

# Workplace Wellness Cuts Health-Care Costs, Improves Productivity

By David Henderson

**W**ith health-insurance premiums rising four times as fast as average wages over the past six years, investing in workplace wellness programs is an important step that employers are taking to control costs, improve productivity, and help employees live healthier lives.

According to the National Coalition on Healthcare (NCHC), health-insurance expenses are among the fastest-growing costs for both employers and employees — and, without dramatic change, that costly trend is expected to continue.

Since 2000, the employer's portion of health-insurance premiums has increased about 87 percent, while overall wage increases have totaled about 20 percent, and the average employee contribution to company-provided health insurance has increased 143 percent, according to NCHC statistics. Average out-of-pocket costs for deductibles, co-payments for medications, and co-insurance for physician and hospital visits jumped about 115 percent over the same period.

In addition to rising health-insurance premiums, employers also pay in other ways when employees are in poor health. According to research conducted by Ron Goetzel, Ph.D. of Cornell University and Thomson Health Care, these additional costs include illness-related employee turn-

over, lost productivity due to unscheduled absences, costs associated with non-occupational disabilities, and workers' compensation claims.

Health insurers throughout the nation are working to make a difference by focusing on wellness and preventive-care programs that encourage and motivate people to take control of their health and live healthier lifestyles. While preventive care is geared toward avoiding illness, wellness encompasses a holistic approach to creating lifestyles that allow people to live happier, healthier lives.

With workplace wellness programs health-care companies are taking the focus on prevention to the next level. MVP's Work Well, Live Well provides online health tools and education information to our nearly 700,000 members.

The online wellness tools help companies support their employees and help members set themselves on a course towards healthy choices including increasing exercise and activity levels, eating a more balanced diet and finally kicking that smoking habit after years of failed attempts.

A mouse click takes members to materials, including guides to nutrition and weight management, tips on boosting physical activity, updates on healthy trends, important preventative care guidelines, and "Living



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Wellness programs pay off in more ways than one. Some members can earn health-insurance premium rebates by making lifestyle changes, such as exercising regularly, getting checkups, and eating right, and recording those health activities online.

Nationwide, studies have found workplace wellness programs can dramatically lower health-care costs. A recent study by the Partnership for Prevention found that each dollar a company invested in wellness programs returned \$3.50 in health-care

savings.

The study also found that companies with wellness programs experienced a 28 percent reduction in absenteeism, a 30 percent drop in workers' compensation and disability, and a 26 percent decrease in overall health-care costs.

By directly sharing some of those cost savings with consumers, people have both the long-term health and short-term financial motivations to make key changes in their lifestyles that benefit everyone.

Workplace wellness programs alone won't solve the problem of escalating health-care costs, but these programs are a cost-effective part of the solution. And, just as importantly, they help people take control of their lives and health by providing important information in an accessible, understandable format. □

*David Henderson is chief marketing officer of Schenectady-based health-insurance provider MVP Health Care, Inc., which has about 100,000 Central New York members in its health plans.*