



## CONSENSUS STATEMENTS

### *First Workforce Health and Productivity Summit*

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AMERICAN COLLEGE OF  
OCCUPATIONAL AND  
ENVIRONMENTAL MEDICINE



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### **Introduction**

The Workforce Health and Productivity Summit is a group of national leaders from public and private sector organizations that convenes to address health and productivity issues in the workplace, advance knowledge and understanding of these issues and find ways to strengthen the health of the nation's workforce. In its first national summit, convened in November 2008, the group addressed integrated health strategies for the workplace, the relationship between health and productivity, and the potential impact of these drivers on our nation's spiraling health-care costs and broader economic crisis. It concluded its inaugural meeting by issuing 10 consensus statements and a series of recommendations related to workforce health and productivity.

### **Background**

The American health care system is broken and on a collision course with several economic and demographic trends that have dire consequences for the nation. Health care costs are rising dramatically just at the time when the so-called "silver tsunami" is arriving in the form of millions of aging baby boomers who are exiting the workforce, no longer helping fund Medicare and Social Security, and beginning to utilize the health care system, due to a growing burden of illness and health conditions.<sup>1</sup>

Chronic health conditions are on the rise across all age groups, and it is expected that in the near future, conditions such as diabetes, heart disease and cancer will cost employers heavily as they provide medical benefits for employees and absorb the costs of absence and of long- and short-term disability claims.<sup>2</sup> Nearly 50 percent of Americans have one chronic health condition, and of this group, nearly half have multiple chronic conditions.<sup>3</sup> One study found that more than 80 percent of medical spending goes toward care for chronic conditions.<sup>4</sup>

Another important issue is the link between poor health and reduced productivity. Research shows that on average, for every one dollar they spend on worker medical/pharmacy costs, employers absorb two to three dollars of health-related productivity costs. These costs are manifested largely in the form of presenteeism (a condition in which employees are on the job but not fully productive), absence and disability. Research has shown that in addition to common chronic conditions such as cancer, heart disease and diabetes, a host of other conditions – ranging from musculoskeletal/pain, depression, and fatigue to anxiety and obesity – are driving total health-related costs in the workplace.

Employers, the ultimate purchasers of healthcare for the majority of Americans, spend approximately \$13,000 per employee per year on these total direct and indirect health-related costs.<sup>5,6</sup> Using U.S. Department of Labor statistics showing approximately 137 million non-farm employees in the United States, the overall annual cost impact on the workplace is an estimated \$1.7 trillion. The employer perspective is critical to any discussion of health costs, as the workplace (employer and employee contributions combined) accounts for well over half of the funding for the American health care system.<sup>7</sup>

The impact of health conditions on America's competitive position in the world is sobering: Without a healthy, able and available workforce, the United States will find it impossible to thrive in an increasingly competitive global marketplace.

Employers of all sizes and types increasingly are using strategies based on the relationship between health and productivity to lower health risks, reduce the burden of illness, improve wellness and human performance, and enhance the quality of life for workers and their families, while reducing total health-related costs. Such programs help employers more accurately determine which health conditions have the greatest impact on overall productivity and then design strategies to help their employees prevent or better manage these conditions.

The workplace offers unique resources and infrastructure for addressing these problems. In an environment in which health costs are skyrocketing, health promotion and health protection measures aimed at the nation's workforce could have significant long-term impact, potentially saving billions in costs. Furthermore, the positive impact of reaching large populations through the workplace extends beyond those currently employed. Families of the employed, retirees and other beneficiaries could also benefit from integrated health and productivity strategies implemented by the nation's employers.

The fundamental philosophy driving the adoption of these strategies is that health is not only of great value to individuals and populations, but also of great value to business and industry. It is important for all employers – whether small, medium or large – to look beyond healthcare benefits as a cost to be managed and rather to the benefits of good health as an investment to be leveraged. Ultimately, a healthier, more productive workforce can help drive greater profitability for employers as well as a healthier economy for our nation.

