

# WELLNESS THAT WORKS



advantage  
WELLNESS

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A well designed strategic  
company wellness plan is a  
powerful organizational tool for  
hiring and retaining top  
intellectual capita. Wellness  
secures a competitive edge.

## Does corporate America need wellness programs? In consideration, did you realize that:

- “ Leading causes of death: cardiovascular, cancer and iatrogenic diseases and disorders; much can be prevented;
- “ In 2000, the cost of obesity in America amounted to \$117 billion; (CDC)
- “ In America, we spend \$1 trillion on health care, more than any other country, yet we are not the healthiest;
- “ The cost of stress on productivity, health care costs and absenteeism is a \$200 billion loss (annually); (Brown, 1998)
- “ Sleeplessness costs to employers is estimated to be \$18 billion; (NSF/Louis Harris & Assoc.)
- “ Job related injuries estimated to cost \$127 billion exceeded corporate profits of all wholesales and retail trades business during 1999; (NSC)
- “ Low back injuries cost \$551 million in annual losses, and account for as much as 18% of work comp claims; (WCIRB)
- “ Estimates are that 70% of illnesses are preventable! (WELCOA)

## What do Wellness Programs cost?

Naturally, it varies depending on the components included in a company program. Today, however, generally the cost employers put towards wellness programs amounts to only 1% - 2% of the typical medical costs. Drugs continue to escalate at about 18% annually; insurance premiums increase at about 10% (2002); and medical costs to employers increased between 18.5% - 34.3% (depending on the region and for employers with at least 500 employees).

## Progressive employers know the positive economic benefits of wellness programs:

**Starkey Labs**, through utilization of the chiropractic approach to onsite wellness, Starkey employees are able to immediately correct ergonomic workstation problems to prevent injury;

**Plato Woodwork**, also through chiropractic approaches to onsite health care, experienced a 10% decrease in work comp premiums;

**Steelcase** high-risk employees (life-styles included 2 - 4 health risks as smoking, overweight, etc.) participated in employee wellness programs to improve health; they became low-risk and cut average medical costs by half;

**Union Pacific Railroad** implemented a wellness initiative to 28,000 employees at \$50 per capita/year investment and reaped a net savings of \$1.26 million. 45% lowered blood pressure; 34% experienced lower cholesterol; and 21% ceased smoking (employees were in 19 western and southern states);

**Superior Coffee and Foods** showed 22% fewer hospital admissions; when hospitalization was needed, stays were shorter with expenses per admission being over 40% lower;

**Providence Everett Medical Center** had a 52% of its 2,700 employees participating in a wellness plan, resulting in a 3:1 return on investment over a nine year period.

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Steelcase: Corporate medical claim cost distributions and factors associated with high-cost status. L. Tze-chingYen, D. Edington, P. Witting, J of Occ Med. V1N5 (505-515) 1994.

Union Pacific Railroad: Ofc of the Med Dir, Union Pacific Railroad, Omaha, NE, Well Workplace Gold award winning application, 1996. C. Everett Koop Award winner. 1995

Superior Coffee and Foods: Speech given by Lee Ahsmann, VP or HR at Well Workplace awards dinner, Worksite Wellness Council of IL, 1994.

Business & Health magazine, Discover the power of wellness. D. Hunnicutt. March 2001 (41).

*“Restoring, Maintaining and Motivating Your Workforce.”*

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