

# wellness@WORK



## Business Case for Employee Health

2011 Grantee and Contractor's Annual Meeting

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# Roadmap for Today

- ✓ **Worksite Wellness:  
A Worthwhile Investment**
- ✓ **Local Public Health Tell  
Their Stories**
- ✓ **Oregon's Commitment  
to **Wellness@Work****



# If Food Were Health Care

*If food prices had risen at the same rates as medical inflation since the 1930's:*

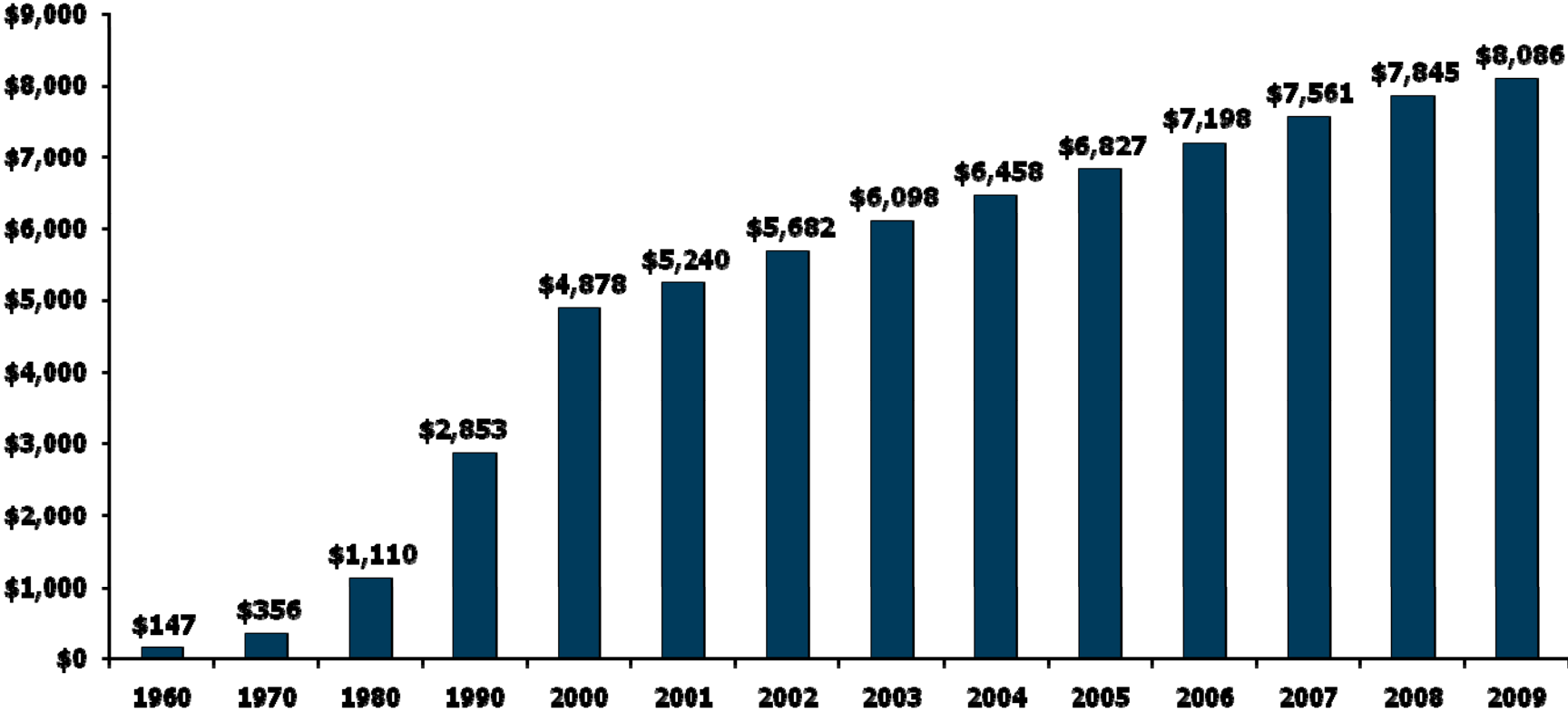
✓ 1 dozen eggs	\$80.20
✓ 1 roll toilet paper	\$24.20
✓ 1 dozen oranges	\$107.90
✓ 1 pound bananas	\$16.04
✓ 1 pound of coffee	\$64.17