## **Workforce Health and Productivity Consensus Statements**

1. The health of the workforce is inextricably linked to the productivity of the workforce and therefore ultimately linked to the health of the economy. This important relationship between health and productivity has significant implications for national health policy and should become a part of the nation's health-reform debate.
2. Continuing the status quo of current health care strategies in the workplace is not a sustainable option; the realities of the economic burden of health risks and health conditions, rising total costs and an increasingly competitive global marketplace require an urgent shift to integrated health and productivity improvement strategies.
3. A strong body of evidence has emerged in recent years, offering employers proven strategies for more effectively managing the health of the workforce and recognizing the strong link between health and productivity.
4. Successful integrated health and productivity improvement initiatives are built upon well-established, recognized principles.
5. The impact of a healthier, more productive workforce is quantifiable; when combined with other business measures it helps determine the overall economic value of an enterprise. The business community, ranging from financial analysts to investors, should develop and institutionalize additional accounting and valuation methods that include health and productivity metrics to more accurately determine the business value of workforce health assets in a company.
6. As an evolving discipline, integrated health and productivity measurement methodologies should be studied continuously, improved and more consistently applied.
7. Employers need to have a consistent, ongoing approach for measuring and benchmarking their results as they design and implement integrated health and productivity improvement initiatives.
8. The concept of evidence-based medicine has grown more commonplace in U.S. health care. However, the evidence used to determine best practices needs to go beyond clinical outcomes and include functional impacts on health and productivity.
9. Engagement and participation of the workforce is essential to successful design and implementation of health and productivity improvement initiatives.
10. Health is determined by a wide range of factors, some of which cannot be addressed through medical and/or behavioral intervention. Broad social and environmental determinants – ranging from food and transportation systems to cultural practices– can influence health. Working together, employers and stakeholders should consider these fundamental factors as integrated health and productivity improvement initiatives are designed and implemented in the workplace.

## Consensus Statements with Recommendations for Action

### STATEMENT 1

**The health of the workforce is inextricably linked to the productivity of the workforce and therefore ultimately linked to the health of the economy. This important relationship between health and productivity has significant implications for national health policy and should become a part of the nation's health-reform debate.**

#### *Recommendations:*

- Encourage the inclusion of health and productivity strategies and metrics in legislative initiatives.
- Validate and disseminate best practices in health and productivity improvement.
- Sponsor venues for public recognition of exemplary integrated health and productivity improvement initiatives and the business leaders supporting them.
- Encourage public-private technical assistance and services to support employer efforts.
- Assure a clear focus on health promotion and health protection in the workplace that emphasizes a real culture of health as well as a culture of safety when considering policy or regulatory changes.
- Expand the supply of health professionals that are educated and trained in how to implement and measure the impact of integrated health and productivity improvement strategies.
- Initiate pilot studies at local/state/federal agencies that test innovative integrated health and productivity improvement models among public employers.

### STATEMENT 2

**Continuing the status quo of current health care strategies in the workplace is not a sustainable option; the realities of the economic burden of health risks and health conditions, rising total costs and an increasingly competitive global marketplace require an urgent shift to integrated health and productivity improvement strategies.**

#### *Recommendations:*

- An awareness-building initiative is needed to help employers and policy leaders understand the full economic cost of failing to pursue integrated health and productivity improvement strategies.
- Evidence should be compiled and tools developed to help employers of all sizes and types make the necessary transition to a new "culture of health" paradigm, built on a foundation of integrated health and productivity improvement strategies.

### STATEMENT 3

**A strong body of evidence has emerged in recent years, offering employers proven strategies for more effectively managing the health of the workforce and recognizing the strong link between health and productivity.**

***Recommendations:***

- The current body of available evidence should be more effectively structured and communicated to employers and other stakeholders for business application.
- An organized effort is needed to drive adoption of integrated health and productivity improvement initiatives by employers.
- An inventory should be created, highlighting effective health and productivity interventions and employer best-practices that can be applied by all employers (small, medium and large) to their own workforces.
- Further research and case studies focusing on health and productivity outcomes should be developed to ensure the evidence base continues to grow.

**STATEMENT 4**

**Successful integrated health and productivity improvement initiatives are built upon well-established, recognized principles. These principles include:**

- Management support and promotion of a “healthy company” culture
- Organizational and employee health and productivity risk assessment
- Evidence-based intervention programs
- Aligned incentives for health and productivity improvement
- Adequate resources for effective implementation
- Implementation of programs that ideally yield both near-term and long-term sustainable results
- Integration of initiatives with other stakeholders and with the community
- Workplace environment and policies that support healthy lifestyles
- Accurate impact measurement and evaluation beyond just the financial return on investment to the full value of the investment to the enterprise
- Integration across corporate “silos” and individual health-related budgets into one enterprise-wide integrated health and productivity strategy and budget.

