Workplace Well-being: Missouri and Nationally

Lauren Schulte, MPH, CHES
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Defining Well-being

noun | well-being | \wel-ˈbē-ing\ | the state of being happy, healthy, or successful
Defining Well-being

“...In communities with higher well-being, we have found that people live longer, happier lives and business and local economies flourish. A reliable well-being metric provides community and business leaders with the data and insights they need to help make sustained transformation a reality. ...

– Dan Buettner, New York Times bestselling author, National Geographic Fellow, Blue Zones founder
Defining Well-being

- 2016 Gallup-Healthways Well-being Index
  - Over 177,000 phone interviews with residents in all 50 states
  - Measured five elements of well-being:

  - Purpose
  - Financial
  - Physical
  - Social
  - Community
Missouri Well-being

How does our state stack up?[^7]

- Financial: 25th out of 50
- Community: 30th out of 50
- Purpose: 31st out of 50
- Social: 31st out of 50
- Physical: 36th out of 50

36 out of 50 states nationwide for total well-being.
Why Worksites?

- In 2012, U.S. employers spent $578.6 billion on group health care coverage, 72% increase since the year 2000.¹⁹

In 2005, Starbucks announced that it was spending more on employee health benefits than on coffee.¹⁹

Similarly, General Motors, Ford, and Chrysler spent more on employee health care than on the steel they use to make cars.¹⁹
Why Worksites?

- Businesses (Generate $)
- Employees (Wages)
- Health Care
- Markets
- Gross Domestic Product (Common Resource Pool)
- Health Status
- Societal Priorities
- Infrastructure
- Education
Why Worksites?

- Employment sectors with unhealthy workforces are more likely to be located in counties with poor health.\(^{19}\)

<table>
<thead>
<tr>
<th>Sector</th>
<th>Increased risk</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transportation/Warehousing</td>
<td>Smoking, CVD death</td>
</tr>
<tr>
<td>Retail Trade</td>
<td>Smoking, physical inactivity, diabetes</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>Obesity, physical inactivity</td>
</tr>
<tr>
<td>Public/Gov’t Administration</td>
<td>Smoking, obesity, physical inactivity, diabetes, CVD death</td>
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</table>
The Business Case
Benefits of Workplace Wellness
The Business Case

- **Benefits of Workplace Well-being Programs**

  1. Manage employee health care costs
  2. Increase worker productivity
  3. Impact company financial performance
  4. Enhance talent acquisition and retention
  5. Improve workplace culture
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- Health Cost Management

*Projections of National Health Expenditures and Share of Gross Domestic Product*
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- Health Cost Management

Health Care Costs as a Percentage of Company Profits

- Before-Tax Profit
- After-Tax Profit
The Business Case

- **Chronic Diseases**
  - Account for 75% of health care costs and 70% of mortality.
  - *One-half* of US adults have one or more chronic conditions.
  - Medical costs for diagnosed diabetes total $245 Billion.
  - $1 in every $6 health care dollars spent on CVD/stroke.
  - Annual medical costs are $1,429 higher for obese individuals.
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- Ten Modifiable Health Risk Factors

- Blood Pressure
- Blood Glucose
- Body Weight
- Cholesterol
- Stress
- Physical Inactivity
- Nutrition
- Tobacco Use
- Depression
- Alcohol Use
The Business Case

- Health Cost Management

**Health Care Cost by Employee Health Risk Level**

<table>
<thead>
<tr>
<th>Health Risk Level</th>
<th>Low risk (0-2)</th>
<th>Medium risk (3-4)</th>
<th>High risk (&gt;4)</th>
</tr>
</thead>
<tbody>
<tr>
<td>$8,000</td>
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<tr>
<td>$7,000</td>
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<td></td>
<td>$7,400</td>
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<td>$6,000</td>
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<td>$5,000</td>
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<td>$4,000</td>
<td></td>
<td>$4,291</td>
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<tr>
<td>$3,000</td>
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<td></td>
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<tr>
<td>$2,000</td>
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<td>$2,610</td>
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<td>$1,000</td>
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<td>$-</td>
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- CDC Health Continuum Model

