



National Instruments Wellness Journey

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If you don't know where you are going, any road will take you there.

~ Old Chinese Proverb~

Mission for Success



The Future: Building a Clock

Qualitative



Quantitative

100 Year Plan

Core Values
Culture
The NI Way

10 Year Plan

Core Strategic Vision
People
Training
Platforms

5 Year plan

Products/Markets
Company Goals
Growth Goals
Quality Goals

1 Year Plan

Sales Forecasts
Goal Deployment

Quarterly Plan

Financial Goals
Sales and Profits
Update Goals

In the 100 Year Plan

National Instruments greatest and most sustainable long term competitive advantage is our culture and employees who directly influence the continued success of our stakeholders.

NI must always have a people advantage!!!

The “NI People Advantage”

**Hire the
Best & Brightest**

Recruiting Machine
Hiring Talent
Hiring for fit to NI Culture

“14th Best Place to
Launch a Career”
Businessweek 2006

+

**Create a Great
Work
Environment /
Culture**

100 Year Plan
Core Values
NI Culture
The NI Way
NI Community Connections
The People Platform
“100 Best Places to Work”

“100 Best Places to Work”
2000 – 2007” *FORTUNE*

Attractive Benefits Package

+

**Superior Employee
Development**

Career Development
Challenging Work
Constant Feedback/Coaching
Leadership Development

NI Benefits

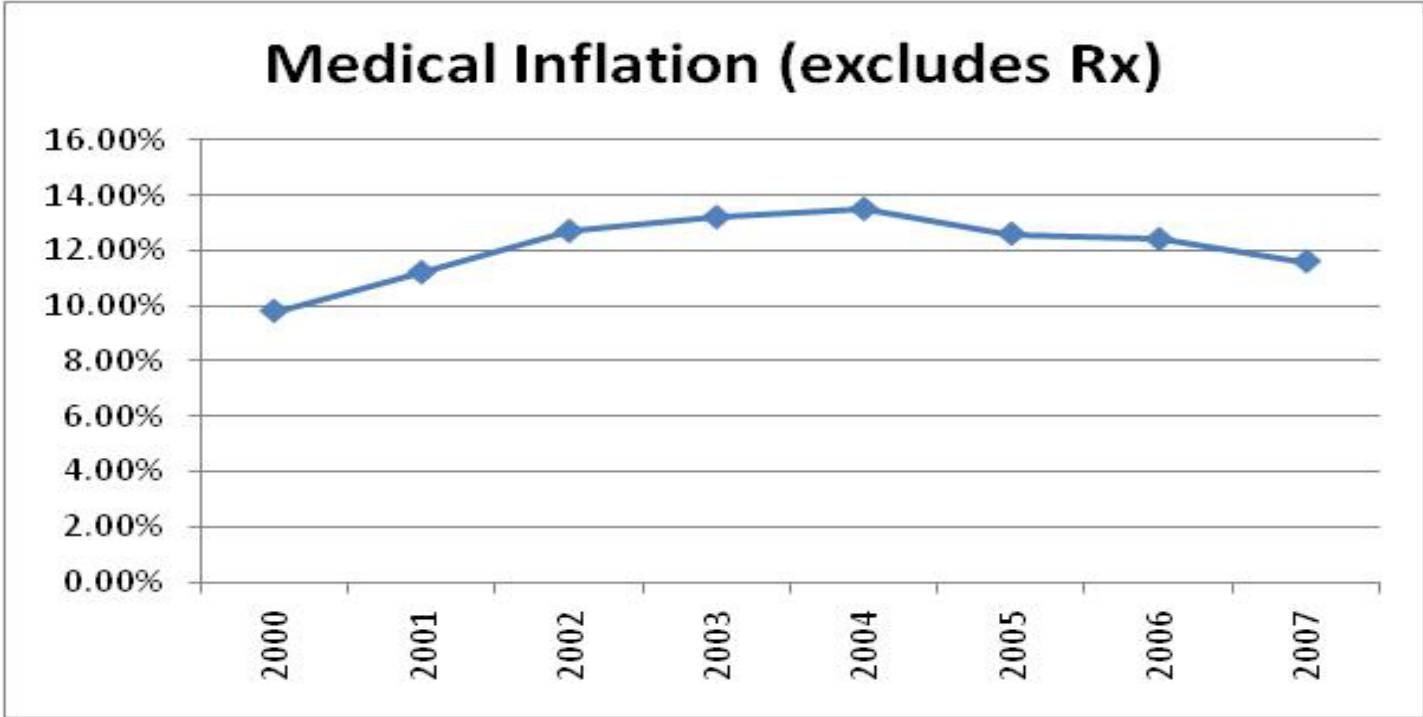
Medical Plan is the primary differentiator for us

