



Culture and Incentives Drive Results

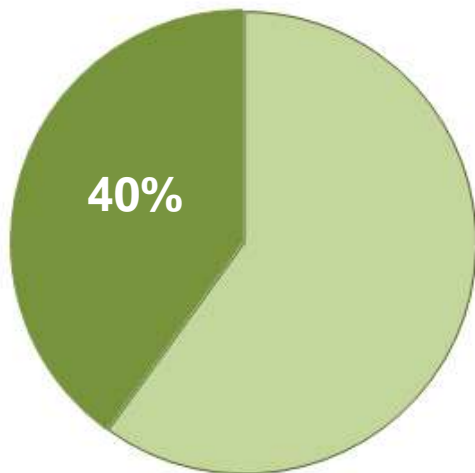
Rajni Aneja, MD, MBA, CPE, Chief Medical Officer, WebMD Health Services
Gen Barron, Sr. Manager, Global Health & Wellness and Work Life, Medtronic

September 8, 2011

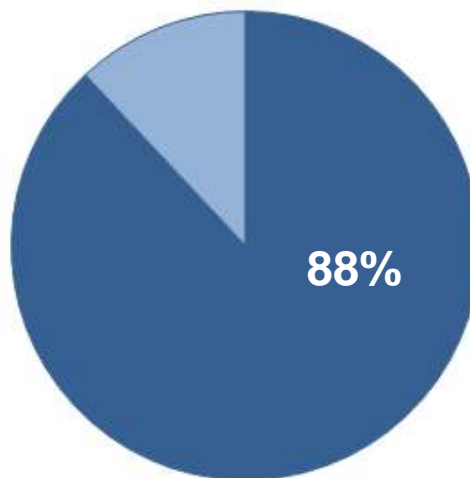
“Impactable” Healthcare Costs Continue to Increase

- Employers expect average costs for active healthcare benefits to increase by 7% in 2011, up from a 6% increase in 2010¹
- Individual lifestyle choices, including those related to smoking, nutrition, weight, exercise, and stress account for...

40% of an individual's health status²



...and 88% of his/her healthcare claims costs³



Source(s):

(1) 16th Annual Towers Watson/National Business Group on Health Employer Survey on Purchasing Value in Health Care, 2011

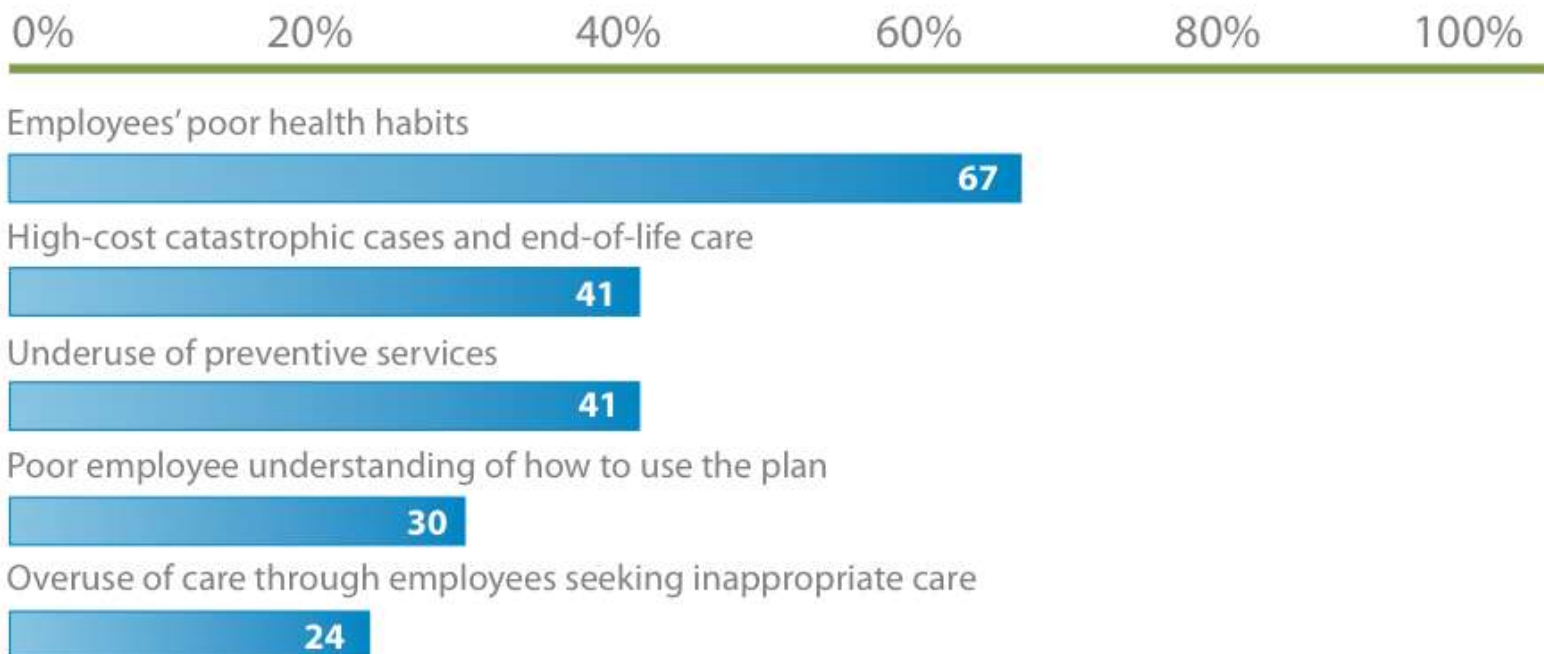
(2) Schroeder, SA. We can do better—improving the health of the American people. N Engl J Med 2007;357:1221-8.

