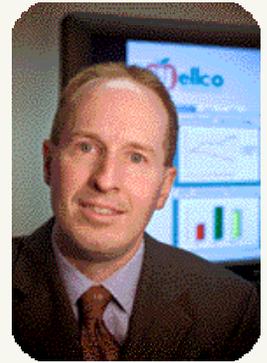


# Nine Out of 10 CFOs Are Wrong About Employee Health.

## Four Truths You Need to Know Before Your Competitors Do.

A Special White Paper by Scott Foster, President, Wellco



**D**o employee health costs top your list of worries? You're not alone. A recent keynote address to CEOs summarized the strong business case for worksite health promotion. During the address, Garry Lindsay, Director of Business Partnerships for Partnership for Prevention, recalled a memorable conversation with a CEO colleague. The CEO said, "Although healthcare costs are one of our biggest concerns I only spend about 60 seconds a year on that issue. Those 60 seconds are spent worrying about how much they're going to go up!" In other words, he didn't know what to do. Do you? Here are 4 truths you need to know before your competitors beat you to it.

### What Other Executives Are Doing.

A current survey by Robert Half Management Resources revealed that nearly half (49%) of financial executives named health care as one of their 3 biggest operational concerns. The question then becomes, "what are they going to do about it?" The answer is surprisingly lacking. The majority (53%) of respondents in the named survey are reducing costs in other areas of the company. Many others (46%) are shifting costs to employees through higher insurance co-pays while some (24%) are reducing employee health benefits. These are mediocre options at best and present great opportunities for you to gain market share by consulting with a top-flight employee health firm.

### Healthier Employees Cost Less.

The Health Enhancement Research Organization (HERO) clearly identifies 10 modifiable health risks that account for 25% of your medical costs. Many other studies have proven that the direction of your health costs directly parallels the direction of your employee's health. Granted, if your health insurance is community-

rated or you are an employer with less than 100 employees, your solutions are a bit less obvious. If so, you might benefit from a more innovative approach to cost reduction such as linking benefit plan deductibles to employee health care engagement or tracking productivity and absenteeism metrics. Regardless, do you really need to be convinced of the value of a healthier workforce? That's yesterday's news. Unfortunately, employee health nearly always gets worse over time without comprehensive population health management. However, there is still hope for your workforce. There is no longer a debate that well-designed employee health interventions will dramatically reduce your costs. If you don't directly prioritize this as a primary operational objective, and soon, you're going to regret it.

### You're Employees Aren't Even Close to as Healthy As They Think They Are.

(And You Probably Aren't Either.) If you are reading this thinking this information is good for someone else (e.g., "I have this friend) then do

yourself a favor and start reading this over again from the beginning. A Yale study found employees avoid medical visits due to their fear of severe and unknown medical conditions. Workforces consistently discover this with well-intentioned, yet ineffective health seminars and programs. When those same organizations first provide comprehensive, onsite employee health testing with medical measurements, the results are typically shocking and further program participation nearly always skyrockets.

### **What You Should Be Doing Now.**

First, provide an Onsite Health Risk Appraisal (HRA) at no charge to your employees. A strong, comprehensive HRA is the foundation of effective employee health cost reduction. The HRA should include biometric measurements (the measurement of biological characteristics such as blood pressure, cholesterol, body mass index, etc.), integration with intervention programs, targeted communication, risk tracking, referral,

HIPAA-compliant reporting and secure data storage. The HRA should also provide aggregate risk clustering/scoring and clear reports as a supplement to private, personalized coaching. This section alone can become rather involved. You can learn about HealthHammer™, the First and Only Zero Trend Appraisal® system, at Wellco's website:

Next, consistently measure and improve key indicators, especially percent participation and percent low aggregate risk. The nationally renown University of Michigan Health Management Research Center reports ideal outcomes with 80% employee program participation and 70% overall low-risk status. When your program has matured and become accepted as a priority from executives and employees, align program participation with incentives and benefits. Finally, sit back and prepare for your results to be better than expected. Enjoy your success!

### **About Scott Foster and Wellco**

Scott Foster is President of Wellco. Wellco works with organizations who want to measurably improve health costs and conditions. Wellco specializes in health ROI systems, health risk appraisals, corporate wellness programs, speaking, and consulting. Wellco is the developer of the award winning HealthHammer™, the first and only Zero Trend Appraisal® system. Scott has generated millions of dollars in cost savings for organizations and is a highly popular speaker and consultant. Scott works with Fortune 500 companies to small businesses, including Home Depot, MetLife, SBC, and 3M. Scott is a consultant for the Michigan Department of Health, Chairperson of the Michigan Cardiovascular Business Alliance, a featured writer and columnist for publications such as "Health Michigan" and an Executive Committee Chairperson of the Oakland County Wellness Coalition (a strategic alliance of prestigious organizations such as Automation Alley and 28 Chambers of Commerce). Scott is the facilitator of [wellnessroi.com](http://wellnessroi.com), a resource that provides interviews and commentary from the nation's wellness superstars. Often featured as a media expert, he is certified as a Health Promotion Director by the world-renowned Cooper Clinic in Dallas, and he was awarded a Lipid Clinic facilitation certificate by Chicago's Midwest Lipid Clinic. Scott has previously served as a hospital administrator and clinician. For more information, visit [www.wellocorp.com](http://www.wellocorp.com) or call toll-free (866) 636-WELL (9355).



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