

## WHY WORKSITE WELLNESS?

Seven in ten deaths in the United States are caused by chronic disease. Fifty percent of these cases are attributed to modifiable risk factors such as obesity and physical inactivity.<sup>1</sup>

**Analysis of 22 large-employer studies showed that significant positive impacts on healthcare costs and absenteeism:**

- » Employee healthcare costs were reduced \$3.27 for every \$1 spent on comprehensive worksite health programs.
- » Absenteeism costs dropped by \$2.73 for every \$1 spent.<sup>2</sup>

## COST OF UNHEALTHY EMPLOYEES

The cost of unhealthy employees is greater than medical and pharmaceutical. As you can see from the image below, indirect costs account for two to three times for that of direct costs.

### Direct vs. Indirect Costs

#### Direct Medical Costs

- Medical
- Pharmaceutical

Visible Costs

#### Indirect Costs

- Presenteeism
- Short Term Disability
- Long Term Disability
- Absenteeism
- Workers Compensation

Non-Visible Costs

Indirect Costs represent 2-3 times Direct Medical Costs



### Population Management<sup>3</sup>

Risk factors per every 100 employees



Source: Department of Health and Human Services

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<sup>1</sup> Daniel G, Ding EL, Mozaffarian D, Taylor B, Rehm J, et al. (2009) The Preventable Causes of Death in the United States: Comparative Risk Assessment of Dietary, Lifestyle, and Metabolic Risk Factors.

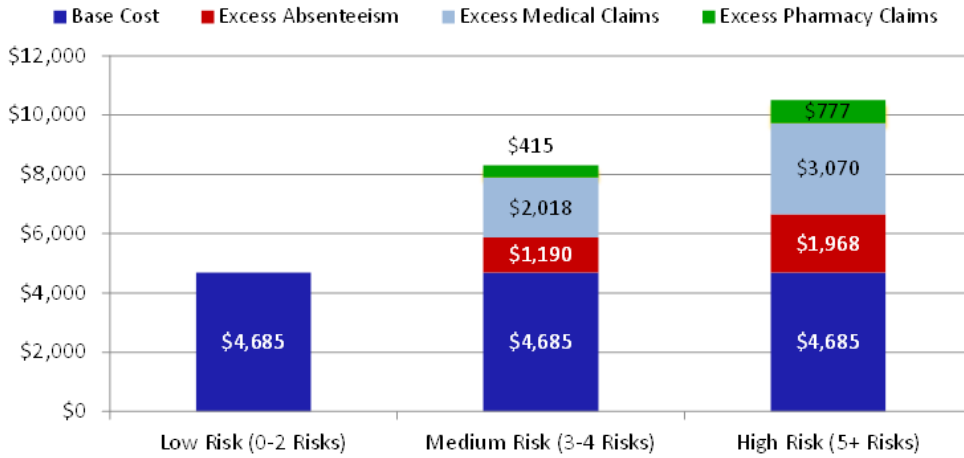
<sup>2</sup> Baiker K., Culter D., Song Z. Workplace wellness programs can generate savings. Health Affairs. 2010;29(2):304-311.

<sup>3</sup> CDC, Behavioral Risk Factor Surveillance System, 2011

## HEALTH RISK STATUS AND EMPLOYER COSTS

Poor health = excess cost. This is a great example of how this effects you.

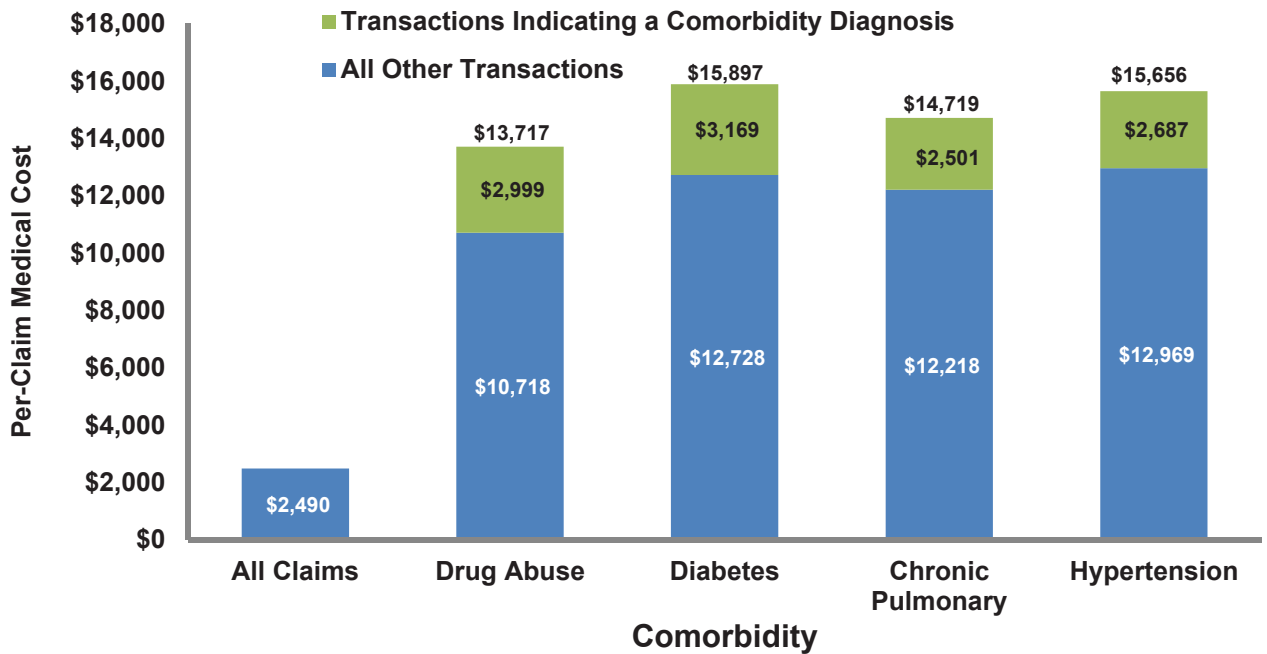
### Health Risk Status and Employer Costs



Yen L, Schultz AB, Schnueringer E, Edington DW. Financial Costs due to Excess Health Risks among Active Employees of a Utility Company. JOEM. 48(9):896-905, 2006.



### Claims With a Comorbidity Diagnosis Are Generally More Costly Than Other Claims <sup>1</sup>



<sup>1</sup>Laws, Chris and Frank Schmid, "Reserving in the Age of Obesity,"