(3) Indiana University-Purdue University, Fort Wayne (IPFW) Study, 2006

Poor Employee Health Habits Pose A Significant Challenge for Employers

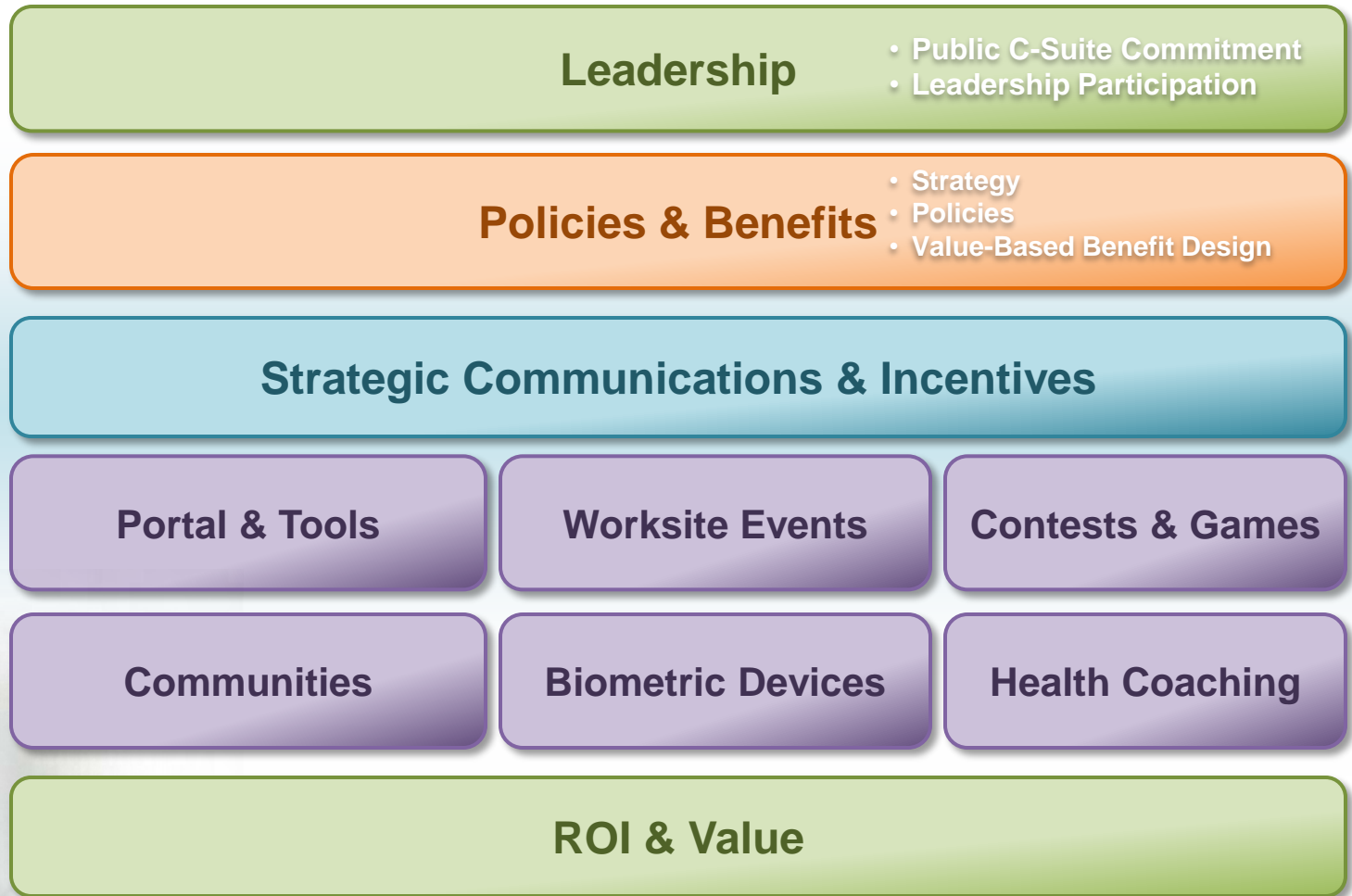
Plan redesign, employee incentives, and integrated health and wellness programming are being used to mitigate the escalating costs associated with unhealthy behaviors