- Low monthly premiums for employees
- 2 options offered – both PPO design
- Rich Plan Design
 - High plan has no deductible in network
 - High plan network visits covered at 100% after co-pay
 - “Low” plan network coverage at 90% after co-pay

NI Demographics

- Average employee age 34.5
- Average member age 26.0
- Ratio male/female 1.2:1
- Ratio members/employees 2.1:1
- 2007 costs for Medical/Rx
 - High plan \$6775 pepy
 - Low plan \$2738 pepy

Medical Inflation for PPO Plans*



*According to Segal Health Plan Cost Trend Survey

Why Focus on Wellness?

- Medical care is expensive
- Inflation has been >10% for the last eight years
- We have already addressed low hanging fruit through plan design changes
- We need to change behavior to impact our costs

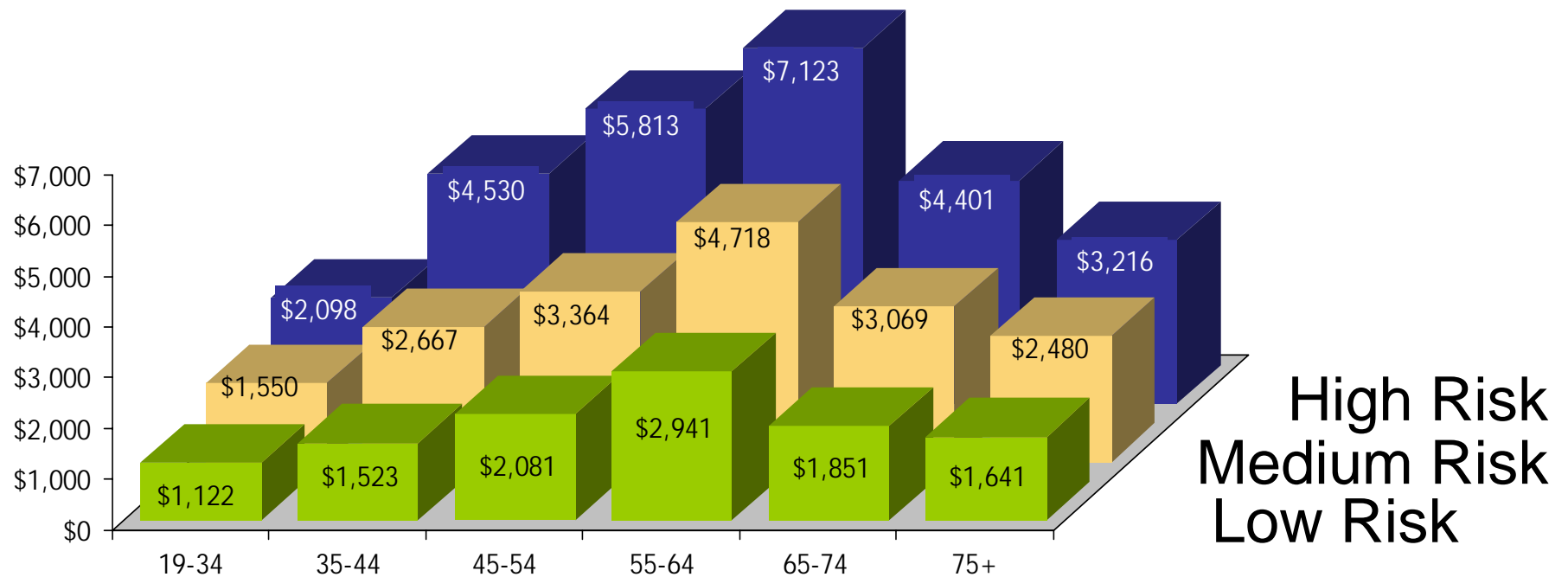
Impact of Inflation

If inflation continues at the rate of 10% through 2008, our same plan will cost an additional 1.7 million dollars

What are the alternatives?

