Cultural differences based on client demographics

Element C. Monitoring and Training for Coaches

The organization has a process for monitoring performance and providing training updates to wellness coaches that includes the following:

1. Ongoing performance monitoring
2. Feedback, at least semi-annually, to coaches based on monitoring
3. Annual training on the topics included in initial training.

Element D. Wellness coaching Information System

The organization's wellness coaching information system gives coaches the ability to input and edit the following participant information:

1. Demographics
2. Contact preferences
3. Health Assessment results
4. Contact history log
5. Planned follow-up schedule
6. Referral follow-up times
7. Special needs in the areas of hearing impairment, vision impairment and languages other than English
8. Job characteristics
9. Financial resources
10. Goal tracking
11. Behavioral change tracking
12. Health organizations available for referral
13. External resources for referral (disease mgt, case mgt, EAP, managed behavioral health, gyms, AA groups, Weight Watchers, etc).

Element E. Communication Assistance

The organization offers communication assistance to meet the needs of participants engaged in wellness coaching. Language interpreter services available. Coaches who speak languages other than English.

Element F. External Referral Facilitation.

The organization's wellness coaches use live-person contact to facilitate participant contact with other health resources available to the participant including:

1. Disease management organizations
2. Employee assistance programs
3. Case management organizations
4. Managed behavioral health organizations

Element G. Information for Referral

The organization's wellness coaches provide the following participant-specific information to share with referred organizations.

1. Reason for referral
2. HA results
3. Current action plan developed with coach

Element H. Modalities

The organization offers the following wellness coaching modalities to accommodate participant preference:

1. Telephone
2. Online

Element I. Telephone Services

The organization provides the following telephone services:

1. Availability at least eight hours a day, Monday-Friday, for nonemergency inbound calls
2. A toll-free number
3. Access to an organization representative for callers with questions
4. The option to speak with an organization representative for callers with rotary telephones.

SOURCE: National Committee for Quality Assurance. (2008). *Wellness & health promotion (WHP) product suite: Draft standards and measures for 2009*. Washington, DC: Author. Accessed on April 1, 2009 from: <http://www.ncqa.org>