Employer's Top Challenges in Maintaining Affordable Benefits Coverage



Building Blocks for a Culture of Health

Creating A Culture Of Health Requires A Strategy That Engages and Empowers People To Live Healthier Lives.



WebMD and Medtronic

Driving member engagement and outcomes through strategic partnership

- Client since 2006
- 14,000+ employees have engaged with a WebMD health coach
- Gen Barron, Sr. Manager, Global Health & Wellness and Work Life



Medtronic, Inc.

Our Business, Our People, Our Mission

World's leading medical technology company, providing life-long solutions for people with chronic disease

- Over \$14 billion in annual sales
- 38,000 employees worldwide – 26,000 U.S.
 - > Average age: 41
 - > Average length of service: 7 years
- Established in 1949 by Earl Bakken, inventor of first external pacemaker
- Patient focused and driven by the Mission

Our Mission: To contribute to human welfare by application of biomedical engineering in the research, design, manufacture and sale of instruments or appliances that alleviate pain, restore health and extend life.



Global Rewards Programs

Medtronic offers a variety of resources for the growth of each employee's mind, body, heart, and spirit.

These resources allow employees to be fully present both at work and in their personal lives:

- Total Rewards:
 - > Compensation
 - > Financial Benefits
 - > Stock Ownership
- Total Health:
 - > Wellness / Healthcare
 - > EAP / Work Life Resources



About Total Health

A comprehensive, integrated wellness approach that includes a health focused set of tools and resources designed to:

- Help employees assess their health and better understand their health risks
- Improve and maintain the overall health and well-being of employees and their families with a personalized health website and one-on-one health coaching
- Help employees become better health consumers by taking advantage of the most relevant resources
- Open to all employees and covered spouses



Principles Guiding Total Health

- Invest in health rather than cost of treatment
 - > Prevention, early detection
- Increase awareness for employees and dependents
 - > Communication of tools, resources and programs
- Improve health through behavior change
 - > Health questionnaire (HRQ), health coaching, financial incentives
- Reduce inappropriate use of health care
- Increase productivity
- Limit health care costs secondary to a healthy population

