GETTING STARTED

THE COST OF DOING NOTHING

WHAT IS WORKPLACE WELLNESS?

WHAT'S THE ROI?

> ASSESS YOUR BUSINESS





# WHY HAVE A WORKSITE WELLNESS PROGRAM?

#### What is Worksite Wellness?

For the purposes of this resource kit, worksite wellness refers to the education and activities that a worksite may engage in to promote healthy lifestyles to employees and their families. This kit focuses on risk factors that affect obesity and chronic diseases.

#### Why is the Worksite Setting Key?

Worksites are a great place to focus on changing behavior. First, people spend more time in the work setting than any other setting in an average day. Second, the work setting lends itself to policy and environmental changes that encourage and support healthy habits. Lastly, combined with incentive programs, worksites provide a rich environment to change behavior and increase the number of employees with good health habits and a lower number of health risk factors.

#### How Wellness Affects Your Company's Bottom Line

Here are some key benefits of wellness programs:

- Decreases health care costs
- · Provides a return on investment
- Increases productivity
- Reduces absenteeism
- · Improves morale and retains key staff

If you need more convincing or background information, read on.

#### **Control Healthcare Costs**

# Want to give your business a Wellness Assesment?

Visit www.livewellgreenville.org, click on the Toolkit link in the main menu, then select the Worksite Toolkit.

Rising healthcare benefit costs are a significant concern and poor health habits and unnecessary medical care costs consume portions of our corporate resources – as well as the employee paycheck. An investment in your employees' health may lower health care costs or slow the increase in providing that important benefit. In fact, employees with more risk factors – which include being overweight, smoking and having diabetes – cost more to insure. They also pay more for health care than people with fewer risk factors.

#### Raise Awareness of the Benefits of Good Health and See a Positive Return on Investment

An employee wellness program can raise awareness so employees with fewer risk factors remain in a lower-cost group. A program also can encourage employees with health risk factors to make lifestyle changes, to seek help for mental health programs and to improve their quality of life and lower costs. The payoff in dollars, as well as in quality of life, can have a big impact on your company's bottom line. The average cost/benefit ratio for wellness programs based on a summary of 28 articles was \$3.48 saved per \$1 invested (Aldana, 2001). A good summary analysis of return on investment (ROI) can be found in the issue brief entitled Employee Health Promotion Programs: What is the Return on Investment? http://uwphi.pophealth.wisc.edu/publications/issueBriefs/issueBriefv06n05.pdf

#### Increase Productivity, Decrease Presenteeism

Healthier employees are more productive. This has been demonstrated in factory settings and in office environments in which workers with workplace wellness initiatives miss less work. Presenteeism, in which employees are physically present on the job but are not at their most productive or effective, is reduced in workplaces that have wellness programs.

#### **Reduce Absenteeism**

Companies that support wellness and healthy decisions have a greater percentage of employees at work every day. Because health frequently carries over into better family choices, your employees may miss less work caring for ill family members as well. A wellness program can save money by reducing expenses related to absenteeism, such as overtime to cover absent employees.

#### Improve Morale and Enhance the Organization's Image

A company that cares about its employees' health is usually seen as a better place to work, and it will save money through increased employee retention. That company also ranks higher with prospective employees.

#### **Chronic Disease Related Healthcare Costs**

In 2003, obesity-related health problems cost employers \$13 billion. This included \$8 billion in medical claims, \$2.4 billion in paid sick leave, \$1.8 billion in life insurance, and almost \$1 billion in disability insurance. An estimated 39 million workdays are lost to obesity-related illnesses each year (DHHS 2004).

#### Percent of Adults with Lifestyle Health Risk Factors

Risk Factor	South Carolina	United States	
Obese: Body Mass Index (BMI ≥30)	29%	27%	
Overweight (BMI ≥ 25 < 30)	36%	36%	
Overweight and obese combined			
Diabetes	8%	8%	
Current smoker	19%	18%	
High blood pressure	28%	29%	
High cholesterol	36%	38%	
Lack of physical activity (< recommended level) 47%		49%	
Less than 5 servings of fruits or vegetables 77%		77%	
Source: Behavioral Risk Factor Surveillance System (BRFSS) 2009			

A major goal of your worksite wellness program is to get employees involved in program activities as well as taking care of themselves outside of company-sponsored activities. One prominent study looking at this issue assigned a relative cost to several risk factors illustrating the large potential costs for each risk factor:

Depression	\$2,413	Tobacco	\$713
High Glucose	\$1,450	No Exercise	\$709
Overweight	\$1,194	High Blood Pressure	\$650
Stress	\$1,132	High Cholesterol	\$454

Source: HERO-Risk-Cost Research: The relationship between modifiable health risks and health care expenditures. Goetzel, et. al.

#### **Employers Are Already "Paying" For Health Related Issues**

On average, a company can expect to pay an estimated \$10,000 or more per year for things such as:

Medical benefits, short & long term disability, workers compensation, disease management, absence management, staff recruitment and training, and human resources.

Two-thirds of the increase in health care spending is due to increased prevalence of treating chronic disease. Many of the above costs are related to chronic diseases and many of the chronic diseases are related to obesity. Our toolkit looks at health factors and will emphasize strategies that prevent conditions that are chronic disease-related and that lead to higher healthcare costs. The majority of the risk factors for chronic diseases are both preventable and modifiable.

## IF WE KNOW THAT...

- Employees spend approximately 36 percent of their total waking hours at work, and
- More employees are becoming overweight from poor eating habits and physical inactivity, AND
- Heart disease, stroke, cancer, and diabetes are all linked by common risk factors associated with poor eating habits, physical inactivity and tobacco use, THEN...
- As employers, it makes sense to get the most out of our employees by creating a work environment that supports and encourages good health.

### EMPLOYEES WHO IMPROVE THEIR HEALTH CAN...

- Improve their overall fitness and mental alertness,
- Enjoy improved morale,
- Reduce their absenteeism and presenteeism due to sudden illness or chronic health issues, AND
- Live healthier, longer lives.

### THIS WORKSITE WELLNESS TOOLKIT WILL HELP YOU...

- Identify the strengths and weaknesses of your wellness and health promotion policies,
- Develop an action plan to implement or improve your worksite wellness program, AND
- Provide a multi-faceted payback on your investment.

# LET'S GET STARTED!



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