

When Should We Start An Employee Wellness Program?

By: Rhett Cleverly, MBA, Underwriter

Employee wellness programs have been around for a long time. For hundreds of years, Asian countries have promoted such practices. In the 1920's, Japanese workers started each day with calisthenics. Today, the recognition that lifestyle choices, costly chronic conditions, and rising health care costs are directly correlated with our individual wellness presents the question: "Is now the time to start a wellness program for our company?"

Wellness programs come in many shapes and sizes. Some programs have personal coaches, on-site nurses, and internet checkup tools that encourage employees to eat right, exercise, stop smoking, and manage stress. While the cost of these programs can range from a few hundred dollars to thousands of dollars, we should keep in mind that employee wellness programs do not have to be expensive to be effective.

Improving the health of workers is a benefit to both the employee and the employer. The employee feels better, is healthier, more productive, and generally happier as a result of this work-life balance. For the employer, the benefits may include less absenteeism, better retention, lower medical claims, and improved morale. So, is an employer sponsored employee wellness program worth all the trouble? The answer is a resounding "YES!"

Let's consider the potential impact that an employee wellness program may have on health care cost. The Center for Disease Control has stated that obesity, overeating, eating the wrong foods, and a sedentary lifestyle, results in over one-third of all health care costs. An estimated 65% of adults in the United States are overweight or obese. For every \$100 spent on annual health care costs on a healthy-weight employee, employers spend 13.8% more on an overweight employee and 37.7% more on an obese employee. Obesity is associated with 39 million lost workdays per year. Obesity can also be a killer.

Not surprisingly, there is a strong link between obesity and the most expensive chronic health conditions, including high blood pressure, heart disease, and type II diabetes. The estimated direct and indirect cost of cardiovascular disease for 2006 was \$403.1 billion. Obesity is also linked to osteoarthritis, sleep apnea, some forms of cancer (e.g., uterine, breast, colorectal, kidney and gallbladder). However, obesity is a preventable and treatable condition. Tommy Thompson, former U.S. Secretary of Health and Human services has stated, "So many of our health problems can be avoided through diet, exercise and making sure we take care of ourselves. By promoting healthy lifestyles, we can improve the quality of life for all Americans and reduce health care costs dramatically."

Studies have shown that over half the costs of illnesses in the United States result from medical conditions that could be avoided or minimized by simple changes in lifestyle, and regularly scheduled preventive care. An employee wellness program can help the employer address the issues of obesity, and other detrimental lifestyle habits and

this can have a significant impact on the company's bottom-line through the reduction in either self-funded claims or lower morbidity premiums.

Of course, finding the right way to motivate employees to exercise is the employer's biggest challenge. Employers must be careful about how a program is managed so the employee does not feel they are being picked on, alienated, or discriminated against. An employee wellness program is generally voluntary, but can be incentivized by the employer in the forms of reduced medical premiums or cost sharing if an employee is engaging in positive lifestyle changes. Most importantly, the employer must be sensitive to the employees' concerns about privacy.

A fun and easy way to start an employee wellness program is for the employer to allow for a simple walking program. Walking can have a huge impact on an employee's overall health and well-being and is considered by many as the ideal aerobic exercise. Walking just 30 minutes a day can reduce the risk of heart disease, cancer, diabetes, and high blood pressure by as much as 20% to 40%.

Here at Western Mutual Insurance, we recently began a walking program and encouraged employees to participate. Employees were given pedometers to help create an awareness of how physically active they are. Pedometers help them track their progress and motivate them to be even more active. WMI employees are allowed to take a daily 15 minute walk during work and are encouraged to walk at home as well. Since starting the program June 1st, employees have walked 9,105,778 steps or 4,061 miles through July 27th. In addition, health, exercise, and nutritional tips are also provided to employees and are posted in the lunch room. Involving the employees at the worksite helps each individual strengthen their motivation to keep going.

But we can and should do more. We should not forget the family. The support and inclusion of family members can go a long way toward making significant changes in the overall success of a wellness program. The employee is only one part of the rising costs of the health care puzzle. The employee's family is another important piece of the puzzle. By encouraging employees and their family members to choose to participate in a company wellness program, any improvement in health conditions may also help bring about reductions to health care costs, which may also ease the financial impact of insurance costs borne by the employer.

A healthier lifestyle is a challenge for all of us, but businesses should think of an employee wellness program as a preventive risk-management program for them and their employees. Let us practice good risk management and take the steps, literally, towards a healthier lifestyle today; it could be the first step toward an effective Employee Wellness Program! It's a win-win proposition; employees will be happier, healthier, and will work more efficiently. Now is the time to start an employee wellness program. Do not hesitate! A program may include: health screenings, nutrition, stress management, exercise, or walking program. Bring in an outside company to help you design and start your program or do it yourself. No matter what program you choose it will be a step in the right direction! It is hoped that by doing so you will be able to reduce the ever increasing burden of health care costs to employees and employers.