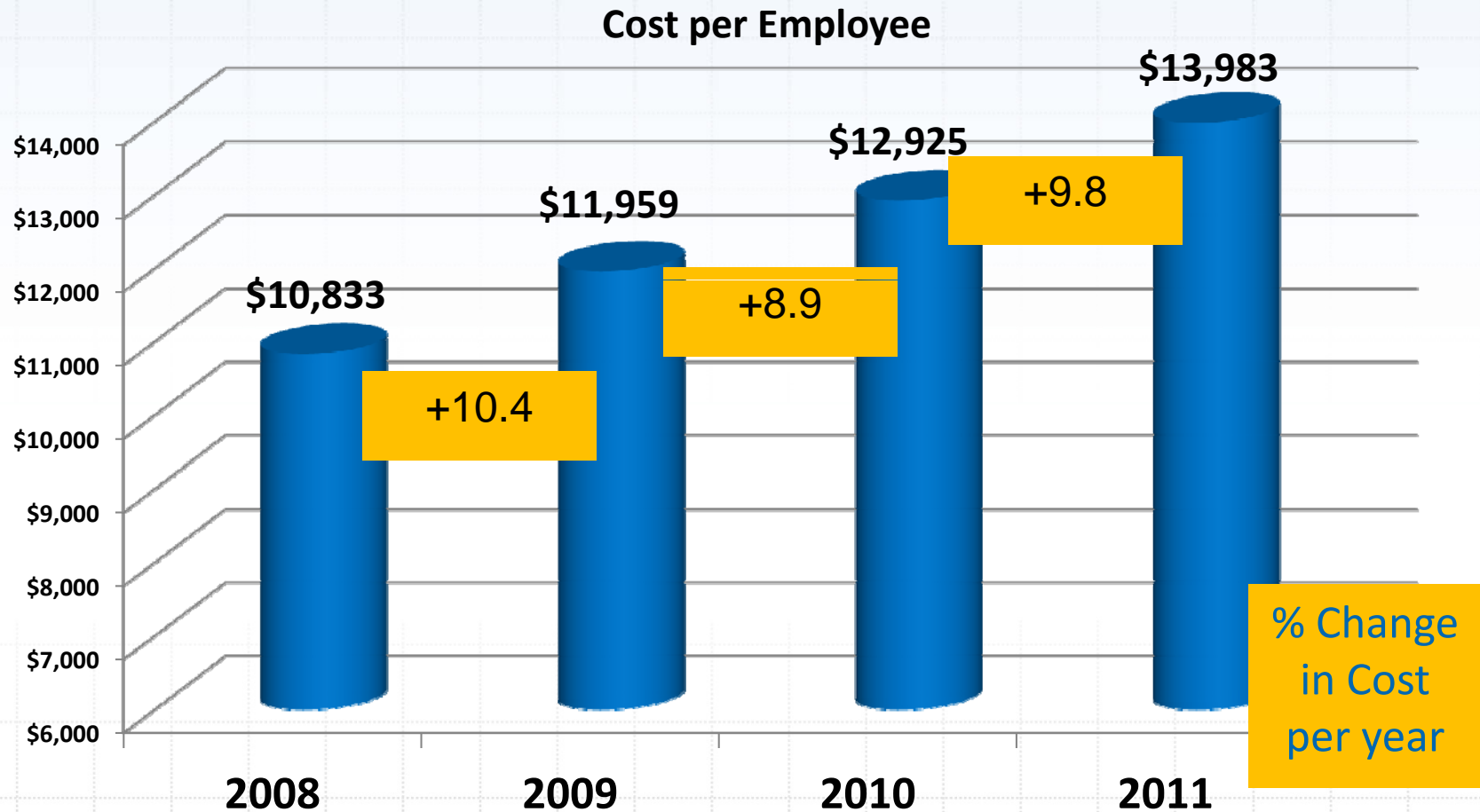




Wellness in the Workplace The Employer's Advantage

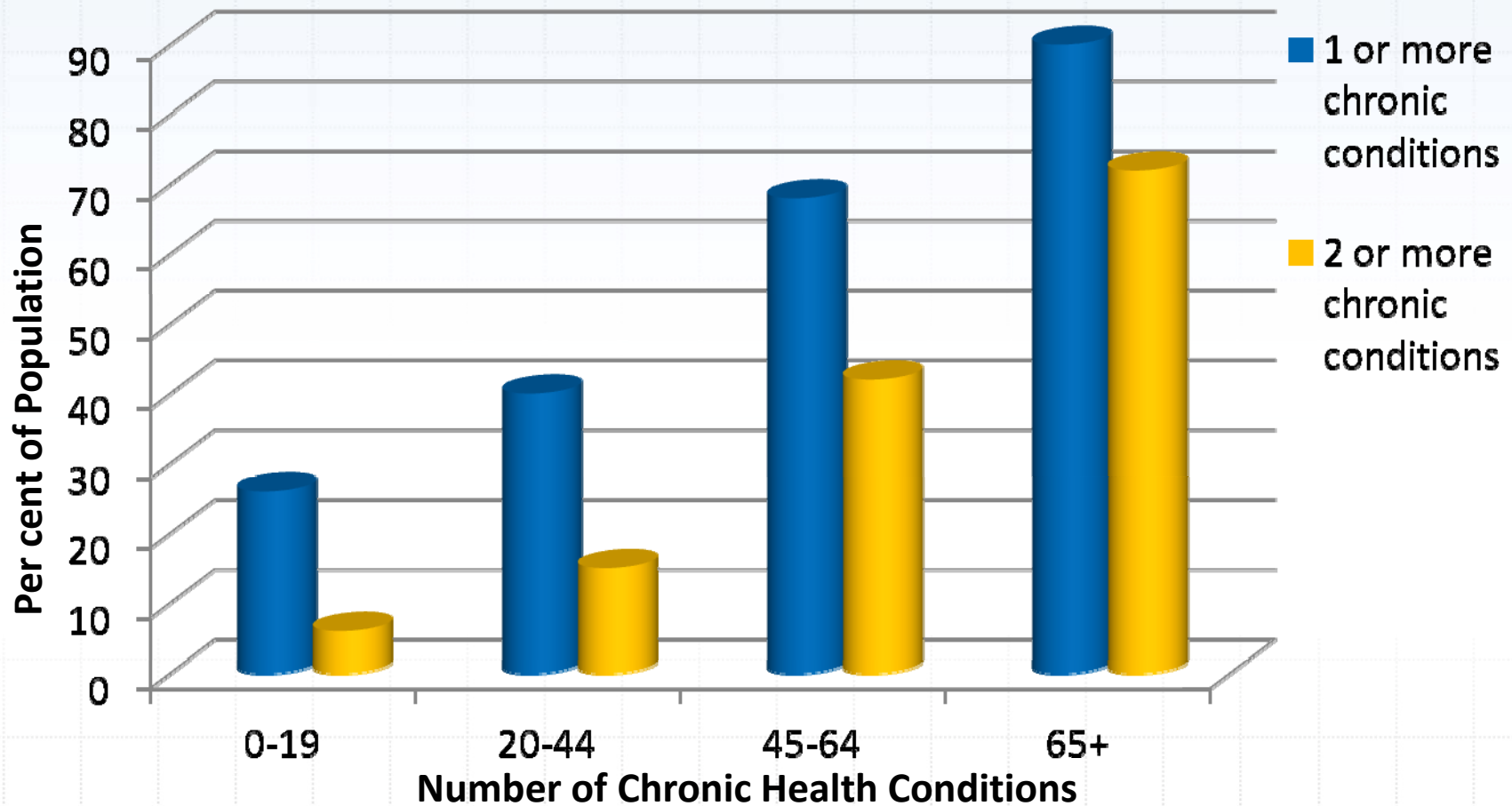
**Jacqueline Moline, MD
Chair and Vice President,
Department of Population Health
North Shore-LIJ Health System**