Total for 5 items **\$292.51**



Source: American Institute for Preventive Medicine 2007

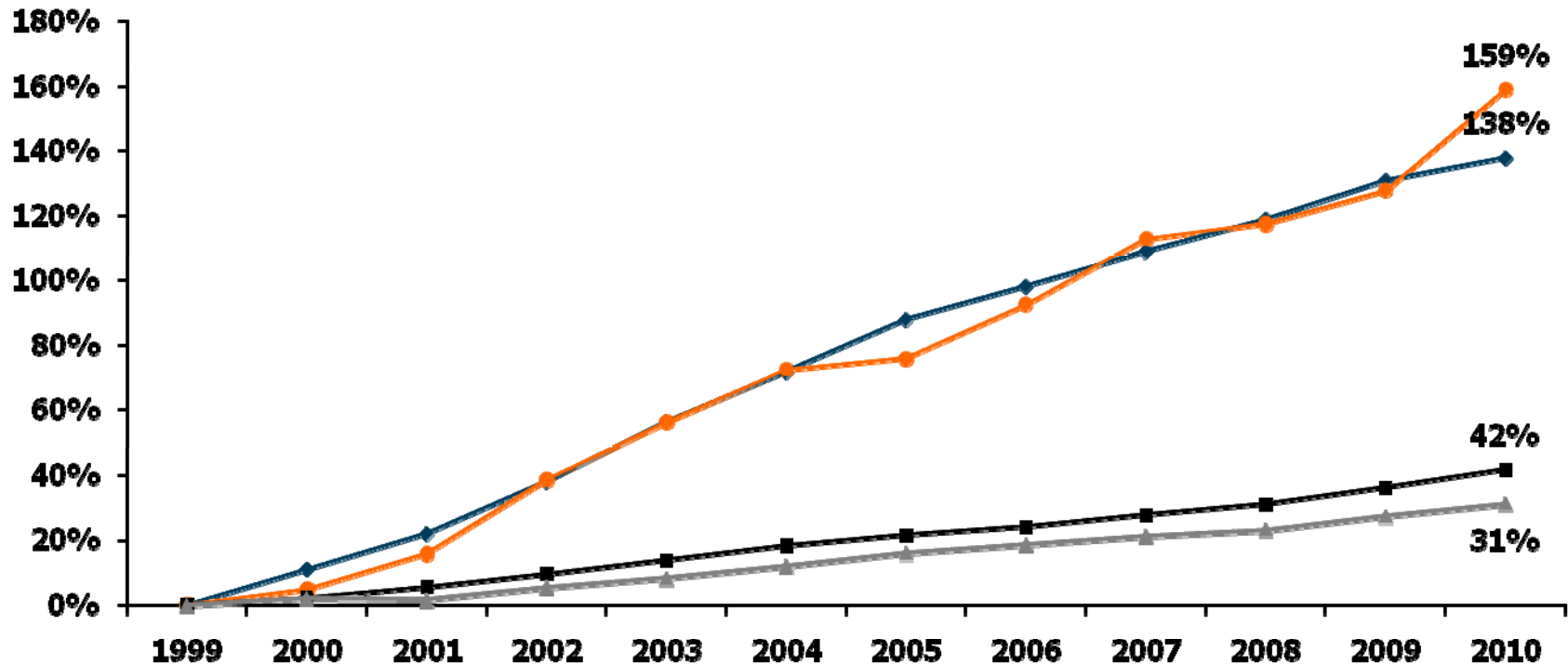
# HOW MUCH DOES THE U.S. SPEND ON HEALTH? NATIONAL HEALTH EXPENDITURE PER CAPITA 1960-2009