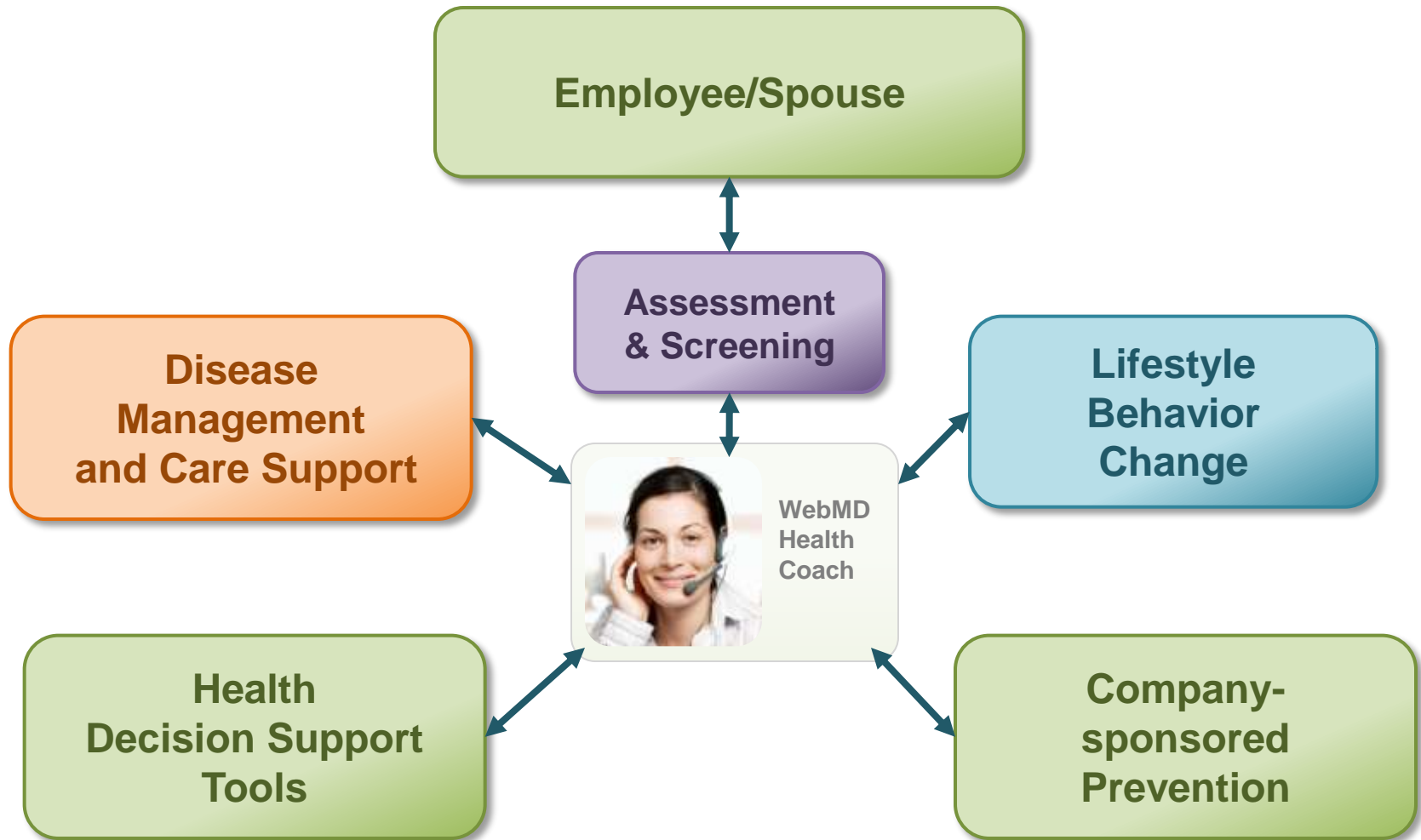


Total Health Roll-out and Incentives

- Established relationships with WebMD and other partners: 2006
- Initial roll-out: September 2006
 - > Chance to win prizes, achieved 50% HRQ completion
- Healthy Incentives introduced: March 2007
 - > Motivate employees to take part in health improvement programs
 - > \$100 contribution in Healthy Incentives Account, 2009 updated program – earn up to \$150 contributions per year
- Premium differential for completion of HRQ: 2008
 - > \$50 less per month for health coverage - achieved 88-93% HRQ completion each year through 2010
- Puerto Rico roll-out: February 2010
 - > Website, HRQ, on-site health coach
 - > Premium differential 2011 (\$10) – 86% HRQ completion

Total Health Model

Goal: To keep the healthy, healthy, and improve the health of employees and family



Total Health

Building a Culture of Health

- Visible senior management support
 - > Brand sponsor of the Medtronic Twin Cities Marathon – Kids Marathon
 - > Medtronic Foundation that supports health in the community
 - > American Heart Association Heart Walk
 - > Senior leader “champions” for wellness programs
- On-site wellness centers, wellness screenings, flu vaccinations, massage
- “Do” campaign
- Open staircases, attractive stairwells, windows
- Healthy cafeteria and vending options
- Walking and bike paths
- On-site clinics
- Mother’s rooms
- Smoke-free environments



Total Health

Engaging the Population

■ Participation

- > 91% of employees on health plan completed HRQ 2010
- > 10,134 wellness screening participants
- > 8,000 flu vaccinations
- > Over 14,000 engaged with a health coach to date
- > 34% return to website 4+ times during the year, 67% return two or more times
- > 3,100 Live Healthy Medtronic program 2010
- > 17,000 earned Healthy Incentive contributions 2010

Participation

91%

of employees on health plan completed HRQ in 2010

Participation

14,000+

of employees engaged with health coach to date.

