

Comprehensive Approach to Wellness and Prevention Yields Best Return



As health care costs continue to rise, discussions abound as to the causes. There is, of course, plenty of blame to go around—an aging population, new treatments and therapies for a variety of diseases, advances in technology. Statistics show, however, that diseases and illnesses that are preventable—at least to some degree—account for anywhere between 75% and 90% of health care costs. Statistics also show that the bulk of health care spending goes toward the treatment of illness and disease, rather than their prevention.

That so much of health care spending stems from conditions that are preventable should come as no surprise, when one considers the American lifestyle. Nearly a third of Americans now fall into the obese category, and at least another third are considered overweight. Packing on extra pounds can lead to a wide range of health conditions: diabetes, high blood pressure, cardiovascular disease, problems with bones and joints, and even some kinds of cancers. Failing to lead a physically active lifestyle worsens the potential consequences. Tobacco use continues to be a problem, with nearly a quarter of men and more than 20% of women smoking, potentially leading to lung- and heart-related diseases for themselves (along with mouth and throat cancers), and for nonsmokers through second-hand smoke.

U.S. employers are beginning to catch on to this reality, and shifting strategies in their efforts to bring health care spending under control. According to research from Hewitt Associates, 80% of large companies surveyed said they planned to focus on improving employee health and productivity over the next three to five years. As a means to improving employee health, many are using both carrots and sticks: 63% offered a cash incentive for completing a health risk questionnaire and 37% offered cash incentives for participation in health improvement and wellness programs, while 18% employed penalties, including higher benefit premiums or deductibles, for unhealthy behaviors such as smoking or failing to participate in a disease management program.

One of the most effective ways to encourage employees to engage in preventive health care measures is to make it as affordable as possible. An increasing number of health plans cover preventive care at 100%, or close to it. (Health care reform mandates coverage of certain preventive care services without cost-sharing for employees, except for grandfathered plans.) Full coverage motivates employees to stay on top of their health, through annual physical exams, screenings for hypertension, cholesterol levels and blood sugar levels, mammograms/prostate exams, health risk assessments, and the like.

What is the payback for employers who devote more resources to implementing strategies that engage employees in prevention, wellness and overall health education? The return on investment for health promotion and disease management programs ranges from \$1.49 to \$4.91 (with a median of \$3.14) in benefits for every dollar spent, according to information published by NutriScience Corporation. A report from U.S. Corporate Wellness states that health promotion programs have demonstrated a successful history of both improving health and providing a significant return on investment for the employers implementing them, with ROIs ranging from 3:1 to 5:1, or higher.

No one approach to wellness and prevention is likely to bring about these kinds of returns on investment. Rather, a comprehensive strategy—one that encompasses generous coverage for preventive care, opportunities to engage in wellness activities, carrots and/or sticks for participating in such activities, and plenty of health education—helps create a workplace culture of wellness along with healthier, more productive, employees.

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