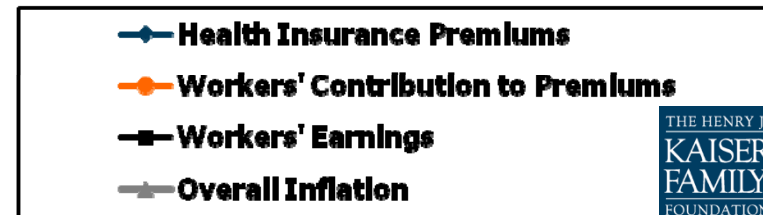
Source: Centers for Medicare and Medicaid Services, Office of the Actuary, National Health Statistics Group, at <http://www.cms.hhs.gov/NationalHealthExpendData/> (see Historical; NHE summary including share of GDP, CY 1960-2009; file nhegdp09.zip).



## Health Insurance Premium Increases Outpace Inflation and Growth in Workers' Earnings 1999-2010



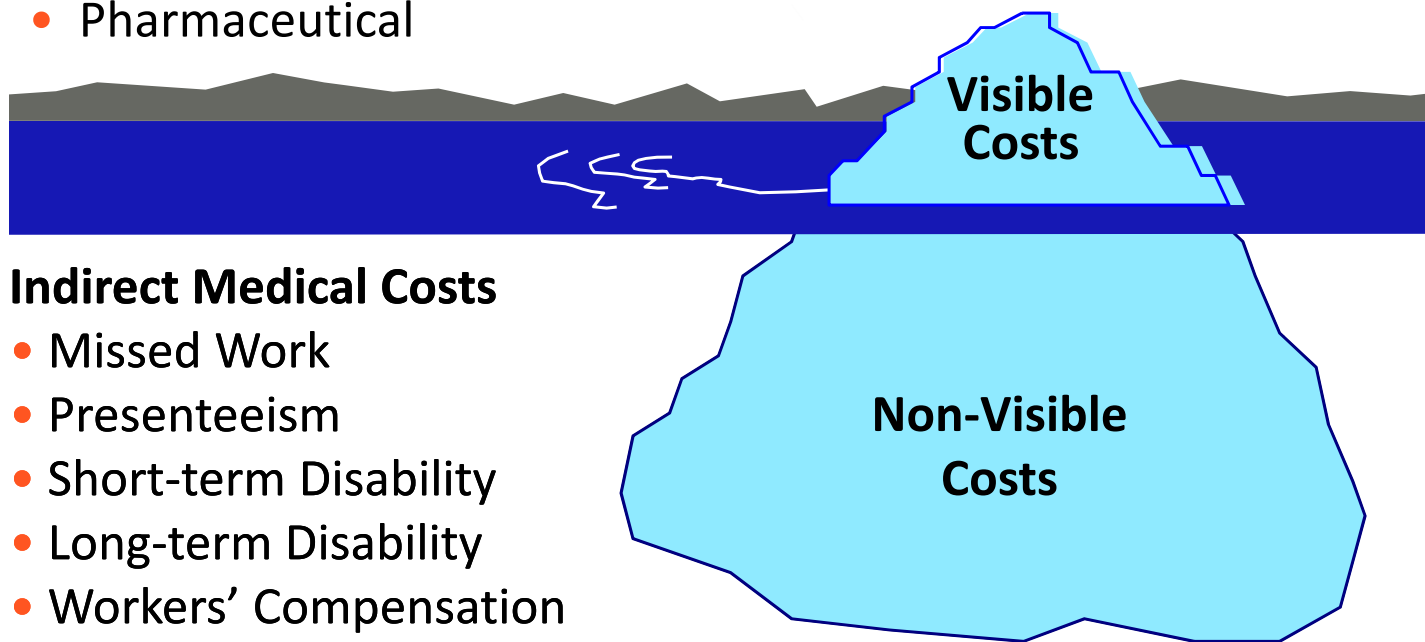
Source: Kaiser/HRET Survey of Employer-Sponsored Health Benefits, 1999-2010. Bureau of Labor Statistics, Consumer Price Index, U.S. City Average of Annual Inflation (April to April), 1999-2010; Bureau of Labor Statistics, Seasonally Adjusted Data from the Current Employment Statistics Survey, 1999-2010 (April to April).



