



# Fighting Obesity

## How to combat the effects of obesity on your business and improve your employees' health

Obesity can have a significant impact on employers, in health care and workers' compensation costs and in lost productivity.

Health care costs for obese employees are as much as 21 percent higher than costs for those at a healthy weight. In addition, overweight or obese full-time workers with other chronic health conditions miss 450 million more days of work each year than healthy workers, costing businesses \$153 billion in lost productivity, according to a Gallup poll. When you consider that Centers for Disease Control estimates say that one-third of Americans were obese in 2010 and that six in 10 are overweight, that creates a significant impact on U.S. businesses, says Steve Martenet, president of HealthLink.

"Many Americans receive their health care through their employers, and obesity impacts not only general health care costs but also other costs," says Martenet.

### How can employers begin to combat the obesity epidemic?

Biometrics can provide a snapshot of the health of your employees. If 75 percent of your work force is classified as obese, you are looking at a very different solution than if that were 5 percent. The higher the percentage of obese employees, the more those people are costing your business.

Once you understand how much obesity is potentially costing you, you can determine the best plan of attack to try to manage that. It starts with creating a culture around general health and wellness and fitness, and a culture around transparency in which employees know how much benefits actually cost — just not what the co-pay is — and then create awareness around what employees can try to do to positively impact those costs.

### **How can biometrics help improve health?**

It's a matter of education. Once they understand where they are in terms of BMI and their health conditions, it's easier to get people to adopt certain behaviors and take steps to address those conditions. Biometrics lets them know what shape they are in and allows them to understand what they need to start doing to take control of and improve their overall health. If people know they have a certain BMI and understand what that will mean in 10 or 15 years, they may be more willing to take actions today to address that so they will be healthier in the longer term. Being healthier will ultimately cost them, and their employer, less in premiums for health insurance.

### **How can employers make employees care about costs associated with obesity?**

Educate them about how health care is financed, how much employers are paying in premiums and that premium costs are tied to claims. The more claims a company has due to unhealthy lifestyles and obesity, the more you're going to pay in premiums, which is potentially less that employees have to take home in disposable income. That makes it real that there is a dollars and cents impact on employees.

Educate them through meetings, e-mails or brown bag lunches. Another effective way is a quarterly statement that shows employees their total compensation package: This is cash compensation, this is vacation compensation, this is how much your health insurance premium is, this is how much goes to the 401(k). Then they get a total picture of what that employer is funding.

Once they understand how much the employer is really paying for health insurance you can start educating them on what drives that premium. That presents opportunities to make real changes in their personal behavior, managing chronic conditions and improving their lifestyle. They can see that what they do is directly related to premium costs and their overall compensation. If one segment of the pie gets too big, other segments — such as pay or 401(k) contributions — get smaller

### **How can you encourage employees to participate in wellness programs?**

Employees are more likely to buy in to an employee-led initiative if they have a hand in creating the program. That said, however, you have to lead by example. If management is not involved, it's easy for front-line associates to not take it seriously. Executives have to be part of the health screenings and be active in their participation in the program.

## How does obesity impact workers' compensation costs?

Obese workers are more prone to injuries on the job, and it takes longer for them to recuperate from those injuries, driving up workers' compensation costs.

According to a Duke University survey, employees with a BMI of 40 or higher had 11.65 claims per 100 full-time employees, at an average cost of \$51,091 per claim and 183 lost work days. Employees with a healthy BMI had 5.8 claims per 100 employees, at an average cost of \$7,503 and 14.19 lost days. When you look at the numbers, they are staggering.

## How can childhood obesity impact employers' costs?

In much the same way that employees do. Medical costs for obese children are higher, and if they have health problems, that leads to lost productivity for the parent. If a parent is at work and worried about an obese child and the social ramifications of obesity, they are not truly focused on what they need to be doing at work. It's a little more difficult to address, because what you do in the workplace may not make it home.

However, employers can offer educational materials that go down to the child's level about eating healthy. Employers also have the option of purchasing wellness products built around creating a culture of health.

Ask your health plan administrator what services it offers around health and wellness to help create a culture of health and wellness in the organization.