Cost of Employee Benefits Continue to Increase



Chronic Diseases affect all ages

Percent of U.S. population with chronic conditions

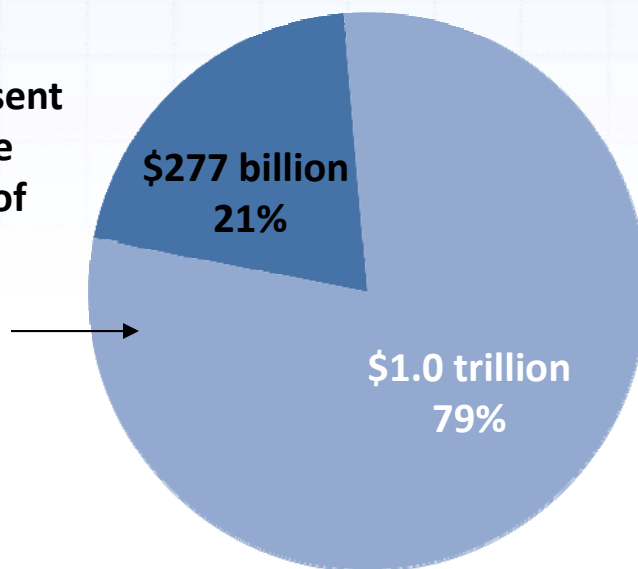


Source: Anderson, G. Chronic Conditions: Making the case for ongoing care. Johns Hopkins University. November 2007.