Participation

10,134

of wellness screening participants

Wellness Impact Scorecard

Healthy Population

▪ Healthy Practices

- > 95% non-smokers
- > 73% physically active
- > 50% exercise 30+ min. 5 or more times per week
- > 77% healthy cholesterol
- > 84% low risk
- > Over 100% increase in weekly fruit sales
- > New turkey burger = 21% decrease in hamburger sales
- > Overall wellness items sold increased 130% in 2010
- > Cookie sales decreased 112% in 2010

Healthy Practices

130%

Increase in the number of wellness items sold in 2010

Healthy Practices

77%

of employees with healthy cholesterol

Healthy Practices

100%

Increase in weekly fruit sales

Wellness Impact Scorecard

Outcomes

▪ Risk Reduction

- > Top risks: diet, weight, stress, blood pressure, activity
- > 66% eliminated or reduced at least one health risk
- > 15% reduction in smoking, 95% non-smokers
- > 67% reduction in at risk cholesterol 2008 to 2010
- > 50% reduction in at risk glucose 2008 to 2010
- > 24% increase in low risk population (84%)
- > 2% decrease in high risk (3%)
- > 8,200 pounds lost from Live Healthy Medtronic 2010

Risk Reduction

66%

Eliminated or reduced at least one health risk

Risk Reduction

Diet, Weight, Stress Blood Pressure

Top Health Risks
at Medtronic

Risk Reduction

8,200

of pounds lost from Live
Healthy Medtronic 2010

Wellness Impact Scorecard

Outcomes – Over \$6 Million Annual Savings

■ Utilization and Cost Reduction

- > \$3,266,000 cost avoidance from reduced risks in 2010
- > \$1.5M annual savings from screening costs vs. doctor's office
- > \$366K cost avoidance from flu vaccination program
- > 20% increase in preventive screenings
- > 12.75% decrease in excess medical claims from population engaged in health coaching
- > \$1.4M cost avoidance due to prevented preterm births from Healthy Pregnancy Program participants
- > 54% decrease in ER visits due to diabetic conditions
- > 72% increase in diabetic preventive visits
- > 7.5% increase in breast cancer screening rates
- > Decrease in health care cost trend – maintaining 4%
- > ROI 2.5:1

Utilization and Cost Reduction

\$3.2M

cost avoidance from reduced risks in 2010

Utilization and Cost Reduction

\$1.5M

annual savings from screening costs vs. doctor's office

Utilization and Cost Reduction

2.5:1

Program ROI

Lessons Learned

- Create a brand for your program
- Strong communication strategy
 - > Address data privacy, why this is important to the company, use many communication vehicles
- Stage your roll-out, don't try to do it all at once
 - > Gain employee “buy-in” to the program
 - > Share success stories
- Leverage vendor’s knowledge and best practices
- Address program access issues
 - > Customer Service phone number
 - > Common password
 - > Computer kiosks
- Expect to hear from the “vocal minority”
- Provide health coaches with company and program information
- Keep it simple
- Changing behavior is a long process – helped by one-on-one interaction, multiple touch points, the right incentives, and program enhancements that keep it “new” and interesting



Looking Ahead

- Health improvement through engagement
 - > Personalize wellness initiative by location/business
 - > Increase targeted messaging by gender, location, job type
- Global expansion
 - > Puerto Rico, premium differential and new incentive program 2011
 - > Global roll-out 2011: Switzerland, Ireland, UK, Canada, Australia/NZ, Germany, France, Spain, Netherlands, Italy, China, Japan, India
- Health Alerts/claims/PHR
 - > Communication campaign and roll-out 2011
- Incentive for achieving healthy goals
 - > Cholesterol, BP, BMI, Tobacco
 - > Communications 2011, phased implementation 2012/2013





Your Health is Your Business: Culture and Incentives Drive Results for Ball Corporation

