

Employers Need to Recognize That Our Wellness Starts at Work

by Jim Purcell



The current debate about workplace wellness has called into question virtually every aspect of wellness programs. Commentators have railed against them, with some asserting that they are not only worthless but are also a morale disaster and a stealthy way to shift more coverage costs onto employees.

Despite all this, most corporate leaders continue to fund such programs. Collectively, employers spend upward of \$8 billion a year on wellness programs – yet the programs underperform by most measures, and barely 25% of employers even try to understand how well their programs do.

We all know that moderate exercise, proper diet, and not smoking are essentials for good health. Right? How many of us follow through on it? According to a 2016 study published in the journal Mayo Clinic Proceedings, 2.7% of Americans meet this fairly low standard of healthy living.

INSIGHT CENTER

Innovating for Value in Health Care

SPONSORED BY MEDTRONIC

Exploring cutting edge ways to lower costs and improve quality.

This disconnect between the near unanimous adoption of workplace wellness programs and their demonstrably lackluster results leads to some fundamental questions. Is the workplace an appropriate venue for wellness programs, and, if so, is it the best venue?

While I agree that many wellness efforts have been unproductive, invasive, and demoralizing and that the misuse of financial incentives and penalties have made employees cynical, I offer a line-in-the-sand position: The workplace is not just an appropriate venue but actually the very best one – provided that leadership is willing to make a long-term commitment to wellness programs. Here's why.

A Critical Workplace Issue

Employee wellness is very much management's business.

The discussion has moved beyond physical health and toward "well-being." Studies by the U.S. Centers for Disease Control and Prevention and others demonstrate that well-being – a combination of physical, mental, and spiritual health – is of primary importance in the workplace.

Consider employee engagement, which is greatly affected by workers' physical health and well-being. A Gallup survey reported that a mere 32.6% of the American workforce is engaged.

Management has every right, and indeed has an obligation, to facilitate maximum engagement and performance in its employees. While we can argue about the best ways to maximize productivity, it's hard to dispute that the physical, mental, and (yes) emotional conditions of employees are very much the business of the company, given that they greatly impact performance, morale, and absenteeism.

Plus, let us not forget that companies pay a significant portion of employees' health insurance costs,

which are directly affected by employee wellness.

Accordingly, it is difficult to give any credence to the argument that management has no business venturing into employee wellness.

Where the Action Is

It is clear that the workplace is the optimal opportunity for employee wellness efforts. There are over 100 million Americans working full-time today. Thus, the workplace contains the largest single daily gathering of people in the U.S.

Moreover, Americans often spend more time working than doing anything else, including sleeping. While at work, employers have employees' attention and the means of communication and program delivery.

Some of the most respected authorities in health care feel the same way:

“Only private business...can solve America’s epidemic of obesity, chronic disease, and runaway health care costs by investing in the health...of their employees.”

– Toby Cosgrove, CEO of Cleveland Clinic

“Ideally, the office should be a place protecting the safety and well-being of employees while providing them with opportunities for better long-term health.”

– Centers for Disease Control and Prevention

Lower Health Care Costs

As the former CEO of a major health insurer, I will say this point-blank: Other than the debilitating practice of reducing employee coverage and increasing the shares employees pay for their insurance, improving employee wellness is the only way employers can lower health insurance premiums.

Although many employers believe rising health care premiums are due to increasing fees paid to care providers, that is simply not true. Over the past decade, claims expenses have grown almost entirely due to the ever-increasing rate at which employees are using health care services (i.e., more services per year per employee), due in large part to more chronic illness, which often results from obesity and lack of exercise.

When we consider that 86% of health care spending in the United States is for people with one or more chronic illnesses, it's clear that companies must do whatever they can to keep employees healthy and to reduce and better treat the chronically ill. If employers really want to lower insurance premiums, workplace wellness must play a central role.

Wellness Done Right Is Effective

I am firmly in the camp that disfavors stupidly designed and implemented programs, such as those that are under fire by the critics. There is a better way. Companies that focus less on reducing their costs via “pry, poke, and prod” programs and focus more on cultivating employee well-being and linking employee values with company goals have had success by almost any measure.

One issue remains: confidentiality. Some programs, like one implemented by the City of Houston, have used sensitive data to track employees without their permission or knowledge, which has only heightened employee cynicism and anger. Poorly designed programs harm employee enthusiasm and lead to Big Brother-like concerns, as Penn State University's did. They do not manipulate. To ensure credibility and trust, and indeed to avoid legal liability, employers must not use or be privy, directly or indirectly, to such information. This is non-negotiable.

A Competitive Advantage

Workplace wellness has the potential to deliver quantifiable benefits (so-called values of investment) by creating a thriving, engaged, and productive workplace. Gallup estimates that lack of engagement costs American businesses \$550 billion a year and that healthy, engaged workers provide a distinct competitive advantage by arriving at their jobs ready to work and enthusiastically providing maximum effort.

So let us move the discussion away from *whether* workplace wellness programs are appropriate and toward *how* they should be structured and carried out.