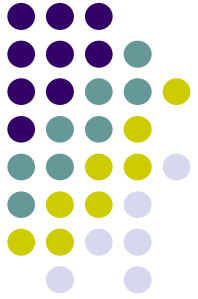


Marvin Wellness Programs

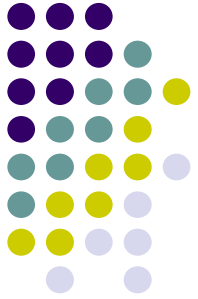
MN Chamber of Commerce
June 19, 2007

Elaine Buddington
Director, Compensation and Benefits
Marvin Windows and Doors



About Marvin Windows and Doors

- Privately held, family owned business
- Company was founded in 1912 as a lumber business, and began making windows in 1939
- Combined workforce of over 5,000 employees:
 - Headquartered in Warroad, MN
 - Marketing and Sales office in Eagan, MN
 - Other states include North Dakota, Oregon, Tennessee, Virginia, New York and a Sales Force all over the country



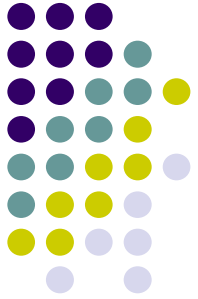
Marvin Vision and Mission

Vision:

To be the premier supplier of windows and doors and allied services.

Mission:

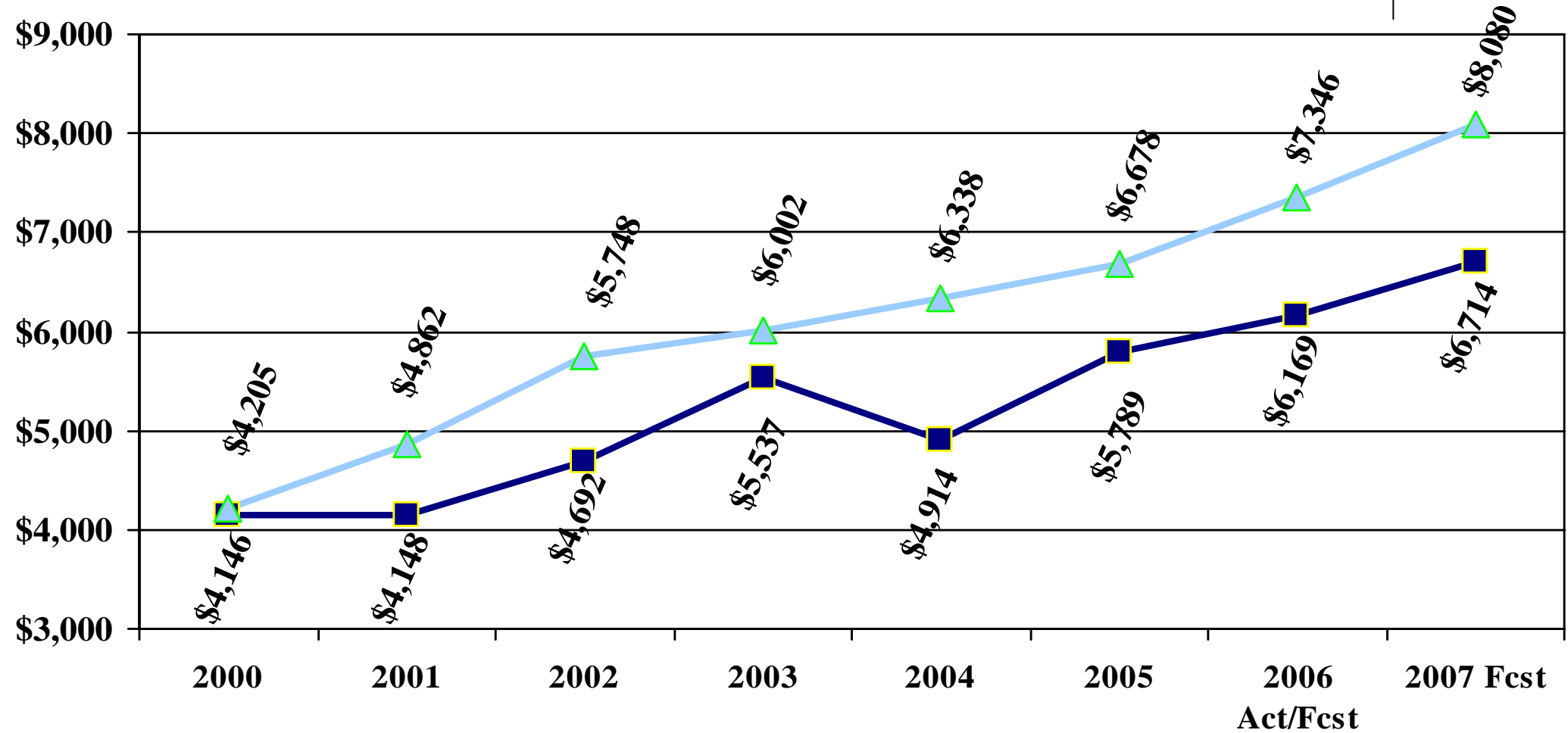
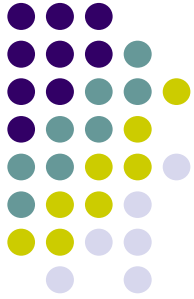
The Marvin Companies produce windows, doors and allied products that customers perceive as having high quality and value. In doing so, Marvin is able to grow market share, enjoy long-term profitability, provide employment opportunities and thereby strengthen the communities where it does business.