# Medical Costs: Tip of the Iceberg

## Direct Medical Costs

- Medical
- Pharmaceutical



## Indirect Medical Costs

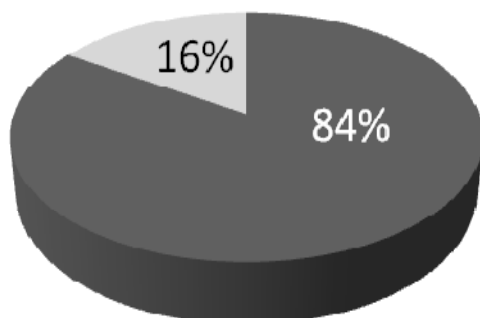
- Missed Work
- Presenteeism
- Short-term Disability
- Long-term Disability
- Workers' Compensation

**Indirect Medical Costs = 2-3 times Direct Medical Costs**

# Annual Toll of Chronic Disease in Oregon

## Cost of Chronic Conditions

- Health care costs for those with chronic conditions
- Health care costs for those without chronic conditions



Source: Medical Expenditure Panel Survey, 2006.

- 19,000 lives
- \$16 billion in health care costs
- Countless hours of missed work



# Top two causes of preventable disease & death

## Tobacco Use

- Every year, 7,000 Oregonians die from smoking
- For every tobacco-related death, another 20 people are sick
- Cost: \$2.4 billion in health care costs and lost productivity

- Nearly two-thirds of Oregon adults are overweight or obese
- Cost: \$781 million in direct medical costs
- One-third of the increase in Oregon's health care spending between 1998 and 2005 due to obesity epidemic

## Obesity

Source: "Reversing the trends of obesity and diabetes: A Report to the 2009 Oregon Legislature," Oregon State DHS Thorpe KE, Florence CS, Howard DH, Joski P. The rising prevalence of treated disease: effects on private health insurance spending. Health Affairs, W5-317-25, 27 June 2005. 2009-2010 BRFSS Survey

Emory University. Northwest Health Foundation Press Release: [http://nwhf.org/images/files/Obesity\\_Report\\_Press\\_Release.pdf](http://nwhf.org/images/files/Obesity_Report_Press_Release.pdf) Oregon Behavioral Risk Factor Surveillance System, 2009. (Actual number 60.2 percent).



# Oregon's Young People: Our Future Workforce

- Diagnosis of childhood chronic diseases almost quadrupled over past four decades
- Childhood obesity more than tripled in past 30 years
- 1 in 3 children will develop diabetes over their lifetime, given current trends



**If the trend continues, today's young people could be first generation to live shorter lives than parents.**

Source: Prevalence of obesity/overweight data source is 2007 Oregon Healthy Teens Survey  
Daniels SR, Arnett DK, Eckel RH, et al. Overweight in children and adolescents: pathophysiology, consequences, prevention, and treatment. *Circulation*. April 19 2005; 111 (15): 1999-2012

# Why Wellness at Work?

- Employees spend nearly half their waking hours at work.
- Environment shapes habits.
- Most Oregonians want to be healthy!

## Did you know that...

- 80% of Oregon smokers want to quit.
- 90% of overweight and obese Oregon adults want to lose or maintain weight.

# What is Worksite Wellness?

## Health

A state of complete physical, mental and social well-being and not merely the absence of disease or infirmity.

## Wellness

A lifelong journey and an active process of making choices and commitments to be healthy and well.