- Primary Prevention
- Risk Reduction
- Medical Self-Care
- Disease Management
- Custom Programs
The Business Case

- Health Cost Management

Wellness Program Impact on Employer Health Care Cost Curve

Cost growth without wellness program

Cost growth with wellness program

Savings opportunity
The Business Case

- **Employee Productivity**
  - Overweight workers with health problems miss **450 Million** more days of work each year than healthy workers.\(^3\)
  
  - **47%** of employees say that problems in their personal lives affect their work performance.\(^2\)
  
  - Personal and family health issues result in more than **$226 Billion** in lost productivity each year.\(^3\)
  
  - For every dollar spent on wellness programs, absenteeism costs fall by **$2.73**.\(^3\)
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- Employee Productivity

Total Employer Cost Burden of Poor Employee Health

- Medical/Pharmacy
- Short-Term Disability
- Long-Term Disability
- Absenteeism
- Presenteeism
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- **Company Financial Performance**

  - **45** top HERO scorecard applicants compiled in stock portfolio

  - Compared to S&P 500 over a six-year period:
    - Appreciated **235%** compared to **159%** for the S&P 500.
    - Outperformed the S&P 500 in **16 out of 24 (67%)** quarters during the study period.
    - Produced a comparable dividend yield of **1.97%** by the end of the study period, compared to a **1.95%** yield for the S&P 500.
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- When employees feel their company cares about their well-being, they are 38% more engaged.\(^\text{12}\)

*Companies with high employee engagement had:*

- 19% Increase in operating income\(^\text{17}\)
- 28% Increase in earnings per year\(^\text{17}\)
- 65% Higher shareholder returns than average\(^\text{13}\)
- 78% More profitable than companies with low engagement\(^\text{13}\)
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Talent Acquisition and Retention

- Wellness is becoming key benefit to attract top talent.

- Workforce demographics are changing:
  - By 2020, Millennials will compose 50% of the global workforce.
  - Over one-half agree quality benefits affect choice of employer.
  - 75% say work-life balance is top priority for choosing a career.
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- Employees with high well-being and engagement are 42% more likely to evaluate their overall lives highly.⁶

Employees with high well-being and engagement had:

- 70% Fewer missed workdays due to poor health⁶
- 59% Less likely to look for different job in next 12 months⁶
- 28% More likely to recommend their workplace⁶
- 19% More likely to volunteer in past month⁶
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Workplace Culture

- A healthy workforce culture is one intentionally designed with elements/indicators that support health and well-being.¹⁰

<table>
<thead>
<tr>
<th>Key Elements of COH¹⁰</th>
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<tbody>
<tr>
<td>Company-Stated Health Values</td>
<td>Supportive Environment</td>
</tr>
<tr>
<td>Health-Related Policies</td>
<td>Organizational Culture</td>
</tr>
<tr>
<td>Leadership Support</td>
<td>Resources and Strategies</td>
</tr>
<tr>
<td>Employee Involvement</td>
<td>Rewards and Recognition</td>
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Employees working in an organization with a strong culture of health are:

- More likely to report their direct managers support their efforts to achieve their health goals.
- More likely to say they have control over their health.
- Less likely to say that stress has a negative impact on work.
- More likely to report they were “happy” or “extremely happy” with their lives.
Workplace Well-being Trends
Emerging Research and Strategies
Workplace Well-being

Evolution of wellness and well-being:

- **Recreational sports and leisure**: 1890s
  - Start of employer-provided benefits

- **Occupational Safety and Health Act**: 1970s
  - Structured exercise programs and fad diets

- **Holistic well-being and work-life balance**: 2000s
Workplace Well-being

- **2016 National Benefits and Wellness Survey**
  - Includes results from **2,000 interviews** with non-federal private and public firms.

