

Employee Health and Wellness

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Erickson Retirement Communities

Erickson –

The most trusted name in aging



- Develops and manages full service continuing care retirement communities serving middle income seniors.
- 20,000 residents live in 20 communities, 10 states.
- Aggressive growth plan to serve 50,000 residents by 2012!
- 12,000 employees - largely service level, including housekeeping, maintenance, dining, communications and nursing assistants.
- The “Erickson Way” of caring for residents and employees.

Outline



1. Why investment in employee health and wellness is the right business decision.
2. Erickson's *Health Matters* program.
3. Why more companies need to get involved.

ROI



- What return on investment would you consider to be an indicator of a good business decision?

- **How about \$3.50 for every \$1.00 invested?**
 - Savings from reduced healthcare costs and absenteeism.
 - Source: Review of 73 published studies of worksite health promotion programs, *American Journal of Health Promotions*.

Real Dollars



- A recent report from the Centers for Medicare and Medicaid Services concluded that the 2007 health cost per person in the U.S. was \$7,490. This does not include out of pocket expenses.
- A recent report from the National Business Group on Health concluded that “best practice” levels of performance in health and productivity management can save employers as much as:
 - \$2,562 per employee in direct health care costs
 - \$9,992 if turnover, absenteeism, disability and workers’ compensation costs are considered.
- Pilot programs within the North Carolina HealthSmart Prevention and Wellness Program estimated a savings of \$22.5 million.
- Johnson and Johnson’s Healthy People Program estimates it saves between \$9-10 million per year from reduced medical utilization.

“Companies should be motivated by the bottom line to lower health costs. There is no question that productivity increases and their costs go down as they implement wellness programs” Rep. Zach Wamp

Healthcare Crisis



- Example: 2/3 of the US adult population is now overweight or obese, and this *continues to increase*.

- Why?
 - People do not choose to be overweight or to be sick.
 - They do not have the tools they need to make better lifestyle choices and improve their risks.

- Barriers
 - Time
 - Cost
 - Education

- Why do we need to take action?

Unhealthy behaviors ⇒ Health risks ⇒ Chronic disease ⇒ Health care costs

Are people ready to change?



When we asked our employees if they were interested in having access to tools and resources:

- 73% are interested in a weight management program
- 84% are interested in an exercise training program
- 90% of smokers are interested in a smoking cessation program

Health Matters

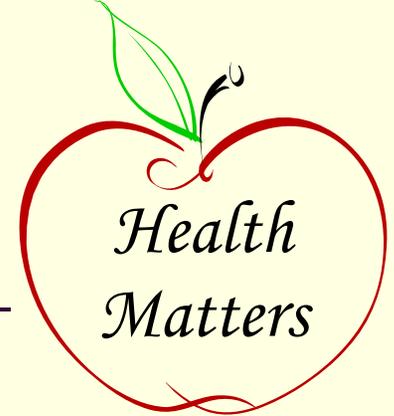


“We firmly believe that health matters – not only the health of our residents, but of our employees as well”

John Erickson, CEO

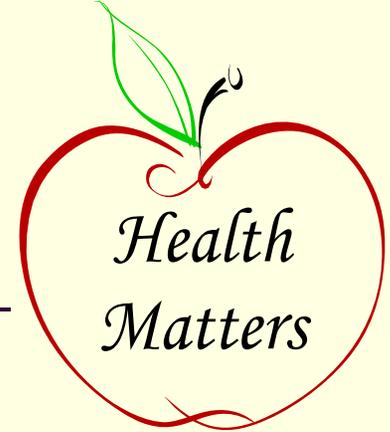
U.S. Chamber of Commerce’s Partnership for Prevention,
*Leading By Example: Improving the Bottom Line
Through a High Performance, Less Costly Workforce.*

Health Matters



- Change in focus.
- Removes barriers to change behavior (time, cost, education).
- We define a “healthy and productive worker” as one who:
 1. Is physically fit and demonstrates positive health-related behaviors such as:
 - Not using tobacco, alcohol to excess or illicit drugs
 - Maintaining body mass index (BMI) at 25 or less
 - Regularly performing appropriate levels of physical activity
 - Complying with recommended preventive health practices;
 2. Has the psychological skills that enables success in highly demanding work environments;
 3. Works in a safe and healthy work environment; and
 4. Is productive at work and is ready to respond to changes necessary to provide the very best service to our residents.