Health care spending related to chronic diseases is dwarfed by the indirect costs of these health problems

Total cost burden in 2003 for seven common chronic diseases*

Direct costs represent about a fifth of the total cost burden of chronic diseases



Indirect costs amount to four-fifths of the total burden

- Direct costs = Health care costs associated with treatment of chronic disease
- Indirect costs = Productivity losses such as absenteeism and presenteeism associated with people with chronic diseases

*This study evaluated the burden of seven of the most common chronic diseases/conditions (cancer, diabetes, heart disease, hypertension, mental disorders, pulmonary conditions, and stroke).

Source: DeVol, R, Bedroussian, A, et al. An Unhealthy America: The Economic Burden of Chronic Disease. The Milken Institute. October 2007. Full report and methodology available at: www.chronicdiseaseimpact.com.

Costs of heart disease, cancer, diabetes

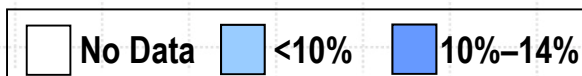
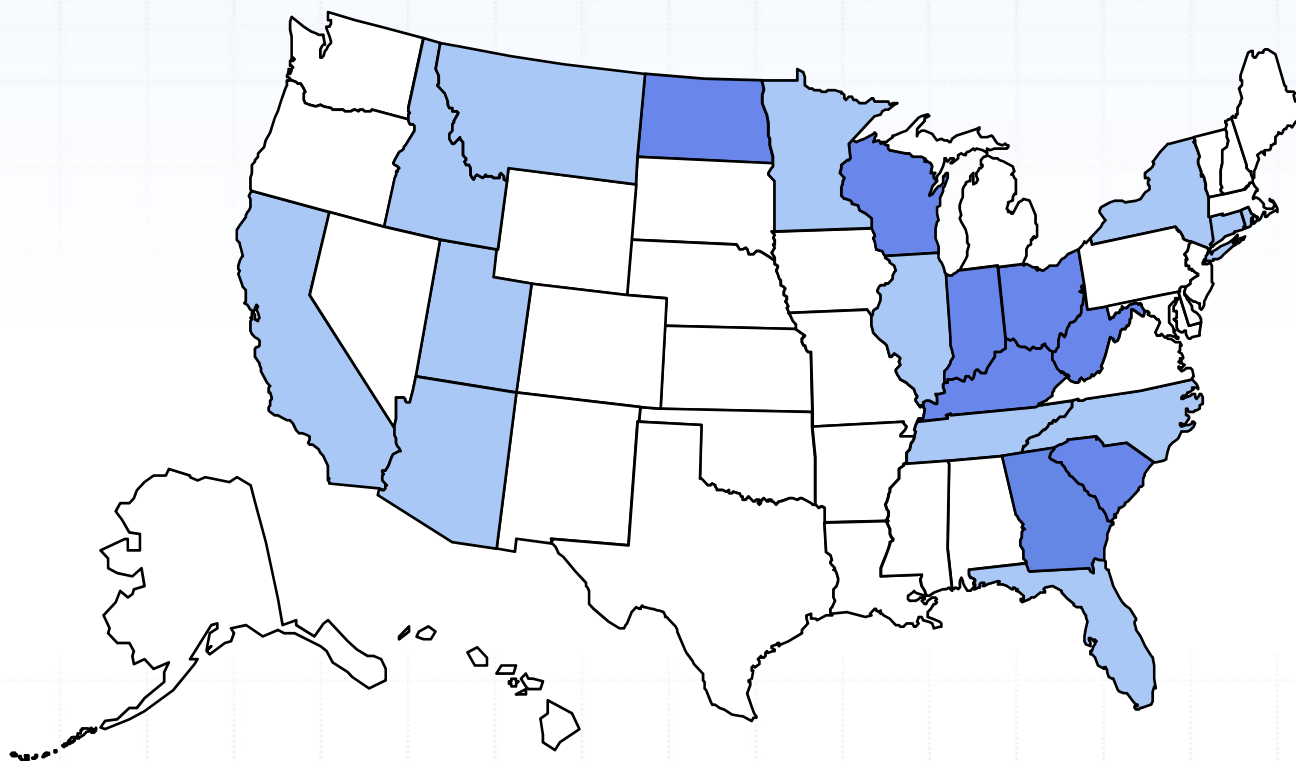
- ~2/3 of the *rise* in health care spending is due to chronic disease.
- >75% of health care \$\$ is spent on chronic diseases
- absenteeism and presenteeism cost businesses a trillion a year.