**Manette Snow – Director of Compensation and Benefits
September 8, 2011**

Ball Corporation Background

2010 Sales: \$7.6 billion



73 percent

Metal Beverage
Packaging



18 percent

Steel Food & Aerosol
Packaging



9 percent

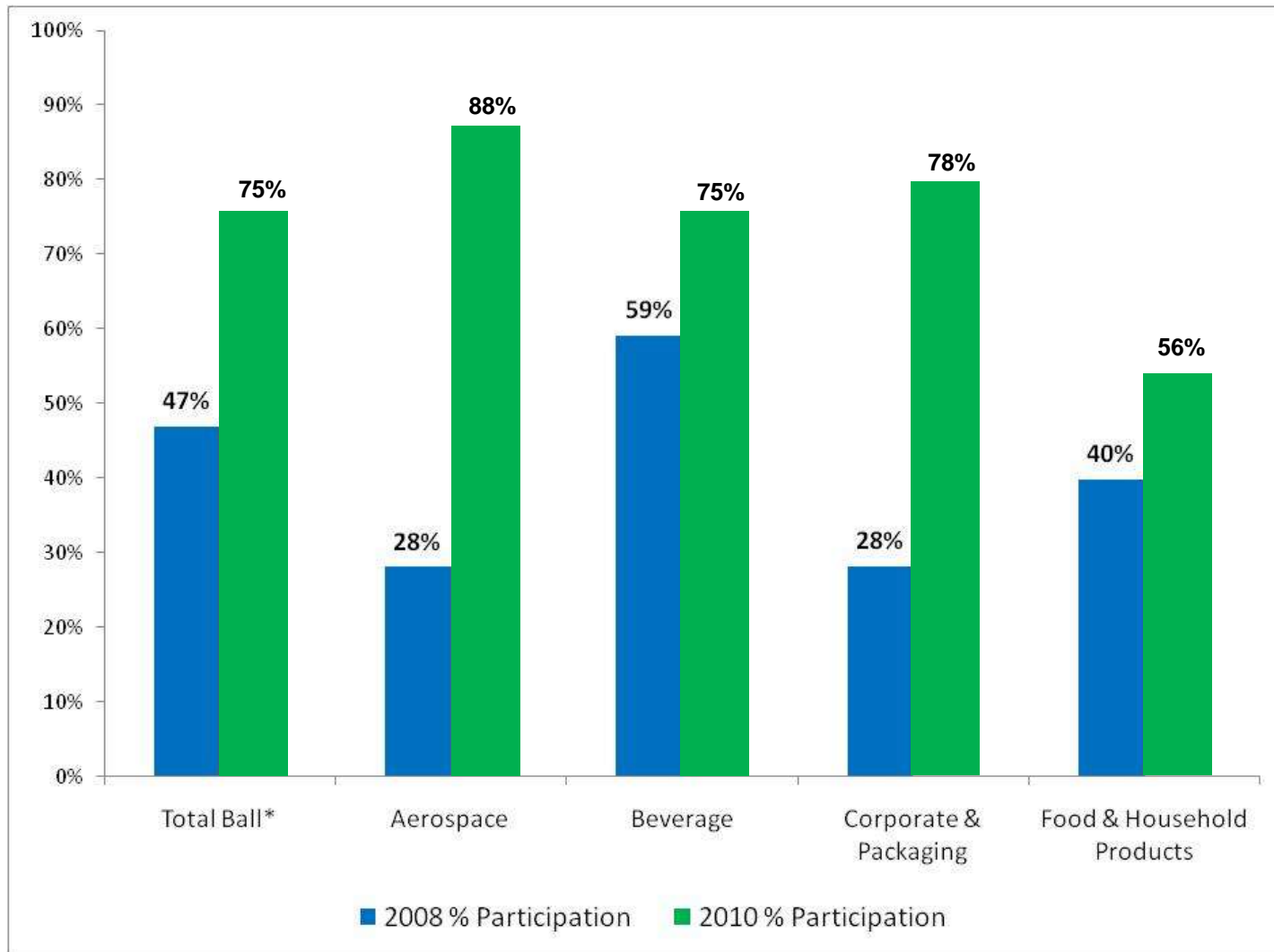
Aerospace &
Technologies

Ball Corporation Background (continued)

