

When employers and workers join forces to battle high healthcare costs, they and the nation as a whole, win. Although controlling these costs may seem overwhelming, companies and organizations across the country are rising to the challenge – achieving higher productivity, lower absenteeism and fewer healthcare claims. Those individuals who take a more active role in managing their own health enjoy the payoffs, too, in quality of life and monetary savings.

It is believed that as much as half of the illness in this country could be prevented, or at the least delayed, by people undertaking a positive lifestyle. Diabetes, heart disease, obesity and other costly conditions can be prevented when people engage in healthful behaviors day after day, year after year. Disease management programs that focus on the high-risk population may seem like the best strategy, but research confirms that a major opportunity for economic impact rests in keeping low-risk employees from moving into higher-risk categories.

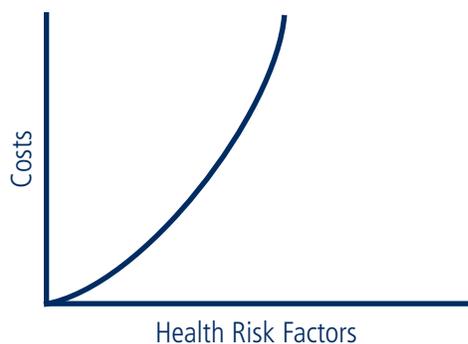
Population Health Management

Keeping healthy people healthy is the cornerstone of a population health strategy. Population health management is designed to improve the health of a defined group by segmenting members into health-related categories and targeting interventions to meet the needs of each group. Emerging research re-emphasizes the value of prevention – that it makes good business sense to help people stay healthy. A wealth of cost-effective worksite interventions – from education materials to team competitions – can support these efforts.

Why It Pays

Research shows that as health risks increase, costs increase; as health risks decrease, costs decrease – it's that simple. People with 0-2 high risks (considered a low-risk group) make up the largest share of worksite populations (roughly 60%). By helping people maintain

low-risk status, employers can make a substantial difference in their organization's long-term physical and financial health. The following demonstrates the connection between lower risks and lower costs.



- Body Mass Index (BMI) is a number calculated from a person's weight and height. BMI provides a reliable indicator of body fat for most people and is used to screen for weight categories that may lead to health problems. High BMI individuals cost an average of \$2326 (1996 dollars) more in annual health claims compared to healthy BMI individuals.¹

- High-risk health plan members cost approximately \$2000 over the average in annual medical claims. (Risks included high BMI, smoking and lack of physical activity and are calculated in 1996 dollars.)²
- High-risk employees (5+ risk factors) between ages 35-65 have medical claims costs of \$3007-\$4182 higher per year compared to low-risk employees in the same age group.³



- **Stress management programs** have proven effective in limiting the cost and recurrence of stress-related disability (healthcare costs for people with stress or depression symptoms are 147% higher than for those without).⁷

The most effective way to increase the proportion of employees in the low-risk category is to keep them from developing risk factors. This is the key to success in maintaining lower healthcare costs.

How You Can Keep Healthy People Healthy

Building a sustainable workplace culture of wellness is one of the best things employers can do to foster employee health – and to improve the bottom line. The evidence is solid: an investment in maintaining a population’s good health has a better payoff than trying to move unhealthy people to a state of health. Appropriate investments include:

Promoting Health and Preventing Disease

Wellness programs that include health promotion and disease prevention offer employees opportunities to live healthier lives and emphasize the benefits of physical activity and smart food choices. They provide support and guidance for employees ready to make changes as well as positive reinforcement for those already maintaining healthy habits. A variety of workplace wellness services that address the following issues can go a long way toward lowering high risks and maintaining low risks in the workforce.

- **A balanced diet** that includes at least five fruit and vegetable servings a day can help lower the risk for diabetes, heart disease, high blood pressure, stroke and some types of cancer.⁴
- **Regular physical activity** can reduce medication use, hospitalizations and unnecessary physician visits.⁵
- **Preventive strategies** (including education, training and workstation redesign) for back pain and other musculoskeletal disorders can help contain costs that can otherwise skyrocket.⁶

- Implementing programs that appeal to low-risk employees – campaigns, contests, health education resource centers, online and print education materials, newsletters and more
- Offering incentives to employees who maintain low-risk status
- Conducting periodic health assessments to track risks over time, increase awareness and monitor the effectiveness of interventions



Conclusion

Predictions indicate that in 2007, the average annual health benefit cost per employee for a typical employer will exceed \$8700 – about 6% higher than 2006. Implementing strategies to help workers stay healthy is critical to lowering costs. Offering a range of options – campaigns, contests, print materials and online health improvement programs along with rewards that reinforce healthy behavior – is a proven strategy for improving worker morale and keeping healthy people healthy.



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⁴ National Cancer Institute, "Health Information Tip Sheet for Writers, Diet and Diseases, 2006," www.cancer.gov/newscenter/tip-sheet-diet-related-diseases

⁵ Centers for Disease Control and Prevention, "Chronic Disease Prevention Overview, 2005," www.cdc.gov/nccdphp/overview.htm#3

⁶ Gatty, Turner, Buitendorp, Batman, "The effectiveness of back pain and injury prevention programs in the workplace," *Work*, 2003, 20(3): pp. 257-66

⁷ Jones, Tanigawa, Weiss, "Stress management and workplace disability in the US, Europe, and Japan," *Journal of Occupational Health*, January 2003, 45:1: pp. 1-7

In writing this article we have reviewed material on the following web sites: American College of Sports Medicine (www.acsm.org), *American Journal of Health Promotion* (www.healthpromotionjournal.com), *The Art of Health Promotion* (www.healthpromotionjournal.com/publications/art.htm), Centers for Disease Control and Prevention (www.cdc.gov), *Harvard Business Review* (<http://harvardbusinessonline.hbsp.harvard.edu>), *Journal of Occupational and Environmental Medicine* (www.joem.org), *Journal of Occupational Health* (<http://joh.med.uoeh-u.ac.jp/e/index.html>), *Journal of the American Medical Association* (www.jama.ama-assn.org), National Cancer Institute (www.cancer.gov), National Cholesterol Education Program (www.nhlbi.nih.gov/about/ncep/index.html)