## Worksite Wellness

An organized, employer-sponsored initiative designed to support employees (and their families) to adopt behaviors that reduce health risks, improves quality of life and maximizes personal effectiveness and benefits the organization's bottom line.

# Can you make it easier for employees?

- ✓ **To Be Tobacco Free**
- ✓ **Eat Well**
- ✓ **Move More**
- ✓ **Take Charge of  
their Health**



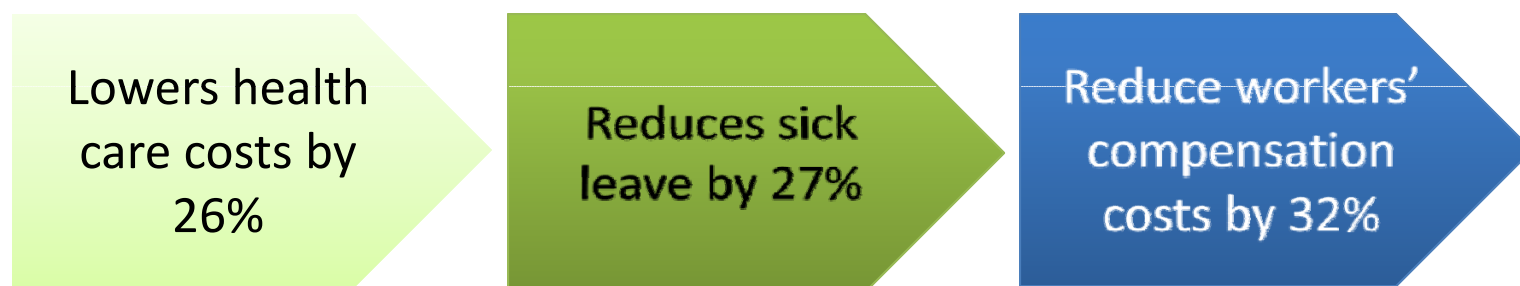
**YES!**

## How others have done it...

- **Boeing** adopted tobacco-free policy and turned smoking shelter into bicycle parking
- **City of Albany** rented garden plot for \$20; spent another \$20 for vegetable starts for healthier eating and physical activity
- **Duckwall Pooley** cut workers' compensation costs in half by incorporating stretching into workday

# Wellness@Work: An Economic Imperative

**A comprehensive, strategically designed investment in employees' health pays off.**



## Return on Investment

For every \$1 spent on wellness programs, an average of \$5 (range of \$2-19) is saved.

Source: Chapman LS. The Art of Health Promotion: Meta-evaluation of worksite health promotion economic return studies: 2005 update. Am J Health Promotion, 19 (6), July/Aug 2005