Marvin's Benefits Program Objectives

- Slow rising costs, yet continue to offer a high quality employee-valued benefits program
- Continue to introduce consumerism and employee choice into our plans
- Provide incentives for healthy behaviors
- Promote long term medical cost control strategy
 - *Early Detection, Early Treatment and Healthy Lifestyles*
- Aggressively manage top medical cost drivers

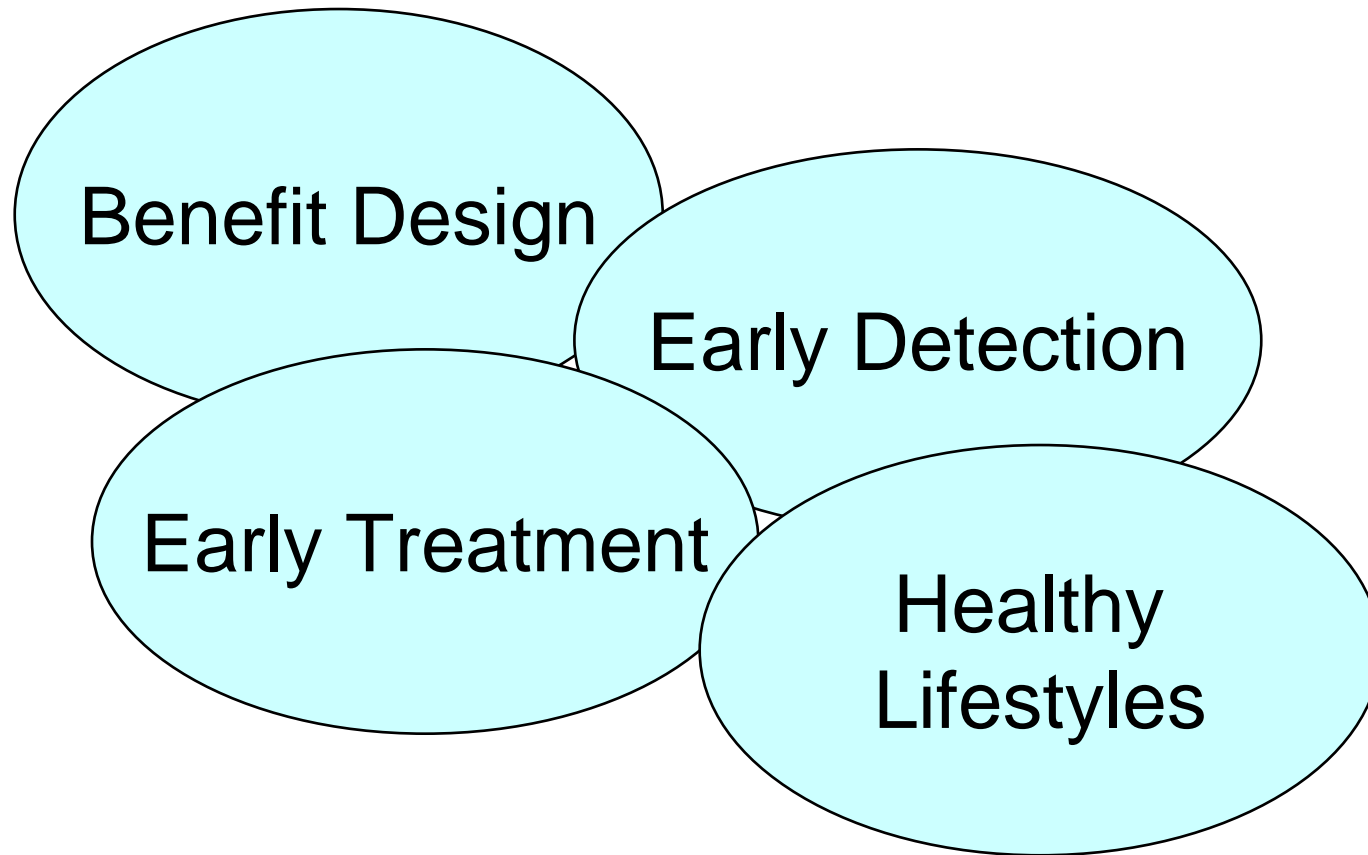
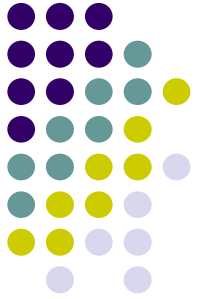
Avg. Medical Cost PEPY