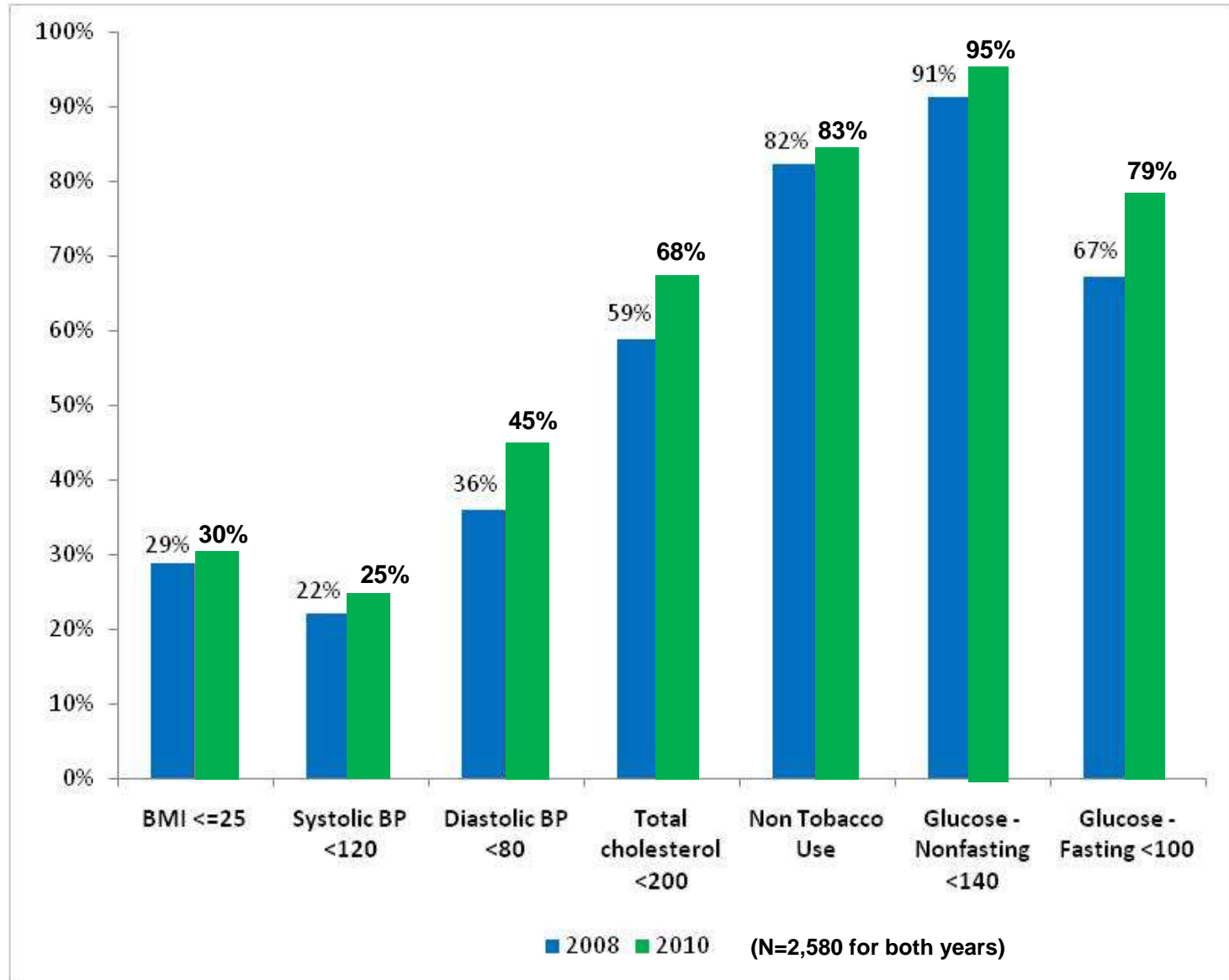
- Demographic profile:
 - Approximately 10,000 employees in U.S.
 - Average age 46 and 76% male
- Health care costs approaching \$100 million and growing 8% annually
 - Past wellness efforts not successful (i.e., only 5% participation in 2007 health assessment despite \$50 incentive)
 - Wellness needed to be treated as serious business issue
- Established formal wellness strategy emphasizing culture change and programs supported by incentives
 - Wellness Fairs/Biometric screenings offered in 2008
 - 49% screening participation through raffle-type incentives
 - 40% participation in voluntary telephonic coaching
 - Wellness fairs offered again in 2010
 - 2011 wellness “credits” tied to achieving targeted biometric outcomes or completing coaching programs

2008 vs. 2010 Wellness Fair Participation

- Overall 2010 participation of 75% (versus 47% in 2008)



2010 versus 2008 Biometric Results



2010 Biometric Results – Ball Criteria

- Ball had 6,529 participants in the 2010 biometric screenings

	In range based on Ball criteria					
	Criteria	Total	New	Prior	2008	% Change
BMI	≤ 30	71.7%	71.6%	71.9%	71.2%	1.0%
Systolic BP	≤ 140	92.1%	91.6%	92.9%	89.9%	3.3%
Diastolic BP	≤ 90	94.4%	93.4%	95.8%	92.9%	3.1%
Total cholesterol	≤ 200	68.9%	68.7%	69.2%	60.0%	15.3%
Tobacco	Nonusers	81.9%	81.2%	82.9%	82.3%	0.7%
# of Participants	N/A	6,529	3,943	2,580	2,580	N/A

