

Workplace Wellness Program Efficacy

The human resources consulting firm AON Hewitt Associates found that for every dollar an employer spends on wellness programs, employers could expect a \$3 to \$6 return on their investment. (AON Hewitt Associates, 2008)

Baicker et al. found that “medical costs fall by about \$3.27 for every dollar spent on wellness programs and that absenteeism costs fall by about \$2.73 for every dollar spent,” and suggested that “wider adoption of such programs could prove beneficial for budgets and productivity as well as health outcomes.” (Baiker et al., 2010)

The U.S. Department of Labor found that “employers overwhelmingly expressed confidence that workplace wellness programs reduce medical cost, absenteeism, and health-related productivity losses.” (Mattke, 2012)

The U.S. Centers for Disease Control and Prevention states, “Evidence suggests that worksite wellness programs are cost-beneficial, saving companies money in health-care expenditures and producing a positive return on investment (ROI).” (Anderko et al., 2012)

The benefits of wellness programs go beyond cost control. A recent survey by the Integrated Benefits Institute found that nearly half of Chief Financial Officers surveyed said that controlling costs was not their sole or even most important goal in workplace health programs. They cited goals including “helping enrollees become healthier, better consumers of care,” “attracting, retaining talent or improving productivity,” and “improving customer service or business performance.” (Gifford, 2016)

Workplace Wellness Growth Trends

Employer interest and participation have grown as evidence accumulates of the financial value of workforce wellness programs, which have been shown to save money “both in direct medical payments and indirect costs resulting from absenteeism and presenteeism.” This value is becoming increasingly evident with the current aging of the workforce and rise in chronic diseases and conditions. As a result, “many businesses are taking a holistic approach to health by offering wellness programs to their employees. Through the social and organizational support structures of the workplace, wellness programs can be integrated effectively into the lives of a demographically shifting workforce that is steadily growing less healthy. Because more than 60% of Americans obtain their health insurance coverage through an employment-based plan, employee wellness programs are uniquely positioned to respond to the varied health needs of a multigenerational workforce.” (Anderko, et al., 2012)

The 2012 *Workplace Wellness Initiatives* survey conducted by the Society for Human Resource Management (SHRM) found that 55% of responding employers offered workplace wellness programs. Of those, 85% indicated an interest in expanding or improving their programs in the

next one to three years. Among those that did not offer programs, 69% indicated an interest in developing programs in the next one to three years. (Society for Human Resource Management, 2012)

A 2013 study sponsored by the U.S. Department of Labor found that “workplace wellness programs have emerged as a common employer-sponsored benefit that is now available at about half of U.S. employers with 50 or more employees, a group that employs three-quarters of the U.S. workforce,” and that even smaller employers often offer such programs. (Mattke et al., 2013)

SHRM’s 2016 *National Study of Employers* survey confirmed the growth of workplace wellness programs for employees and their families in the last eleven years: while 47% of employers provided such programs in 2005, 61% provided programs in 2016. (Matos, et al., 2017)

SHRM’s 2016 *Strategic Benefits* survey found that 68% of human resource professionals reported their organizations offering some type of workplace wellness program, resource or service to their employees. (Society for Human Resource Management, 2016)

Optum’s 2016 survey of human resource professionals from large employers found, “While employers are still offering traditional health and wellness programs, there has been a significant shift in the last three years to emerging programs, such as those that support health care access and navigation, and those that address the behavioral, financial and social aspects of well-being.” In other words, “Employers are emphasizing programs that support health ownership.” (Optum, 2017)

The annual survey on corporate *Health and Well-Being* conducted by the National Business Group on Health found that spending on workplace wellness programs increased from an average of \$521 per employee in 2013 to an average of \$742 per employee in 2016. (National Business Group on Health, 2017)

The U.S. Centers for Disease Control and Prevention (CDC) notes, “Many businesses have realized the benefits of health promotion, and to curb the costs of rising health care offer workplace health programs to their employees. Ideally, the office should be a place protecting the safety and well-being of employees while providing them with opportunities for better long-term health. A workplace health program aimed at keeping employees healthy is a key long-term human asset management strategy.” (Centers for Disease Control and Prevention, 2017)

SHRM’s 2017 *Employee Benefits* survey indicated that 24% of organizations increased their workplace wellness initiatives from 2016 to 2017. Compared to all other benefits, organizations were most likely to make improvements to wellness benefits. (Society for Human Resource Management, 2017)

The 2017 *Workplace Wellness Trends* survey conducted by the International Foundation of Employee Benefit Plans found that 90% of organizations surveyed offer at least one kind of workplace wellness initiative, and on average organizations have had their programs in place for 7.6 years. Further, 63% of organizations have budgets devoted to wellness, with 51% of these expecting their budgets to increase in the next two years, and 11% of organizations without a wellness budget expect to adopt one in the next two years. (Anderko, et al., 2012)

In parallel to the rise of workplace wellness programs, the Society for Human Resource Management (SHRM) noted the emergence of a new profession as early as 2011. (Wells, 2011)

SHRM's 2012 *Workplace Wellness Initiatives* survey indicated that with respect to providers of workplace wellness programs, human resource managers indicated a preference for working with fellow human resource professionals (58%) or workplace wellness specialists (54%) when creating and expanding initiatives. (Society for Human Resource Management, 2012)

Bortz listed "health and wellness educator" as one of the top five job titles for the near future, noting that improved health for employees can "not only curb insurance costs but also boost job satisfaction, a key ingredient to retaining talent." As a result, "many companies are now hiring in-house specialists to offer health-and-wellness advice and services. The educator works with employees individually to assess personal health issues and create strategies tailored to each person's needs." Based on a recent "spike in job postings," Bortz predicted 21% job growth through 2022 in this position. (Bortz, 2015)

Individuals who develop, deliver, and manage workplace wellness programs are classified as Health Educators and/or Wellness Coordinators by the U.S. Department of Labor's Bureau of Labor Statistics' *Occupational Outlook Handbook* and O*NET OnLine. The growth rate for health educators for 2016-2026 is projected to be much faster than average (16%). (Bureau of Labor and Statistics, 2018; Employment and Training Administration, 2017)

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