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Wellness and Health Care Reform

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It's not apparent when listening to discussions about health care reform, but there are actually some noncontroversial aspects. For example, most people agree that reducing healthcare costs and striving to make our nation healthier are worthy goals. Perhaps that is because our national health expenditure is approaching 20% of the gross domestic product. In spite of this, the United States continues to rank poorly among developed countries in basic health indicators, including life expectancy and infant mortality.

The crisis in medical costs impacts businesses as well as individuals. Escalating health expenses prompt many employers to stop offering medical insurance. Health expenses often limit what companies can pay, making them uncompetitive. Many businesses do not offer paid sick time, so employees come to work ill. This negatively impacts their productivity and morale. It also poses a health risk to their co-workers. Furthermore, obesity and other preventable diseases significantly increase companies' medical expenditures. Fortunately, wellness practices positively impact most of these issues.

How does this relate to health care reform? Another overlooked aspect of the discussion is that it addresses more than insurance and pharmaceutical changes. For example, provisions in both the Senate and House bills help businesses increase productivity and decrease medical costs through wellness promotion. These provisions have not gotten as much attention as some of the hotly debated issues. They are nonetheless extremely important because of the positive impact on businesses, the workforce, and the nation's health.

For example, one provision increases the maximum value of financial incentives from 20 to 30% for employees who participate in wellness programs. These financial incentives also apply to employees who meet certain health criteria, such as not smoking. Employees who have medical proof of a health condition preventing them from participating would also qualify. All employees can benefit from the incentive.



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Workplace wellness programs offering financial incentives have participation rates ranging from 70-90%. Only 20-40% of employees typically participate in programs without financial incentive. Increasing the financial benefit will likely increase employees' motivation to participate in a wellness program.

Workplace wellness programs reduce business medical costs. They produce up to a 3:1 return on investment (ROI) in medical cost savings. They create an additional 5:1 ROI in absenteeism reduction. Benefits stem from decreases in conditions contributing to high medical costs, such as obesity, tobacco usage, and sedentary lifestyle. Wellness programs also increase workplace productivity. They decrease absenteeism and presenteeism by improving the overall health and vitality of employees.

In addition to direct employee benefits, other reform provisions could indirectly assist working parents. These promote wellness for infants and children. This will decrease parental time off to take care of sick children.

Most businesses cannot function without their workforce. Focusing on aspects of healthcare reform that improve the vitality and productivity of employees makes sense. As the debate continues, let's focus on improving health and promoting wellness. This will contain costs and help businesses prosper.

Be well.