

# Wellness Programs Support Employees During Stressful Times



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During the 2001 economic downturn, businesses across the U.S. made drastic cuts to employee wellness programs in an effort to reduce operating expenses. Although businesses saved money on wellness services, they experienced a spike in the usage of health benefits and higher medical-related expenses.

Employers learned a valuable lesson from 2001: wellness programs can make a significant difference in the morale, productivity, performance and overall health of employees and their dependents.

## EMPLOYERS HESITATE TO CUT WELLNESS SERVICES

Now, eight years later, as American businesses experience another economic slowdown, most employers are hesitant to “redline” their wellness programs and abandon this popular benefit. Instead, they are trimming costs by limiting expenditures and reducing the number of expensive incentives.

The National Business Group on Health reports that employers understand the impact of the current economic challenges on employees. Since many have significantly cut expenses and perks, and reduced staff in order to maintain the viability of their businesses, they depend on the remaining employees to fill in the gaps to keep the business running. These cutbacks and changes often result in employees experiencing low morale, depression and burnout.

## WELLES PROGRAMS SUPPORT EMPLOYEES

Businesses today recognize the significant value of wellness programs on keeping employees productive and healthy. They are concerned about maintaining a healthy balance of work and life commitments. They acknowledge the importance of retaining talented workers who support the business and are committed to their work.

While most employers have limited cash resources to reward employee contributions, they can support employees in other ways through educational wellness programs with incentives to encourage lifestyle and behavioral changes.

Consider the following wellness concerns and solutions:

**Unhealthy Weight Gain.** According to CareerBuilder.com, economic issues may be contributing to expanded waistlines of U.S. workers. One in ten employees report that higher levels of stress created by the recession are causing them to dip into snacks throughout the day. They are also sitting more and exercising less.

Currently 73 percent of Americans are considered overweight. According to RTI International, a scientific research company, employers pay an additional \$460 to \$2,500 per obese worker for medical expenses, not including lost productivity and absenteeism. National disability insurance companies report that obesity-related disability claims have inflated tenfold in the past decade.

To counter the problem, employers are providing more wellness education programs to encourage employees to adopt healthier lifestyle habits, and rewarding those who meet the weight loss and exercise goals they have set. These incentives include reductions in health insurance premiums, coupons for exercise classes, gift cards to area businesses, or “cold cash.”

Companies with on-site cafeteria services are offering healthier meal choices, as well as nutrition information and counseling, and still others provide only healthy, nutritious snack options in vending machines. These choices are especially important since 39 percent of employees report eating out for lunch at least two times each week, and 12 percent buy their lunch out of a vending machine at least once a week.

Health experts report that for every dollar spent on preventive services, wellness programs, and health education, companies can realize a \$3 return on investment in the form of lower medical costs, reduced use of sick and disability leave, and higher productivity.

**Lighting Up to Deal with Stress.** According to the American Legacy Foundation, financial stress caused by the recession is leading more people to smoke more, and fewer are making the choice to quit. Approximately 77 percent of current smokers report increasing the number of cigarettes smoked, and they are delaying decisions to quit smoking. Former smokers who have quit are resuming smoking to help them deal with economic stress.

Consider these additional statistics:

- Employees who smoke cost businesses approximately \$75 billion each year in medical expenses and another \$80 billion annually for lost worker productivity.
- Smokers are absent from work about 50 percent more often than nonsmokers. They are also 50 percent more likely to be hospitalized, and have 15 percent higher disability rates.
- Employees who take four 10-minute smoking breaks a day actually work one month less each year than nonsmokers do.

Businesses that help employees quit smoking find it is a worthwhile investment. Implementing a smoking cessation program costs, on average, \$50 per employee each year. Businesses save about \$1,400 for every employee that becomes a nonsmoker.

Another solution for businesses is to implement a smoke-free workplace. Employees facing restrictions on smoking at work consume 11 to 15 percent less tobacco, and 84 percent actually quit smoking.

**Opting Out of Preventive Care.** The economic situation is causing many employers to reduce funding for employees' insurance benefits. They are choosing plans with higher deductibles and lower premiums, which causes employees to pay more out of pocket for insurance coverage.

Employees are also struggling with limited financial resources, and many may decide to only fund their medical insurance and drop all other benefit options, including dental and eye care. They may believe that investing time and money in preventive care for dental and eye care is unnecessary, especially if they are not experiencing any health concerns or pain. These benefits may be viewed as a luxury they cannot afford at this time.

Health professionals and business leaders are worried these choices may result in poor oral and vision health practices by employees. Regular dental and eye care wellness checkups are important for health care professionals to identify potential health care concerns in the early stages, which may head off higher medical costs down the road.

One thing is true in any economy: it is cheaper to pay for preventive care than for treatment of problems that arrive due to neglect – expensive repairs, medical tests, surgery or other health care treatments.

**Tired Workers.** American workers are worried about finances, job cutbacks, and economic conditions, and these concerns are affecting their sleep.

The National Sleep Foundation reports that sleep disorders may contribute to a range of medical conditions, such as depression, obesity, diabetes, hypertension, heart attacks, and strokes. And they can result in safety issues at work, including industrial accidents, poor decisions that could affect the health and safety of other workers, and higher medical costs.

The average employee gets fewer than six hours of sleep each night, even though most need seven or eight hours. Current research indicates that losing 1.2 hours of sleep each night equates to a 32 percent decrease in daytime performance. At the same time, employees are averaging longer work hours as they try to fill in the gaps for workers who were let go due to the economy. The effects include lack of energy, short tempers, unhealthy food choices, and limited physical activity.

Employers are responding to the problem by working with employees to balance work and life responsibilities, providing educational classes on stress management and sleep problems, and encouraging participation in exercise programs.

**Depressed Workforce.** Like diabetes or heart disease, depression is an illness. Concerns about the economy and loss of income due to financial market downturns may create higher levels of employee depression.

Clinical depression affects about 19 million Americans annually. Depression, which may be genetic or caused by an imbalance of neurochemicals in the brain, can result in fatigue, decreased energy, sleep problems, irritability, and difficulty concentrating. According to Psychology Today, depression costs U.S. employers \$44 billion each year in lost employee productivity.

Employers that identify and provide treatment options for employees can significantly reduce these costs. Although depression treatment assistance typically costs \$400 per employee, a study reported in the Archives of General Psychiatry found that such assistance would result in cumulative savings to employers of \$2,898 per 1,000 workers over five years. Employers will notice improved employee retention, decreased absenteeism, and increased productivity.

***Short Tempers and Frustrations.*** Economic issues are also causing employees more frustration, resulting in shorter tempers and less patience with others. These actions may create higher costs in disability insurance claims and lost worker productivity.

Many businesses are educating employees about behaviors that create uncomfortable work experiences for others, providing help with stress management, or setting up mediation sessions to neutralize tense or difficult work situations between employees or departments.

Businesses recognize the importance of creating nonthreatening work environments for employees, where they feel valued and respected. Otherwise, retaining and recruiting quality employees will be a continual challenge, and business operations could suffer.

## **RESPONDING TO ECONOMIC CHALLENGES**

Employers today are facing complex health issues that affect the attitudes, well-being and productivity of workers throughout their companies. Many of these concerns are the result of unhealthy, unsafe, and stressful work environments, while others relate to employee health and lifestyle choices.

Challenging economic conditions prompt many new and different wellness choices for employers and employees alike. Employers will look to producers for expert advice on wellness programs and preventive care programs that affect employee health and productivity and reduce health care costs, along with competitive benefits packages that help to attract and retain quality employees.

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