**STATEMENT 5**

**The impact of a healthier, more productive workforce is quantifiable; when combined with other business measures it helps determine the overall economic value of an enterprise. The business community, ranging from financial analysts to investors, should develop and institutionalize additional accounting and valuation methods that include health and productivity metrics to more accurately determine the business value of workforce health assets in a company.**

***Recommendations:***

- Raise awareness in the business community of the relationship between the health of the workforce, the productivity of the workforce and the profitability of employers.
- Educate the business community on the benefits of considering the health and productivity assets of a business when considering the accounting and valuation methods for determining enterprise value.

## STATEMENT 6

**As an evolving discipline, integrated health and productivity measurement methodologies should be studied continuously, improved and more consistently applied.**

### *Recommendation:*

- Practitioners of health and productivity improvement should establish common terms and definitions, as well as better defined processes and procedures, for their discipline.
- In particular, the field should refine methods for:
  - Documenting the positive workplace effects of good health and the adverse workplace effects of health risks, unhealthy behaviors, and health conditions.
  - Identifying and targeting promising workplace interventions.
  - Documenting the full cost effectiveness of interventions in terms of a broader value proposition that includes, but is not limited to, traditional return-on-investment methodologies.
  - Monitoring the integration, scalability and sustainability of interventions over time.

## STATEMENT 7

**Employers need to have a consistent, ongoing approach for measuring and benchmarking their results as they design and implement integrated health and productivity improvement initiatives.**

### *Recommendations:*

- Establish benchmarking comparison data sets and tools to help employers evaluate their total health-related costs so they can make the business case for necessary change as well as assess the impact of their programs. Emphasis should be placed on:
  - Modeling tools and data sources based on published research for modeling/estimating the need for initiatives.
  - Objectively reported as well as self-reported measures of presenteeism and absenteeism.
  - Integrated health-and-productivity-measurement data warehouses.
- Promote strategies that make benchmarking, measurement and implementation of integrated health and productivity improvement initiatives achievable by small- and medium-sized businesses.

## STATEMENT 8

**The concept of evidence-based medicine has grown more commonplace in U.S. health care. However, the evidence used to determine best practices needs to go beyond clinical outcomes and include functional impacts on health and productivity.**

### *Recommendations:*

- Integrate health and productivity research and metrics into evidence-based outcomes. Key metrics include absenteeism, return-to-work, lost days, impaired work performance (presenteeism), total health-related costs, and patient satisfaction.
- Include an “expanded” evidence-based perspective (total health and productivity costs and outcomes) in employer health purchasing decisions and return on investment calculations.
- Promote greater awareness of health and productivity costs and outcomes among providers and consumers.

- Align incentives among stakeholders to improve health and productivity outcomes in pay-for-performance and patient-centered medical home initiatives.

#### **STATEMENT 9**

**Engagement and participation of the workforce is essential to successful design and implementation of health and productivity improvement initiatives.**

##### ***Recommendations:***

- Create appropriate incentives for the workforce to engage in integrated health and productivity improvement initiatives.
- Implement highly effective communication strategies that will increase engagement and participation of employees and their family members in integrated health and productivity improvement initiatives.
- Encourage strategic selection of high-performance suppliers that agree to health and productivity measures in evaluating the full impact of interventions.
- Integrate community resources with workplace initiatives.

#### **STATEMENT 10**

**Health is determined by a wide range of factors, some of which cannot be addressed through medical and/or behavioral intervention. Broad social and environmental determinants – ranging from food and transportation systems to cultural practices – can influence health. Working together, employers and stakeholders should consider these fundamental factors as integrated health and productivity improvement initiatives are designed and implemented in the workplace.**

##### ***Recommendation:***

Encourage employers to consider a multi-faceted approach to integrated health and productivity improvement strategies, including addressing the social determinants of health. Acknowledge that good health is influenced and defined by many factors and recognize that wellness is more than the mere absence of illness.

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