<table>
<thead>
<tr>
<th>Benefit Type</th>
<th>Large Employers (&gt; 200 employees)</th>
<th>Small Employers (&lt; 200 employees)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Health Risk Assessment</td>
<td>59%</td>
<td>32%</td>
</tr>
<tr>
<td>Biometric Screening</td>
<td>53%</td>
<td>20%</td>
</tr>
<tr>
<td>Wellness Programming</td>
<td>83%</td>
<td>46%</td>
</tr>
<tr>
<td>Participation Incentives</td>
<td>42%</td>
<td>14%</td>
</tr>
</tbody>
</table>
Workplace Well-being

- 2015 STL Health Benefits and Wellness Survey
  - Online survey with 22 multiple-choice questions
  - Administered October 12 through November 24 of 2015
  - Responses received by 107 organizations
## Workplace Well-being

### Health-Related Policies\(^6\)

<table>
<thead>
<tr>
<th>Policy</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tobacco use</td>
<td>75%</td>
</tr>
<tr>
<td>Flextime for personal matters</td>
<td>37%</td>
</tr>
<tr>
<td>E-cigarette use</td>
<td>35%</td>
</tr>
<tr>
<td>Work from home or...</td>
<td>31%</td>
</tr>
<tr>
<td>Workplace bullying</td>
<td>24%</td>
</tr>
<tr>
<td>Healthy vending machine</td>
<td>19%</td>
</tr>
<tr>
<td>Flextime for wellness...</td>
<td>15%</td>
</tr>
<tr>
<td>Healthy cafeteria food</td>
<td>14%</td>
</tr>
<tr>
<td>Healthy meeting food</td>
<td>5%</td>
</tr>
<tr>
<td>None of the above</td>
<td>12%</td>
</tr>
</tbody>
</table>
## Workplace Well-being

### Wellness Activities

<table>
<thead>
<tr>
<th>Activity</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Classes or lunch n’ learns</td>
<td>68%</td>
</tr>
<tr>
<td>Flu Shots</td>
<td>68%</td>
</tr>
<tr>
<td>Written or electronic education</td>
<td>65%</td>
</tr>
<tr>
<td>Contests or competitions</td>
<td>65%</td>
</tr>
<tr>
<td>Discounted memberships or supplies</td>
<td>65%</td>
</tr>
<tr>
<td>Biometric or disease screenings</td>
<td>60%</td>
</tr>
<tr>
<td>Health fairs</td>
<td>59%</td>
</tr>
<tr>
<td>Nurse advice hotline</td>
<td>58%</td>
</tr>
<tr>
<td>Health risk assessment</td>
<td>53%</td>
</tr>
<tr>
<td>Disease management</td>
<td>52%</td>
</tr>
<tr>
<td>Lifestyle or behavior program</td>
<td>46%</td>
</tr>
<tr>
<td>Health coaching</td>
<td>42%</td>
</tr>
<tr>
<td>Safety and ergonomics training</td>
<td>38%</td>
</tr>
<tr>
<td>Onsite fitness facility</td>
<td>33%</td>
</tr>
<tr>
<td>Telemedicine</td>
<td>24%</td>
</tr>
<tr>
<td>Onsite medical clinic</td>
<td>8%</td>
</tr>
</tbody>
</table>

6% offered none of these activities.
Workplace Well-being

Wellness Incentives

- **51%** Cash or gift cards
- **34%** Health insurance premium discounts
- **29%** Merchandise
- **14%** Company contribution (HSA, HRA, FSA)
- **12%** Paid time off
- **6%** Other

28% offered none of these incentives
Workplace Well-being

- **Federal Regulations**
  - Affordable Care Act (ACA)
  - Health Insurance Portability and Accountability Act (HIPAA)
  - Equal Employment Opportunity Commission (EEOC)
  - Genetic Information Nondiscrimination Act (GINA)
  - Americans with Disabilities Act (ADA)
  - Preserving Employee Wellness Programs Act (H.R. 1313)
How Do We Get There?
Questions?

› Contact Information

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