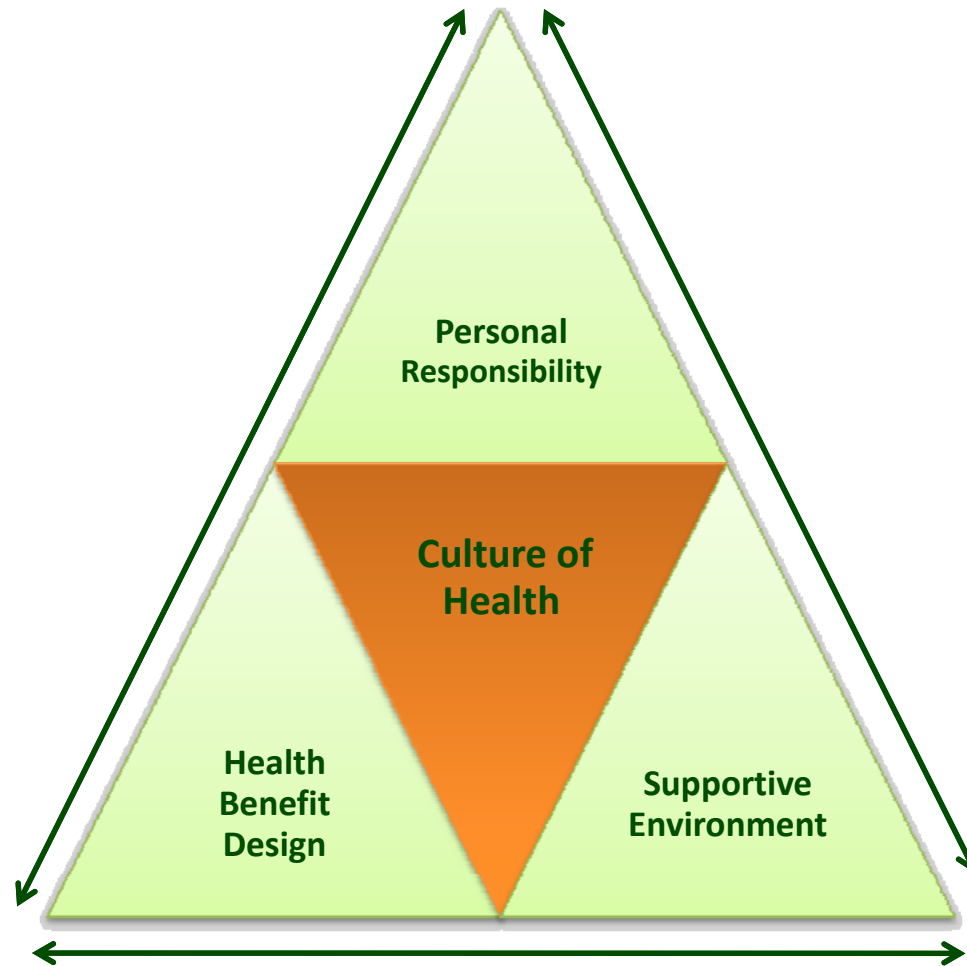
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## An Economic Imperative

- ✓ Attract and retain healthy employees
- ✓ Boost employee productivity
- ✓ Chip away at rising health care costs

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A comprehensive, integrated worksite wellness program



Source: NGA Center of Best Practices



## Policy, Environment & Systems Change

“It is unreasonable to expect that people will change their behavior easily when so many forces in the social, cultural, and physical environment conspire against such change.”

– Institute of Medicine



Oregon's Commitment to  
**wellness@WORK**

A statewide initiative to create healthier worksites guided by leaders from **business, public health, health care, and education**