- Total participating population is healthier in 2010 than in 2008, with the exception of tobacco use
 - Includes 3,943 “new” individuals, whose biometrics were slightly worse than those with “prior” results
 - Repeat participants (i.e., “prior”) healthier in 2010 than in 2008
- Nearly 70% of those screened met Ball’s criteria, which was not very stringent

2010 Biometric Results – StayWell Criteria

- Based on StayWell criteria, biometric improvements were even more significant:

	In range based on StayWell criteria						
	Criteria	Total	New	Prior	2008	% Change	BoB*
BMI	≤ 25	30.3%	30.9%	29.5%	28.9%	2.1%	28.8%
Systolic BP	< 120	21.3%	18.9%	24.9%	22.0%	13.2%	31.6%
Diastolic BP	< 80	42.9%	41.2%	45.4%	36.0%	26.1%	49.0%
Total cholesterol	< 200	67.8%	67.6%	67.9%	58.8%	15.5%	65.7%
# of Participants	N/A	6,529	3,943	2,580	2,580	N/A	N/A

*StayWell's book of business (BoB) for in-range participants at manufacturing and mining industry companies.

- StayWell criteria represent typical “healthy ranges” for BMI, BP and cholesterol
- Ball’s total population healthier in 2010 than in 2008
 - “New” population has better BMI results than “prior” population
 - BMI and cholesterol better than StayWell BoB, but BP lags
- Repeat participants even more improved than on Ball criteria
- Significant opportunities for additional health improvements still exist within Ball’s population

2010 vs. 2008 Biometric Results – BMI Breakouts

Loss of 1+ BMI Point	37.1%
No change to BMI	27.5%
Increase of 1+ BMI	35.4%

- Over 37% of participants lost enough weight that their BMI decreased by 1+ point between 2008 and 2010
- 27.5% had no change, whereas 35% saw an increase of 1+ to their BMI



Results of Pilot/Coaching Programs

- Telephonic coaching was offered to all employees during 2010 (371 participants who completed 3+ calls)
- Also offered pilot programs in certain locations
 - LifeClinic kiosks in 4 locations (Corporate HQ and 3 plants)
 - Onsite weight management in 4 locations (Corporate HQ and 3 plants)
- Overall, 598 employees participated in these programs
 - Able to track 2008 vs. 2010 biometric comparative data for 286 of these participants
 - Overall, improvements in BMI, blood pressure and cholesterol far exceeded results from employees who did not participate – typically by a factor of 1.5x to 2.5x

Telephonic Coaching Results

- 371 participants across 25 locations with 3+ coaching calls
 - 160 coaching participants had biometric data in 2008 and 2010
- All 2010 improvements in biometric results were significantly better for coaching participants than for those without coaching
 - 23 employees with 5 or more calls averaged 12.5% improvement in BMI
 - Much higher engagement in telephonic coaching for Aerospace division than in other locations



LifeClinic Kiosk Results

- LifeClinic kiosks were used by 177 participants
 - 104 of which also participated in telephonic coaching and 9 in onsite weight management
 - 24 completed 3+ coaching sessions with several completing 4-6
- 88 participants had biometric data in 2008 and 2010
- 7% improvement targeted BMI range vs. 0.7% with no program
 - Nearly 46% lost one-or-more BMI point and 26% had no change, compared to 37%/28% in the group with no program
- Some improvement to systolic BP, but slight decrease in % of kiosk users with diastolic BP at or below 90



Onsite Weight Management Results

- 50 onsite weight management participants
 - 38 participants with biometric data in 2008 and 2010
- All biometrics improved for this group, with a 33% increase in those with cholesterol at or below 200
- Average BMI for these participants was significantly worse than other groups, with less than 50% of the population <30 BMI in 2008
 - Improvements better than those without program, including those who improved or had no change to BMI
 - % who gained weight was higher



What's Next for Wellness at Ball Corporation?

- Active for Life/Pounds for Charity campaigns held in Q1 through Q2 2011
 - Over 150 teams, 1,000 participants and 3 million minutes of exercise
 - Over 2,600 pounds lost
- Quarterly wellness newsletters
- Evaluating expansion of onsite programs:
 - Kiosks in all locations
 - Expanded onsite programs; may include face-to-face coaching and/or support for shift workers
 - Targeted tobacco cessation programs in plant locations with highest % tobacco users
- Rollout of global wellness strategy/programs



Scott Morrison
Senior VP and CFO,
Ball Corporation