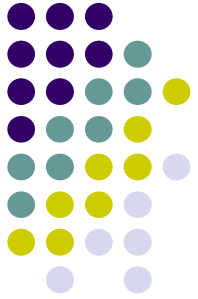


■ Marvin Avg Cost/Empl
 ▲ Natl. Avg.(Mfg Co)



Long Term Medical Plan Strategy





Marvin's Long Term Approach

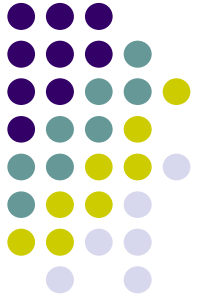
Slow the rate of future cost increases through:

- Reasonable sharing of costs with employees
- Early Detection
- Early Treatment
- Healthy Lifestyles

We continue to review our best options for benefit plan design, wellness initiatives and incentive programs

Basic Medical Screens/Health Surveys

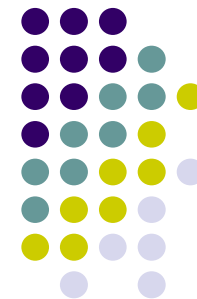
“Early Detection”



- Implemented in Warroad in 2005
- Expanded company-wide in 2006
- Basic Medical Screens include:
 - Blood pressure
 - Diabetes and cholesterol screens
 - Body Mass Index (based on height and weight)
 - Confidential results explained by the nurse, including recommendations for follow-up care if appropriate

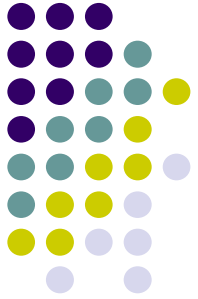
Basic Medical Screens/Health Surveys

“Early Detection”



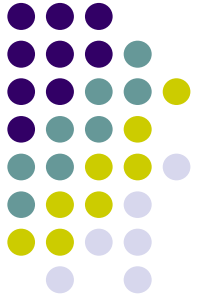
- Basic Medical Screens and HRAs are conducted every two years at all locations
- Employees and spouses who are primary dependents on our health plan are included
- Employee participation and support are critical to the success of these programs

Incentives for Medical Screens and Health Surveys



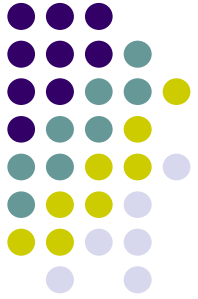
- Participation is voluntary and results are completely confidential
- Employee contributions for medical coverage are based on participation (not results!)
 - Standard Employee Contribution Rate for non-participants
 - Special Employee Contribution Rate for participants
 - \$20/month lower for employee coverage
 - \$40/month lower for employee + spouse or child/ren
 - \$50/month lower for family coverage

Basic Medical Screens and Health Survey Results



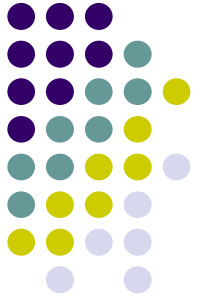
- Over 90% of eligible employees and spouses participated in 2005
- The incentive was a key driver for high participation
- ROI and Population Health Metrics are still under development
- Considering moving to a “results-based” incentive approach in the future

Preventive Health Benefits – “Early Detection and Early Treatment”



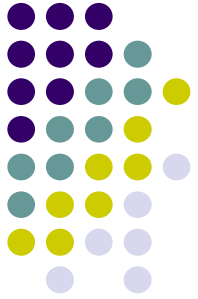
- Annual physicals/check-ups are covered at 100%, no deductible
- Includes well-doctor visits and immunizations for children, and prenatal care for pregnant women
- Cancer-screening tests covered at 100% (breast cancer, colon cancer, etc.)
- Glucose and HDL/LDL screening covered at 100%
- Many medical screens are age and gender-based

My Health Connection “Early Treatment”



“My Health Connection” was introduced in 2005

- Disease and chronic condition management program affiliated with BCBSND
- Provides 24/7 Health Coaching support to all members with chronic or other significant medical conditions
- Also provides online health resources, information and tools to track healthy behaviors
- Total cost savings to be determined but program has had positive impact