The point of no return

- Too little money for Americans' health and effectively preventing and managing common and costly chronic health problems.
 - U.S Healthcare: \$7,500 per person with less than \$10 per person on prevention
- By the year 2023, the U.S. could save over \$1 trillion through investing in prevention, mostly by reducing indirect costs of chronic health problems, such as absenteeism and presenteeism.

Obesity Trends* Among U.S. Adults

(*BMI ≥ 30 , or ~ 30 lbs. overweight for 5' 4" person)

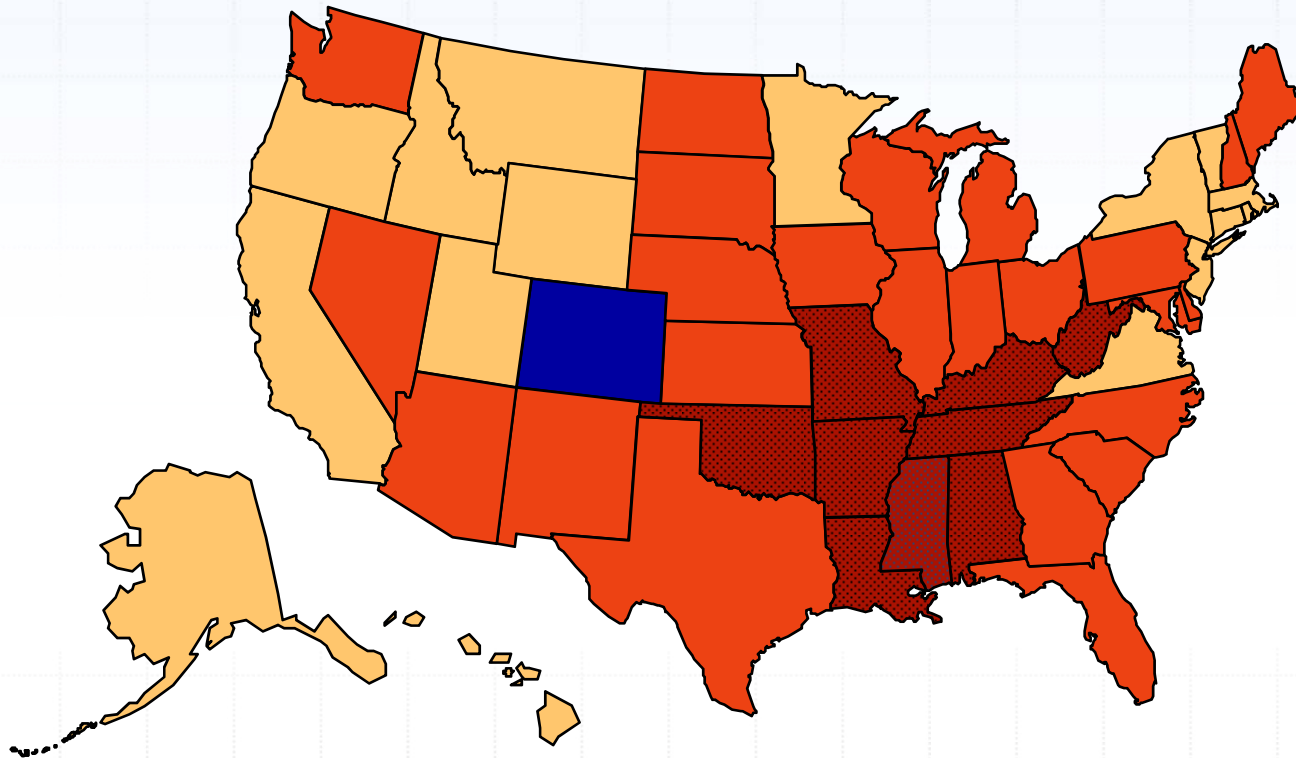


1985