- Shift more cost to employees through premiums
- Reduce benefit levels through plan design
- Get healthier

Healthcare Costs Follow Aging and Risk



Edington, D. W. Emerging Research. AJHP. 2001;15(5):341-349.

"If you manage risk, you can manage the cost."

- Dee Edington, University of Michigan

Cost of Uncontrolled Risk Factors

Diabetes* \$13,243 per year

VS

Non-Diabetic \$2560 per year

Obesity** \$2500 higher per year

Inactivity \$500 higher per year

*Center for Disease Control 2007

**University of Michigan Health Center Data 2005

NI Risk Factors*

Weight	41%
Blood Pressure	7%
Cholesterol	42%
Triglycerides	9%
Glucose	9%
Sedentary Lifestyle	40%

*Based upon biometric data of 718 employees

What has NI done?

Onsite Fitness Center run by Cooper Ventures since 2001

- 610 members (2300 Austin employees)
- Employee cost just \$15/month
- Free weights, cardio machines, classes, boot camps, marathon prep classes and more
- Volleyball League, Basketball League
- MS 150, Danskin, Cap 10K

NI Wellness Program, cont'd.

- Health Coaching
 - 5-a-day fruits and vegetables campaign
 - Step Challenge – Beat the Officers!
 - Weight loss challenges
- Partnership with Sodexo Marriott
 - Your Health Your Way Campaign
 - Discounts on Healthier Choices
 - Nutritional Information in the Cafeterias

NI Wellness Program, cont'd

- Health Risk Assessment offered every year
- Biometric screenings every other year
- Wellness credits tracked as part of incentive program
 - Today – prizes are fitness based not tied to medical plan design
 - Future – incentives could be related to medical program. Most likely option is an employee contribution rebate.

Wellness Communication Strategies

- Leadership Champions
- Health and Wellness Fair
- Company Intranet – NIWeb
- Benefits site – Wellness Circuit Brand
- Flyers
- Company Meeting
- Table tents and brochures in the Cafeterias

Health and Wellness Fair

- Annual fair for NI's wellness partners
- 40-50% of NI Austin employees attend
- Wellness Screens
 - Hearing, vision
 - Glucose level
 - Blood pressure
 - Body mass index
 - Lung capacity (also provides allergy information)
 - Foot screening
 - Chiropractic assessment

Education Sessions

- Stress Management
- Diabetes Management
- Nutrition
- Sleep Disorders
- Time Management
- Generic Drugs

Disease Management

- Great-West Healthcare/Cigna Outreach Programs (ie: Healthy Beginnings)
- Onsite skin cancer screenings and mammograms
- Onsite flu shots for employees and spouses

Our Future = Integrated Wellness Program

Evaluation stage of On-site Medical Clinic

- Primary Care
- Urgent Care
- Disease Management
- Allergy shots, travel immunizations
- Screenings
- Health Coaching
- Occupational Health

Benefits of On-Site Medical Clinic

- Improve and maintain employees' health
- Proactively manage potential health risks
- Increase productivity
- Drive health care cost savings
(Returns of \$4-5 dollars for every dollar spent)

Business Case for Integrated Wellness

Remember our alternatives?

- Shift more cost to employees through premiums
- Reduce benefit levels through plan design
- **GET HEALTHIER**
 - Benchmarked with other companies who are further along in the wellness journey
 - Reviewed ROI and employee success data from these companies
 - Fortune 100 Best Places to Work

How will we measure success?

ROI

Net Cost Avoidance

Monitor Utilization

(ie: decrease in hospital stays,
emergency room visits)

Soft Dollar Returns

Reduced absenteeism

Reduced presenteeism

Improved productivity

Higher employee satisfaction

NI BHAG – beat Medical/Rx inflation by 50%