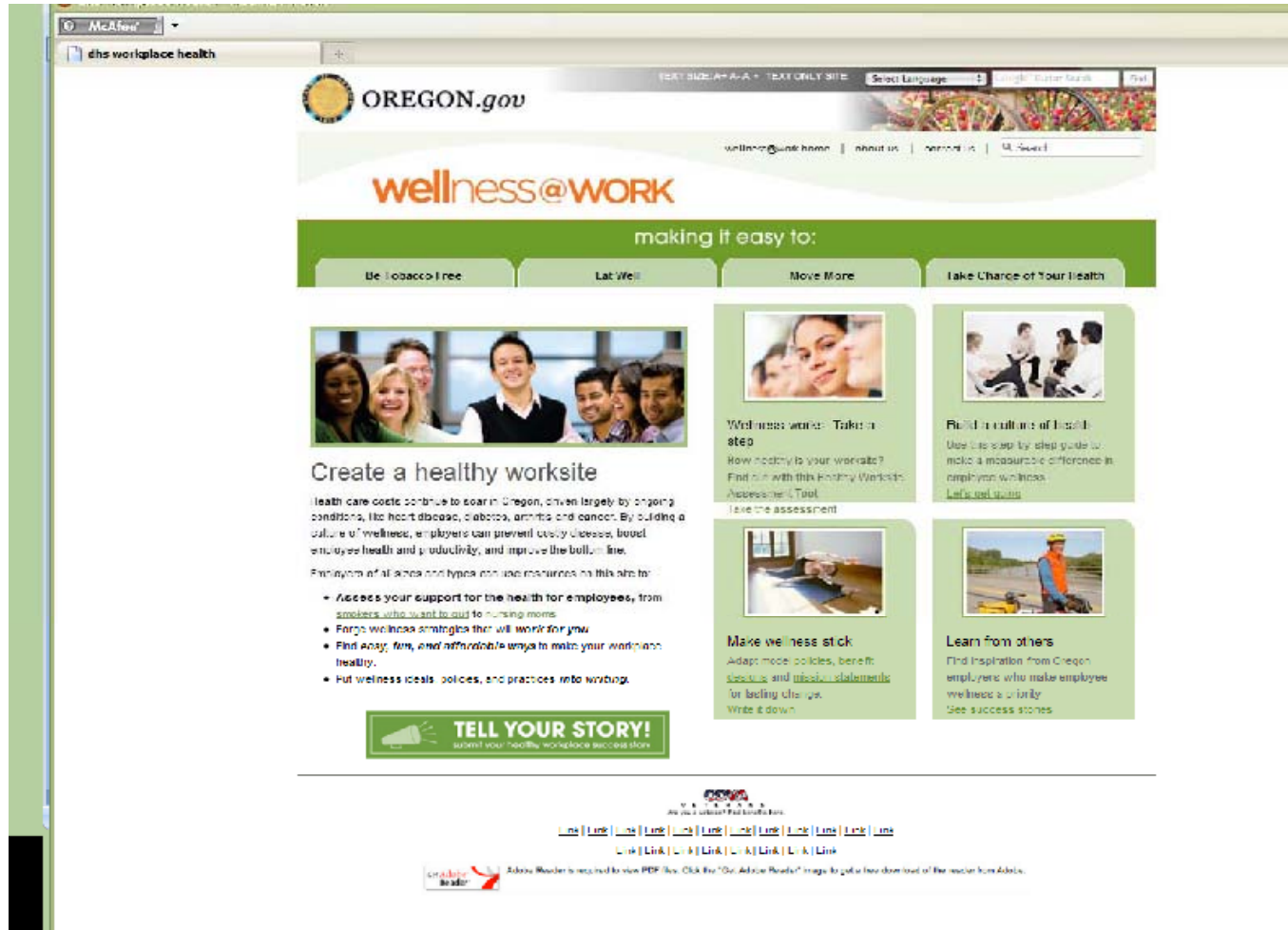
Contributes to **Oregon's Triple Aim** to:

- Improve lifelong health of all Oregonians
- Lower or contain cost of care
- Increase the quality, reliability and availability of care

# Join Wellness@Work Movement!

- **Center for Disease Control**
  - *Community Guide*: <http://www.thecommunityguide.org/obesity/workprograms.html>
  - *Preventing Chronic Disease*: [www.cdc.gov/pcd/issues/2009/apr/08\\_0195.htm](http://www.cdc.gov/pcd/issues/2009/apr/08_0195.htm)
  - *Healthier Worksite Initiative*: <http://www.cdc.gov/nccdphp/dnpa/hwi/>
- **U.S. Chamber of Commerce's Health Workforce Program:** <http://www.uschamber.com/assets/labor/2010hwforce.pdf>
- **Small Business Wellness Initiative:** <http://www.sbwi.org/employers.asp>
- **National Business Group on Health:** [www.businessgrouphealth.org/](http://www.businessgrouphealth.org/)
- **Wellness Councils of America (Welcoa):** <http://www.welcoa.org/>
- **American Heart Association:** [http://startwalkingnow.org/start\\_workplace.jsp](http://startwalkingnow.org/start_workplace.jsp)
- **Employment Law Information Network:** [www.elinfonet.com](http://www.elinfonet.com)

VISIT [WWW.HEALTHOREGON.ORG/WELLNESS@WORK](http://WWW.HEALTHOREGON.ORG/WELLNESS@WORK)



# What is a Culture of Health?

*“The way we do things around here”*



*“In a culture of health,  
employee well-being and  
organizational success are  
inextricably linked.”*