Health Matters



- Health Risk Assessments.
- Comprehensive medical plan covers 100% of preventative care with reduced premiums for service level staff.
- Wellness Fund reimburses wellness related expenses.
- Fresh Fruit Fridays.
- Onsite fitness centers and weight loss programs.
- Onsite Employee Health and Wellness Centers.

Onsite Employee Health and Wellness Centers



- Meet “Dr. Craig” Thorne
- Services
 - ✓ Acute Care
 - ✓ Health IQ
 - ✓ Complete well visits
 - ✓ Health education/coaching.
- Funded by self insured health plan.
- Free/low cost for ALL employees.
- Confidential and caring.
- Aligned with Healthy People 2010.



Leading Health Indicators

Ten Major Public Health Issues



1. Physical activity
2. Overweight & obesity
3. Tobacco use
4. Substance abuse
5. Responsible sexual behavior
6. Mental health
7. Injury & violence
8. Environmental quality
9. Immunization
10. Access to health care

These serve as the basis for Erickson's Employee Health & Wellness Center's well visits for women & men, & are reviewed in our Health Risk Assessments (HRA).

Results



- \$2 million from 2007 self insured health plan funds 6 Employee Health and Wellness Centers in 2008.
- 4 new diabetics diagnosed in first 3 months of EHWC pilot.
- 5 employees quit smoking using the *Ready! Set! Quit Smoking! Program*.
- Weight Watchers at work group lost more than 300 pounds.
- Employee Health and Wellness Center survey results 98% say “*my needs were met*”.

Really making a difference in our employee's lives



In their own words...

- “This is my first physical for over 10 years. It’s great to get a clean bill of health”
- “When you see me back next year, I promise to get my BMI down”
- “I’m quitting smoking on Valentine’s Day for my heart... and for my girlfriend”
- “I didn’t feel like I needed to do anything after a sore lump appeared on my throat, because I figured it was nothing. He (an Erickson doctor) took the time to look at my throat and recommended that I contact a specialist as soon as possible, as he sensed it was more than just a simple “lump in my throat”. It turned out to be cancer but because my tumor was caught early, I did not need any chemo or radiation. I can honestly say he literally saved my life”
- “God bless you. I love you all”.

One employee at a time ...

R.J., Accounting Clerk



- 45 lbs. overweight, pre-diabetic, and high cholesterol. At risk high for diabetes, heart disease, stroke, depression, osteoarthritis, and various cancers.
- Her barriers:
 - No time to devote to physical activity outside work hours because she has 3 young children
 - No extra money to spend on programs
 - Limited knowledge about healthy food choices including total calories.
- Joined onsite weight loss program (cost reimbursed through Erickson's Wellness Fund). Also participates in employee walking club (2 miles daily during lunch time).
- Her results....PRICELESS!
 - She was able to lose 30 pounds
 - Lowered blood sugar and lowered cholesterol
 - Increased energy/productivity at home --- and at work.

“If it wasn't for Erickson caring about its employees, I would probably be on insulin.”

Leading the Way



- Recognition from the Society for Human Resource Management (SHRM) Board Chair as “setting the standard of excellence that other U.S. Companies should follow”.
- Recognized by the International Foundation of Employee Benefits Plans (IFEBP) and the Worldwide Employee Benefits Network (WEB) for Creative Excellence in Benefits.
- Erickson was recently named as one of FORTUNE Magazine’s 2008 “100 Best Companies to Work For”.



Call to Action for Employers



- Low unemployment
- Baby Boomers leaving the workforce
“By 2018, all but the youngest Boomers will be of retirement age....with a much smaller pool of workers immediately following the Boomers.”
- Workplace health and wellness programs are much more than just “the right thing to do”:
 - ✓ Healthier employees are more frequently at work and engaged.
 - ✓ Increased employee satisfaction and retention.
 - ✓ In an increasingly competitive market, a healthy and fully engaged workforce creates a healthy and sustainable company that will grow and prosper.