Workplace Well-being: Missouri and Nationally

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April 18, 2017
Defining Well-being

noun | well-being | \wel-ˈbē-iŋ\ | 
: 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: 25
- Community: 30
- Purpose: 31
- Social: 31
- Physical: 36

36 out of 50 states nationwide for total well-being.
The Business Case
Benefits of Workplace Wellness
The Business Case

- In 2012, U.S. employers spent $578.6 billion on group health care coverage, 72% increase since the year 2000.¹³

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
The Business Case

- Businesses (Generate $)
- Employees (Wages)
- Markets
- Health Care
- Gross Domestic Product (Common Resource Pool)
- Health Status
- Societal Priorities
- Infrastructure
- Education
The Business Case

- Benefits of Workplace Well-being Programs
  1. Improve employee health
  2. Manage health care costs
  3. Increase employee productivity
  4. Enhance workplace culture and engagement
  5. Impact company financial performance
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>Risk Level</th>
<th>Cost</th>
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<tbody>
<tr>
<td>Low risk (0-2)</td>
<td>$2,610</td>
</tr>
<tr>
<td>Medium risk (3-4)</td>
<td>$4,291</td>
</tr>
<tr>
<td>High risk (&gt;4)</td>
<td>$7,400</td>
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</table>
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**.\(^3\)
The Business Case

- Employee Productivity

Total Employer Cost Burden of Poor Employee Health

- Medical/Pharmacy
- Short-Term Disability
- Long-Term Disability
- Absenteeism
- Presenteeism
The Business Case

Workplace Culture

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

<table>
<thead>
<tr>
<th>Key Elements of COH\textsuperscript{10}</th>
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<tbody>
<tr>
<td>Company-Stated Health Values</td>
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<tr>
<td>Supportive Environment</td>
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<tr>
<td>Health-Related Policies</td>
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<tr>
<td>Organizational Culture</td>
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<tr>
<td>Leadership Support</td>
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<tr>
<td>Resources and Strategies</td>
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<tr>
<td>Employee Involvement</td>
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<td>Rewards and Recognition</td>
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The Business Case

- 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 health\(^6\)
- **59%** Less likely to look for different job in next 12 months\(^6\)
- **28%** More likely to recommend their workplace\(^6\)
- **19%** More likely to volunteer in past month\(^6\)
The Business Case

- When employees feel their company cares about their well-being, they are 38% more engaged.¹²

Companies with high employee engagement had:

- 19% Increase in operating income¹⁷
- 28% Increase in earnings per year¹⁷
- 65% Higher shareholder returns than average¹³
- 78% More profitable than companies with low engagement¹³
Workplace Well-being Trends
Emerging Research and Strategies
Workplace Well-being Trends

- 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>
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</thead>
<tbody>
<tr>
<td>Wellness Program</td>
<td>81%</td>
<td>49%</td>
</tr>
<tr>
<td>Health Risk Assessment</td>
<td>50%</td>
<td>18%</td>
</tr>
<tr>
<td>Biometric Screening</td>
<td>50%</td>
<td>13%</td>
</tr>
<tr>
<td>Disease Management</td>
<td>68%</td>
<td>32%</td>
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Workplace Well-being Trends

- What’s Next in Wellness?
  1. Workplace Empathy
  2. Social Well-being
  3. Sleep Health
  4. Financial Well-being
  5. Legal Compliance
Workplace Empathy

- Feeling understood and appreciated is so important to employees that\(^\text{14}\):

  1 out of 3 would jump to a more empathetic company for the same pay

  4 out of 10 would work longer hours if they felt more valued

  6 out of 10 would stay with a company that understood their needs
Workplace Empathy

- **Top Trends for 2017**

  - **20%** of companies have added training in emotional intelligence and empathy.\(^{14}\)
  
  - **One-half** of large U.S. companies will offer unconscious bias training in the next five years.\(^{15}\)
  
  - **70%** of companies are re-evaluating performance reviews in favor of ongoing coaching and professional development.\(^{14}\)
  
  - **60%** of companies have implemented a value-based recognition and reward system for employees.\(^{16}\)
Social Well-being

- **Impact on Health and Happiness**

  - Loneliness has the same health impact as smoking **15 cigarettes** per day.\(^\text{17}\)

  - To be thriving socially, people need an average of **6 hours** of social time per day.\(^\text{18}\)

  - Only **30%** of employees have a best friend at work.\(^\text{18}\)

  - Those that have a best friend at work are **7X more likely** to be engaged in their jobs.\(^\text{18}\)
Social Well-being

Top Trends for 2017

- Informal, accessible communication channels
- Social support for remote employees
- Collaborative environmental design
- Participatory approach to job decisions
- Team-oriented challenges, incentives, and charity
Sleep Health

- Impact on Health (< 6 hours of sleep)$^{20}$
  - Memory Problems
  - Accidental Injury
  - Heart Disease
  - Blood Pressure
  - Diabetes
  - Depression
  - Weight Gain
  - Skin Aging
  - Immune Impairment
  - Inflammation
Sleep Health

- **Impact on Productivity**\(^2\)
  - 74% of U.S. employees report working when tired, and one-third report doing so very often.
  - Businesses lose nearly $63 billion dollars in productivity costs due to sleeping workers.
  - Top **sleep-related consequences** cited by employees:
    - Easily distracted (52%)
    - Procrastinating more (47%)
    - Being grumpy (38%)
    - Making more mistakes (29%)
Sleep Health

Top Trends for 2017

- Wearable tracking
- Sleep disorder screening and treatment
- Nap pods or quiet rooms
- Sleep coaching and education
Impact on Well-being

- 52% of employees are stressed about finances (more than job, health, and relationships combined).\(^ {23}\)

- 43% of employees think they will need to use money from retirement savings for non-retirement expenses.\(^ {23}\)

- Nearly one-half of those earning >$120,000 annually are struggling or suffering in financial well-being.\(^ {24}\)
Financial Well-being

Top Trends for 2017

- Student Loan Repayment
- 401K Auto-Enrollment
- 401K Auto-Escalation
- Financial Wellness Metrics
- Health Care Risk Management
- Health Retirement Savings
Legal Compliance

» 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?
Resources and Tools for Employers
How Do We Get There?

**BHC Spring Forum**

Total Worker Health: Missing Pieces to the Employee Well-being Puzzle

May 4, 2017
7:30 AM to 12:00 PM
Danold Danforth Plant Science Center

To register, please visit www.stlbhc.org
How Do We Get There?

1. Making the Business Case
2. Assessing Your Worksite
3. Building Leadership Support
4. Developing Policy, Benefit, & Environmental Supports
5. Developing Effective Communications
6. Evaluating Your Program
7. Planning & Developing Your Program
8. Implementing & Sustaining Your Program
How Do We Get There?
Questions?

- Contact Information

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