Obesity Trends* Among U.S. Adults

BRFSS, 2009

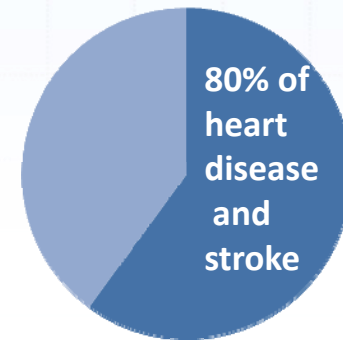
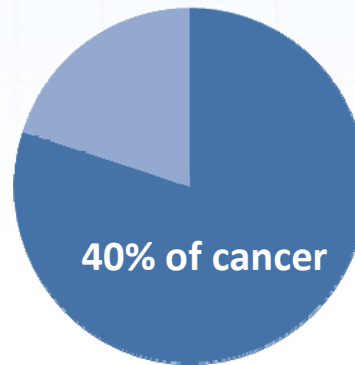
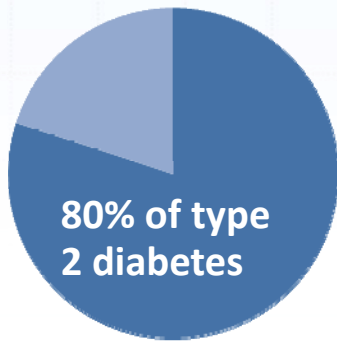
(*BMI ≥ 30 , or ~ 30 lbs. overweight for 5' 4" person)



No Data <10% 10%-14% 15%-19% 20%-24% 25%-29% $\geq 30\%$

Simple changes in behaviors could lead to significant decreases in cases of common and costly chronic diseases

The Centers for Disease Control and Prevention (CDC) estimates up to...

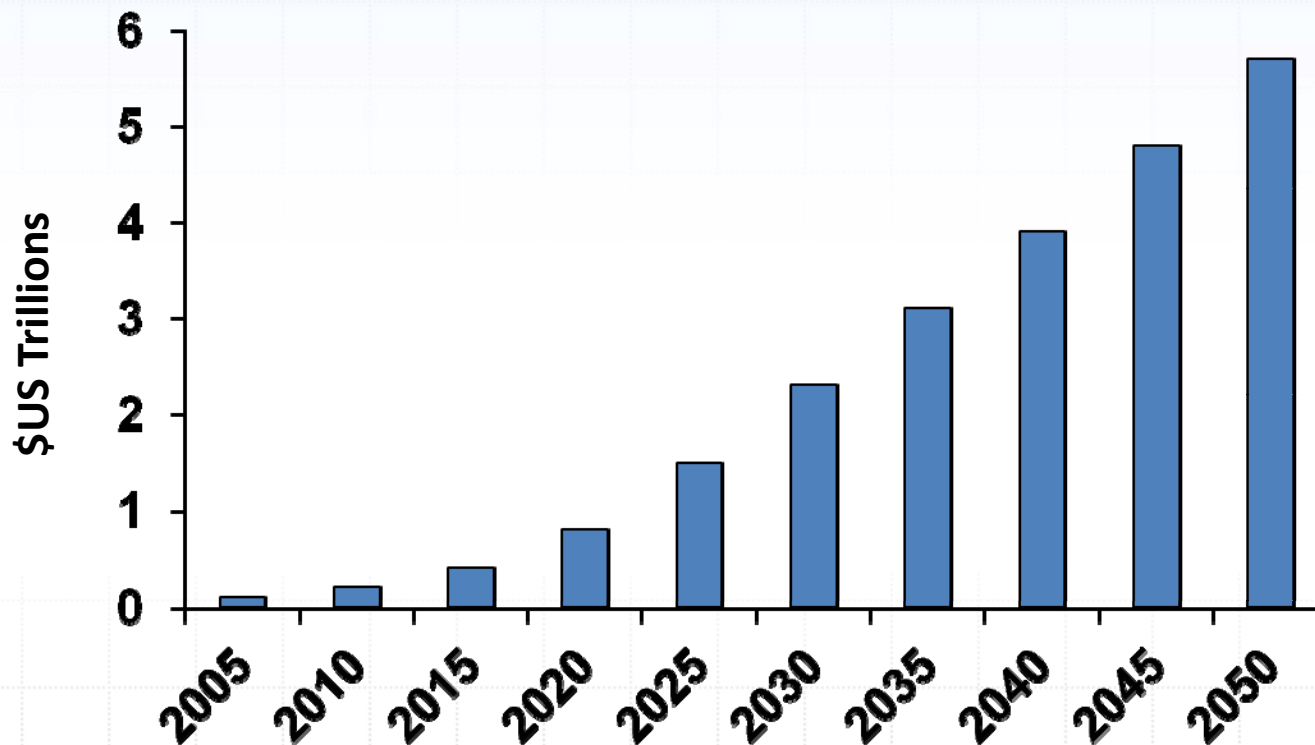


...could be prevented if only Americans were to do three things:

- ✓ **Stop smoking**
- ✓ **Start eating healthy**
- ✓ **Get in shape**

...And could cost the U.S. almost \$6 trillion in lost economic output by 2050

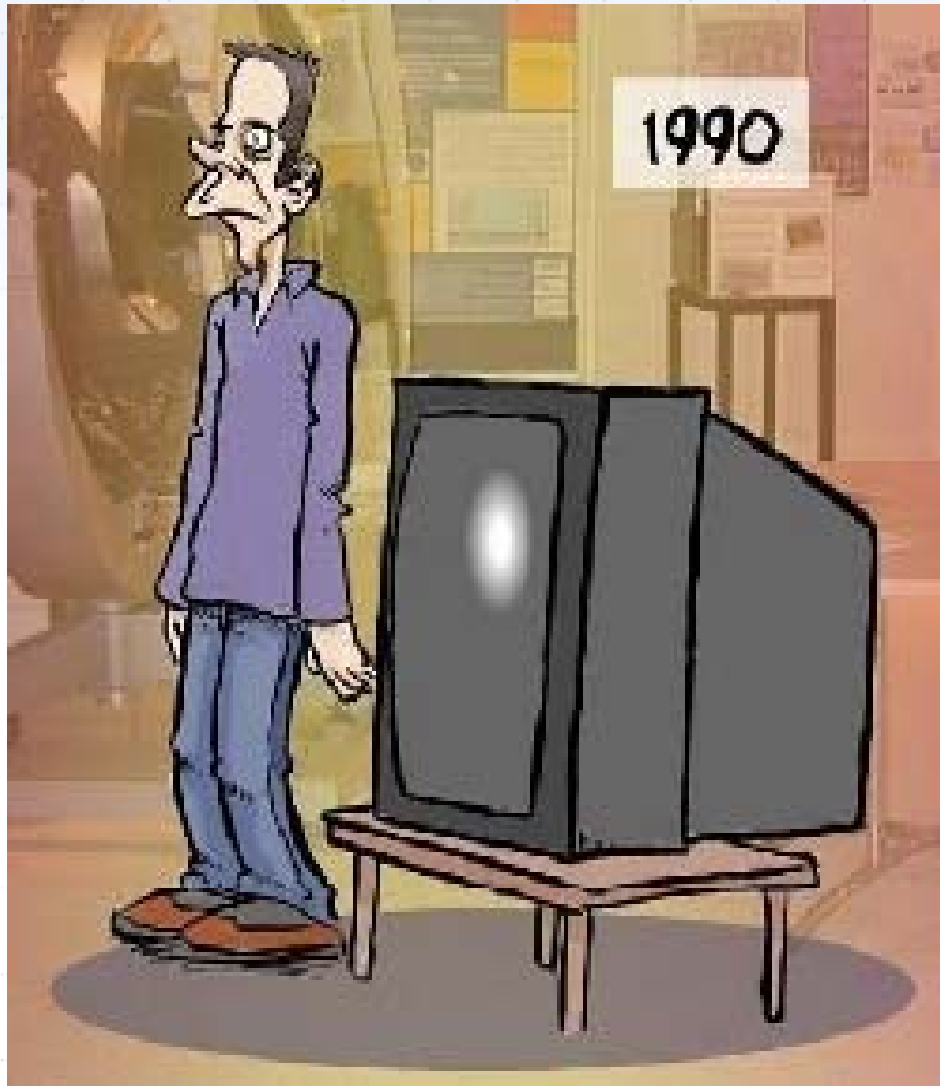
Projected lost economic output associated with seven of the most common chronic diseases*



*This study evaluated the burden of seven of the most common chronic diseases/conditions (cancer, diabetes, heart disease, hypertension, mental disorders, pulmonary conditions, and stroke).

Source: DeVol, R, Bedroussian, A, et al. An Unhealthy America: The Economic Burden of Chronic Disease. The Milken Institute. October 2007.

Full report and methodology available at: www.chronicdiseaseimpact.com.



