Population Health Forum

Population Health as a Corporate Strategy: The Value in Investing in Wellness

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Dixon Thayer and Ray Fabius, MD of HealthNEXT presented a compelling overview of the factors influencing employee wellness and the subsequent outcomes benefiting the workforce, consumers, corporations, and investors. HealthNEXT is focused on making companies healthier by creating a culture and environment that helps employees achieve better health.

Thayer has held several leadership positions in large organizations during critical times of change. His expertise is focused on establishing and leading breakthrough strategies, high-performance leadership teams and tangible value creation. Fabius is a global physician executive who has served as a medical leader in academics, private practice, managed care, the health insurance industry, informatics, and the corporate-purchaser space. Fabius has written and lectured extensively on quality management, utilization management, network development, and the purchaser-payer-provider-patient/employee axis and eHealth.

Dr. Fabius presented on the broad, overarching value of investing in wellness. By using examples from key studies, he discussed corporate messaging; medical cost reductions; productivity gains; and employee engagement. Too often companies invest in wellness programs targeted to those who are unhealthy. Fabius explained that evidence shows that it equally important to invest in healthy people. “Well people who stay well are less expensive over time,” states Fabius. He also explained the importance of preventing and limiting disease progression: in other words, slowing down acute conditions before they become chronic or catastrophic.

Fabius emphasized that employers cannot focus on cost alone; they must look at “skill and will.” A motivated and well trained workforce affects health and productivity. He discussed presenteeism as a huge drain on the workforce and he identified a continuum of employee performance outcomes affecting the workforce and, in turn, costs. This continuum can begin

Grandon Workshop

A special additional session of the Population Health Forum for Grandon Society Members

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In this workshop, HealthNEXT principals Dixon Thayer and Ray Fabius, MD, continued to explore issues regarding employee wellness, and the impact on employers and investors, through a stimulating, interactive discussion. Thayer asked, “Why isn’t employee engagement and wellness a priority?” He identified a number of barriers including: the degree of comfort in the C-suite; lack of education regarding wellness; unclear return on investment vs. other uses of capital; and breakdowns in communications.

Thayer and Fabius explained that in order to effectively bend the cost curve, a critical mass of employers must be involved; further, it is extremely important to measure participation and monitor outcomes. Large self-insured employers become the focus of success stories, and can have significant influence on the community and other employers. Thayer and Fabius emphasized the marketplace solution as one major way to resolve the health care crisis.

The workshop participants engaged in a lively exchange regarding their own experiences and perceptions of wellness programs. Those who identified as “healthy” felt burdened by the idea of participating in a program that they didn’t necessarily need, but felt compelled to participate in order to reap the financial benefits. Others were glad to take the first step in a wellness program and were curious to see how it might grow and evolve.

The next Grandon Society Member-only workshop, “Innovation, Big Data, and Collaboration: Improving Population Health” will feature Somesh Nigham, PhD, Senior Vice President and Chief Information Officer for Independence Blue Cross. The workshop will take place on place on April 9, 2014 from 9:45 am -11:00 am.
with “not doing well while working” to “not doing work on work time” and a progression toward “lost to the workforce.”

Fabius also discussed the top drivers of lost work time, and identified sleep disorders, depression, and fatigue as major factors in presenteeism. Conditions affecting the highest costs for employers include depression, obesity, and arthritis.

Fabius summarized his presentation by highlighting ways in which behavioral economics can improve engagement. For example, providing rewards and/or taking away privileges; interventional surveys; rank comparison; and benefit plan enhancements. He emphasized the importance of building a culture of health and pointed out that once this is more ingrained into a system, incentives are not needed.

“Engagement drives amazing results,” Thayer explained as he continued the Forum session by delving further into the dynamics of C-Suite and employee engagement. Though there is no single definition of employee engagement, it may include: total commitment and motivation; employee alignment with the company’s mission; and valuing the company, and being valued in return. Engaged employees are higher performers than less engaged employees, less likely to leave the company, are more innovative, more committed to customer satisfaction, and go the extra mile.

Why does employee engagement matter? Thayer cites the international Unilever LampLighter study which revealed that companies with high employee engagement saw improvements in net income growth, operating income, and earnings per share. Thayer explains that health care as a benefit is not necessarily the issue; the issue is how to engage employees in ways that make contributions greater or better than before. The link to health lies in the fact that the healthier the workforce, the greater concentration of top performers as opposed to middle or bottom performers. Health is a key driver that influences engagement, influencing a cycle of engagement, personal performance, and business performance.

Companies that are often listed as the “best companies to work for” have a common thread…a big investment in wellness. Thayer states companies that make a commitment to wellness do tend to outperform other companies. In conclusion, the evidence continues to mount that having a healthy workforce provides a competitive advantage in ways that benefits employers and investors.

RESOURCES
1. HealthNEXT. http://healthnext.com/