My Health Connection – Independent Survey Results

Users of the Plan

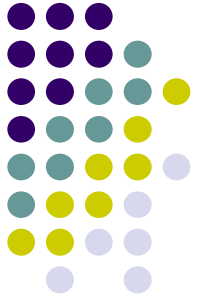
- Overall Satisfaction – 87%
- Likelihood to recommend – 96%
- Satisfaction with Health Coach – 89%
- Likelihood to use program again – 88%

Users and Non-Users of the Plan

- Importance of continuing plan – 81%

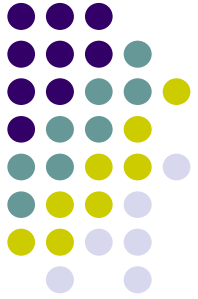
Clinical Quality Indicators

- 11 out of 12 indicators showed positive impact



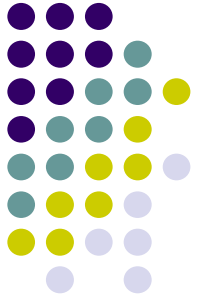
Healthy Lifestyle Benefits

- **Wellness Reimbursement Account:**
 - Employees and spouses who are covered under our health plan are eligible
 - Provides 50% reimbursement for eligible expenses up to a maximum of \$75/ee and \$150/family per year:
 - Health Club memberships
 - Fitness Club memberships
 - Weight Rooms
 - Swimming Pool passes
 - Weight-loss programs (Weight Watchers, Jenny Craig, etc.)



Healthy Lifestyle Benefits

- Smoking Cessation:
 - Smoking cessation classes offered at no charge to employees and spouses
 - OTC smoking cessation products reimbursed at 100% with accompanying Rx
 - Rx smoking cessation products covered under our prescription benefits

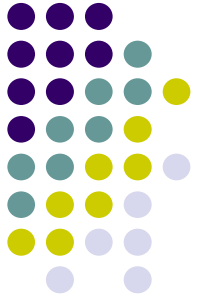


“Fittest State in the Nation” Initiative

- In March 2007, BCBSMN launched its *“Fittest State in the Nation”* initiative
- Statewide program with funding from recent litigation settlement with tobacco companies
- Marvin is proud to be a co-sponsor of the initiative
- Primary goals are to increase healthy eating (fruits and vegetables) and moderate physical activity among all Minnesotans

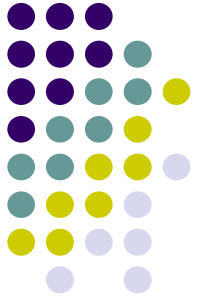
Marvin's Wellness Vision

“Healthy Lifestyles”



Vision:

- To be the healthiest company in the healthiest state in the nation.
- We will accomplish this in a way that motivates all employees to take responsibility for their own health, wellness and lifestyle choices at work, at home and at play.

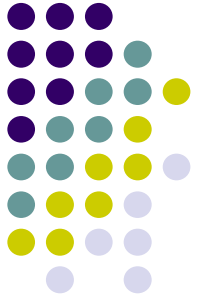


Marvin Wellness Committee

- Volunteer Committee was established to give additional focus to the “Healthy Lifestyles” strategy

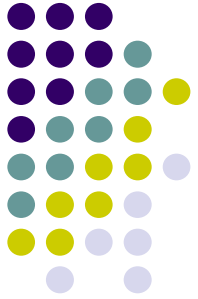
Our Mission:

- The Marvin Wellness Committee provides information, activities and programs that promote healthy choices for employees and their families.
- We are guided by the Company’s values, and we support Marvin’s health care strategy of Early Detection, Early Treatment and Healthy Lifestyles.



Wellness Committee Initiatives

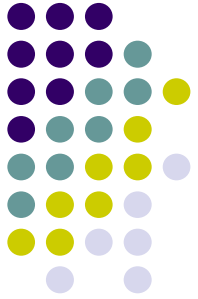
- Upgrading onsite “Wellness Stations”
- Publish newsletter articles monthly
- Establish walking, running, biking, exercise, diet and nutrition programs
- Improve healthy food choices in vending machines and at company meetings
- Create “healthy competitions” to encourage participation
- Incorporate BCBSMN’s “do-groove” campaign at Marvin and within the community



Next Steps

- Continue to develop and improve metrics (participation rates, year-over-year comparisons, ROI)
- Consider adding a full-time wellness coordinator
- Keep Wellness Committee energized and focused
- Evaluate other results-based programs, with or without additional incentives

How can employees help to control future costs?



- **Early Detection** – Get involved in the medical screening opportunities.
- **Early Treatment** – Work with the Health Care Coaches and your personal physician.
- **Healthy Lifestyles** – Our lifestyle choices affect health care costs, so carefully consider the personal decisions you make every day.