Johnson & Johnson's: Live for Life

- J&J looked to curb health care expenditures
- Early 90's piloted studies on employee health promotion and disease prevention efforts with goals of:
 - Improved employee health
 - Decreased hospital visits
 - Decreased absenteeism
 - Improved employee attitudes
- By mid-90s, launched company-wide "Live for Life" Wellness Program

J&J's Live for Life: Overview

- Over time, employee health and wellness has become a central tenet of Johnson & Johnson's organizational culture
- *The mission of Wellness & Prevention is to drive improved health and productivity by offering integrated and comprehensive total health solutions for our employees and their families at work, and at home.*



❖ Improving physical activity

- ✓ on-site fitness centers
- ✓ reimbursement for exercise expenditures
- ✓ a pedometer program
- ✓ seasonal fitness challenge



❖ Healthy nutrition

- ✓ healthy cafeteria choices
- ✓ Weight Watchers membership
- ✓ online weight management tools



❖ Lifestyle management and coaching programs

- ✓ blood pressure
- ✓ tobacco cessation
- ✓ lipid control



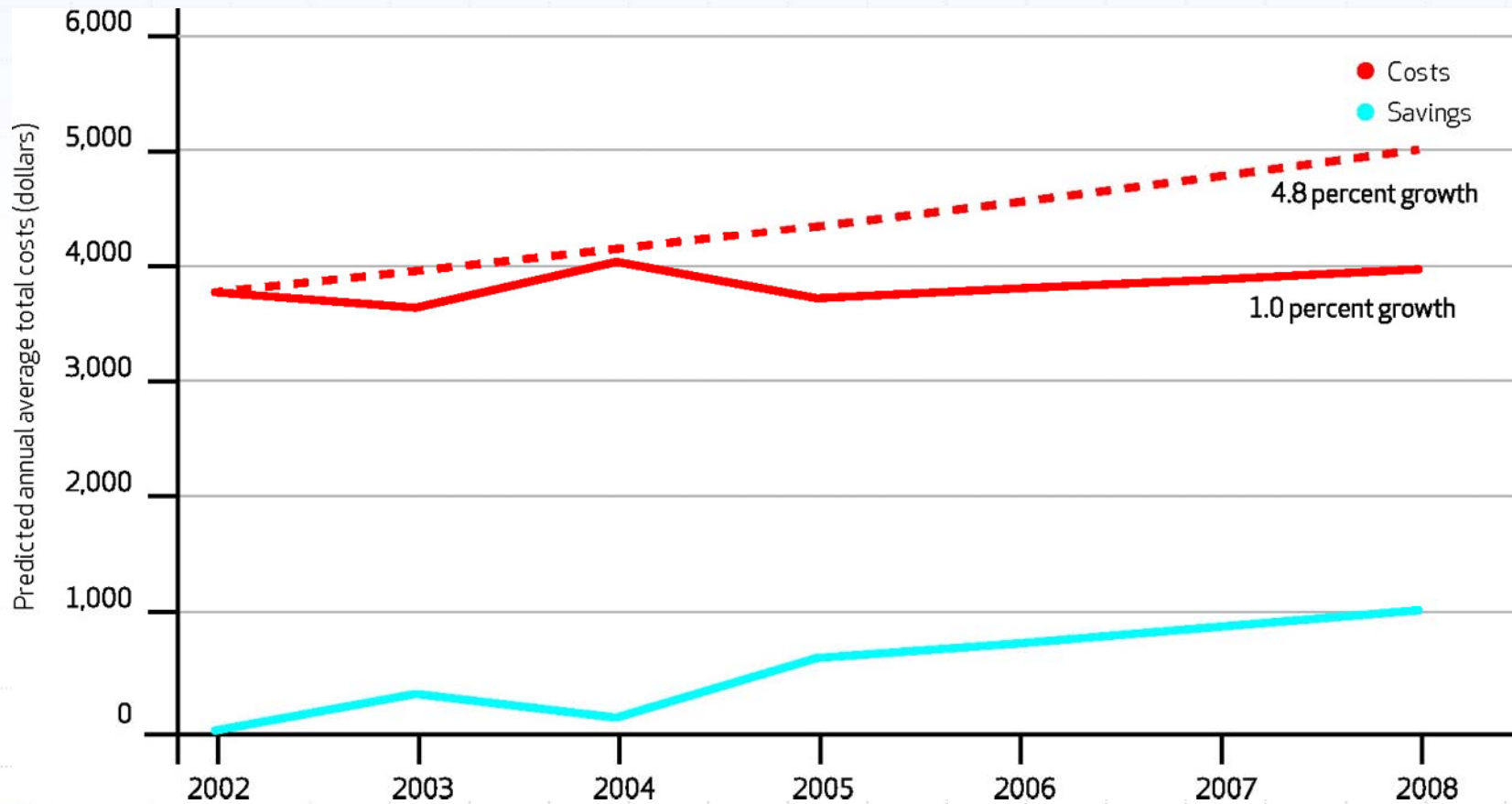
❖ Chronic disease management

- ✓ Case Managers
- ✓ Disability
- ✓ Targeted diseases such as Diabetes



J&J's: Live for Life: Outcomes

Medical And Drug Costs Versus Johnson & Johnson Expected Medical And Drug Costs With Comparison-Group Trend



