

# Corporate Wellness Training

*If a window of opportunity appears, don't pull down the shade.*

Tom Peters, Management Guru,

No smoking on the job, neither inside or outside the building or outside - not even at home! Speculation swirl as to what led Howard Weyers to clamp such a total ban on his Okemos, Michigan insurance claims company. What is clear is that several workers quit rather than subjecting themselves to such far-reaching restrictions, especially after he began targeting overweight workers as well.

Press reports portray Weyers as a daily-jogging fitness freak with a virgin mouth for nicotine products. His unwavering stance sent privacy advocates into a hissy fit with threats of lawsuits on behalf of those 'oppressed' workers. They contend that imposing his personal zeal on employees is patronizing and probably unlawful. Weyers' position, on the other hand, is that while workers are free to choose their lifestyle, they should no longer expect his company to subsidize the consequences. As far as we know, Howard Weyers is not only still in business, but also quite the hero to many CEO's struggling under the crushing weight of burgeoning healthcare costs.

Can your workplace make you sick or force you to get well? Can your personal health influence your company's survival, especially in the face of increasing foreign competition? How far can a company go in trying to trim its health benefits expenditure? Is there a right way or a wrong way to corporate wellness? What are the essential elements of a basic corporate wellness program?

With many of us spending more waking hours with co-workers than with members of our own family, it follows that our health habits are as powerfully influenced by corporate culture as by the clinic, church or community. The intent of this chapter is to stimulate interest and outline the general format of a modern corporate wellness program. Workers will learn how to take responsible advantage of available healthcare benefits. It provides a blueprint so that rank and file can initiate such programs in cases when management is slow to see the light. Imagine what a credit it would be to you if you could approach your boss with sound ideas on how to decrease spending on health in your company!

From the management standpoint, given the fact that businesses are required to provide "sickness" benefits for employees, it really seems to make sense to invest to proactively in keeping them healthy...

“No way!” bellowed my college economics professor. “First of all the unions won’t allow it. And corporations are not going to waste money on wellness programs. If workers want to exercise, they can do it on their own dime.”

That was 1978 and our class was discussing Japanese structured group exercises before workers began their shifts. The class consensus at the time was these workers suffered from a *kamakazi* mentality of devotion to the glory of the corporation. That surely would not fly with your typical free-thinking, red-blooded American, or any union representing them.

Even as we debated, the *Land of the Rising Sun* was already beginning to whip the West in industrial efficiency. That was well before smoking was almost universally banned from the American workplace. And that was before American politicians began making pilgrimages to Japan offering competitive tax breaks to lure automotive factories to their constituencies. That was well before the spiraling health costs of obesity began to increasingly render American companies uncompetitive in the global marketplace.

With millions of manufacturing jobs being outsourced to emerging economies, a surprising number of American workers still hold on to that 1970’s thinking. They demand good jobs with good benefits, but still want the company to keep their hands off their body. One hears comments like, “Thank God I do not work in a factory.” However, regardless of whether one’s livelihood is based in the arts, sports, service organizations, or even the ministry, few today are untouched by unemployment in their midst. When a major factory closes, area physicians are forced to accept pennies on the dollar of outstanding medical bills. Taking the harsh step of sending unemployed workers to collections mostly stirs up ill-will and a rash of bankruptcies.

In today’s economy, even white collar managers and professionals worry whether their job will be digitally hijacked tomorrow by someone halfway around the world. Many people have no idea that their prompt tax refunds may have been computed overseas by accountants and specially trained analysts at a fraction of the stateside cost. A growing number of hospitals find it cheaper to have x-rays, CT scans and MRI read by radiologists in countries such as India. The images are transmitted electronically to the foreign country and the results often sent back *faster* than it would be to have a radiologist on call locally. As a result, even the most conservative organizations are taking a fresh look at universal health insurance. Many executives are still unsure where to start, concerned that this might end up being just another unnecessary expense.

## Why a Wellness Program

In the plantation economy 200 years ago, the master paid no wages but was responsible for the feeding, clothing, housing and preventive maintenance of his slaves. He forcefully controlled their destinies, what skills they acquired and even with whom

they were allowed to breed. In comparison, the modern manager's wants little to do with employees beyond instructing his secretary to send them birthday cards and perhaps sharing eggnog at the company Christmas party. The worker is free to quit at anytime and his health is his own affair. But to the extent that it impacts on corporate profits, individual health is very much the boss' domain and concern.

Analysts feel that we have come to a pivotal point in history. Society can no longer sustain with half of our medical resources being siphoned off for the care of people who will not take care of themselves. It is therefore the challenge of management to provide robust wellness programs to overcome the inherent weakness and predictable threats mentioned above.

Those familiar with the inner workings of managed care plans are keenly aware of the cutthroat decisions regarding underwriting companies with poor safety or sickness profiles. It was intriguing to see how various industries were assessed. For instance, one would imagine that construction workers were more exposed to injury and would therefore have higher health premiums. As it turns out, in the short term, they tend to be rather low consumers of health care. They seldom sought medical attention except for job related accidents, which are covered by the worker's compensation anyway. In contrast, nursing homes and hospital staffs were considered high consumers of medical care. The system can be quite capricious. The dependent of an employee - someone the company may have never seen - could unexpectedly incur major medical costs such as a liver transplant. This could easily saddle the entire company with substantially higher premiums the following year.

It is no different from how car insurance works. People in high-risk groups like teenage males, or those with speeding tickets or previous accidents pay higher premiums. But when it comes to health, this is how the lay person thinks: "Oh, my insurance company was wonderful! They covered all the bills, no questions asked." For one thing, in the era of HMO pre-certification, such scenarios are becoming increasingly rare. Also, insurance companies stay in business by simply spreading the costs across the group. As in the gambling business, *the house always wins*. Insurance companies consistently remain among the most lucrative of businesses. Their math dictates those if a company's health utilization profile is high enough, simply impose steep premium increases or decline to renew coverage the following year.

The profit margin for insurance companies comes from ratcheting up premiums and minimizing payments of benefits. Employers generally use insurance benefits as competitive advantage in luring quality workers. This, however, is in no way synonymous to a robust corporate wellness. In many ways "good insurance" simply makes individuals choice targets for unscrupulous health care providers. Having an attractive health plan often entitles the bearer to undergo superfluous tests and referrals

within particular hospital systems. They defend the practice by saying it makes up for uncompensated (uninsured / charity) care.

The way out of this bind is for workers to understand clearly that health expenditure increases is directly related to the ability of the company to provide raises and bonuses. The challenge is to communicate to the worker that his health is inextricably linked to workers holding on to jobs and take home pay they can live on.