Henke R M et al. Health Aff 2011;30:490-499

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Automobile Importer – Corporate Headquarters

- 5,000 US employees; Self insured for medical care
- Facing major cost increases in medical care
- Major cost increases at Corporate Headquarters (673 employees)

Personal Wellness Challenge

- Provided biometrics pre-challenge for each participant:
 - Blood Pressure,
 - BMI calculation, waist measure,
 - finger stick cholesterol and diabetes test
- Provided education on meaning of test results, and how lifestyle changes could improve results
- Participants selected Personal Health Goal, shared with third party Challenge Director
- Challenge teams organized and weekly education was available in meetings or via webinar.

Personal Wellness Challenge Results For 12 Week Challenge

- 175 (26%) of employees participated
- 145 (83%) of employees made progress toward Personal Health Goals
- 8 (9.6%) employees got off high Blood Pressure medication
- 5 (6%) got off oral diabetes medications

Simple Prizes Work

- Team with most members who made progress toward Personal Health Goals (documented by outside Challenge Director) won dinner in Manhattan and Broadway Show.
- All participants were acknowledged by CEO at an All-Employee Meeting.
- Cost of program was \$75 per participant:\$20,625.
- Cost savings on medications for Hypertension and Diabetes \$20,400 (for 12 months after challenge end).

Cost savings

- Monetary ROI – Direct costs

- Non-monetary ROI
 - Productivity
 - Presenteeism
 - Reduced absenteeism
 - Investment in workforce through employee retention

North Shore LIJ Health System Wellness 2012 Initiatives

➤ Know Your Numbers:

- Blood Pressure
- Height, Weight, BMI
- Cholesterol Test, Diabetes Test

➤ Walking Challenge

- Team walking challenge

➤ Healthy Foods Initiative

- Vending machine changes
- Re-design of all food offerings to employees and visitors

North Shore LIJ Wellness Pledges 2011

Wellness Pledge	Percent Participating in Pledge
Tobacco Free	80%
Select Personal MD, and	98%
Complete on-line Health Assessment	84%

Wellness Pledges – employee receives \$260 per year for each pledge; for 3 pledges receives \$780 for year.

Wellness Pledges for 2012

Wellness Pledges apply to the Employee and covered Family Members 18 years and older.

1. Be Tobacco Free
2. Identify and use a Personal Medical Doctor
3. Enter Know your Numbers measurement into online Health Record, and completion/Update the online Health Risk Assessment.
4. Get Flu Shot

**Total Value for 4 Pledges: \$1,040 credit
toward Health Plan Contribution**

6 pillars for wellness success

➤ Leadership buy-in

- If the CEO prioritizes wellness, employees will, too.
- Engaged leadership at all levels, as well

➤ Strategic alignment with the company's identity and core values

- Make it relevant to the needs of your company
 - Safety training, focus on weight loss, ergonomics, exercises, etc

6 pillars for wellness success

- Program design that is broad in scope, relevance and quality
 - allow for individualization
- Broad accessibility
 - Low or no cost
 - On-site, whenever possible
 - Utilize online resources

6 pillars for wellness success

- Internal and external partnerships
 - Engage in partnerships with local resources, i.e. healthcare, eateries, fitness centers
- Effective communications
 - Defuse the notion of 'Big Brother'
 - Promote wellness culture and programming in newsletters, meetings, etc.



Takeaways

- The ROI on comprehensive, well-run employee wellness programs can be as high as 6 to 1
- Substantial ROIs on wellness/prevention have been demonstrated across a range of industries and in small, mid-sized and large companies.
- Prior to launch, establish metrics

What can you do?

- Creating a culture of wellness takes everyone's help
- Set the example and be positive
 - Become your own wellness champion
 - Become educated about your personal health
 - Encourage small wins
 - Develop tools to manage stress
- Encourage others to do the same