

IS YOUR FIRM READY FOR WELLNESS?

Introduction:

“Diet, physical inactivity, genetic factors, environment, and health conditions all contribute to overweight in children and adults. The potential health benefits from reduction in the prevalence of overweight and obesity are of significant public health importance.” (Health, United, 2007, p. 59)

Passage of Title I of the Americans with Disabilities Act (ADA) of 1990, and the Health Insurance Portability and Accountability Act (HIPAA, Title II) in 1996, coupled with the year-over-year increase in health insurance costs justifies the growing frustration among many business managers and a hyper-sensitivity to their employees’ lifestyles. The health of any organization is tied, in part, to its workers’ health. As “baby-boomers” age, insurance premiums continue to rise: in part, because we are living longer and in part because we are increasingly unhealthy. Is it any wonder employers are concerning themselves with negative factors impacting their employees’ health? Let’s examine a few of these concerns, how these concerns correlate to the bottom line of a business, and whether it is even ethical for employers to concern themselves with their employees’ personal health choices.

Discussion

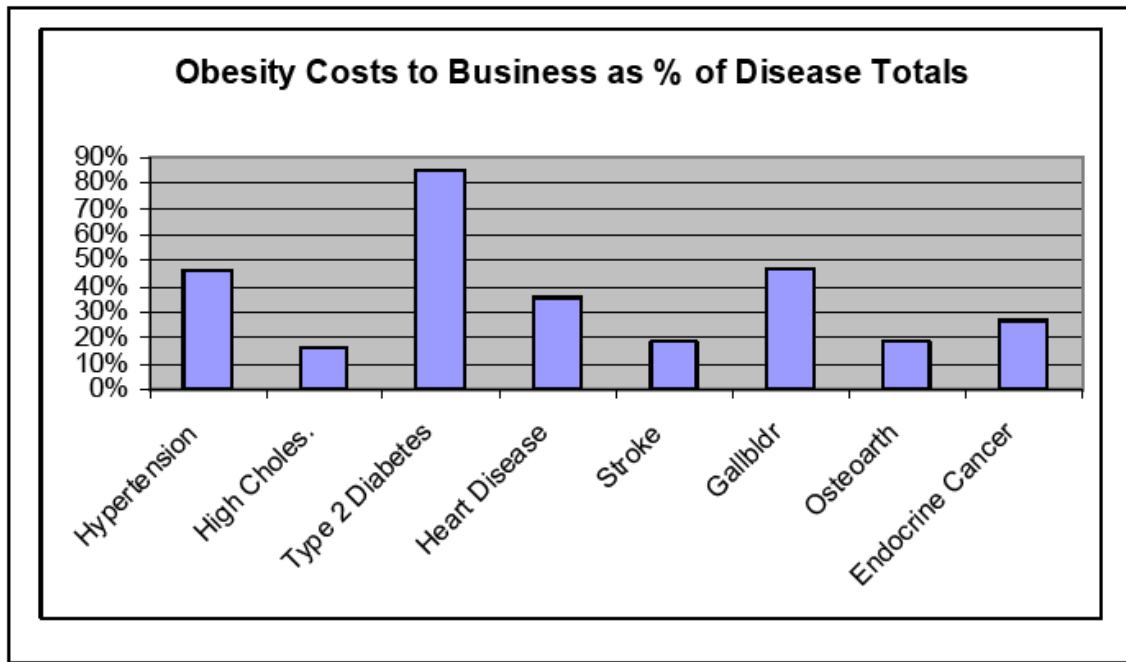
The ADA protects the rights of people with disabilities, and ensures they receive the same opportunities as non-disabled individuals. For employers with 15 or more employees this means making a, “reasonable accommodation to the known physical or mental limitations of otherwise qualified individuals with disabilities, unless it results in undue hardship.” (A Guide to, 2005, p. 1). Some individuals suffer with obesity on-set disabilities (and diseases). In this instance, protection under the ADA is “triggered only when workers can prove that morbid

obesity (a body mass index of 40 or more) prevents them from performing one or more essential life functions.” (Grossman, 2004, p. 6). Employers may not ask applicants about their disability, but they may ask applicants if they are able to perform core duties and responsibilities of the position for which they apply. However, employers are cautioned: Since certain ethnic groups (e.g., blacks and Hispanics) have higher instances of obesity than others do, employers should be vigilant about any appearance of disparate treatment, and be aware of their own personal biases. The latest National Center for Health Statistics report that, “[o]besity, a major risk factor for many chronic diseases, varies by race and ethnicity—51% of non-Hispanic black women age 20 years and over were obese in 2001–2004, compared with 39% of women of Mexican origin and 31% of non-Hispanic white women.” (Health, United, 2007, p. 26). Recently, Paul Soto, a 5’7” New York City police officer who tipped the scales at 500 pounds, was denied an increase in disability pay. Soto was on light duty after suffering an injury in the line of duty. He later fell and injured his knee while on the way to his doctor’s office. Soto filed suit based on his secondary injury, and was denied. Had Soto prevailed, he would have gotten 100% of his disability pay, rather than the 50% he was receiving. The judge agreed with the Pension Board that the officer’s subsequent injury was due to his morbid obesity rather than an injury suffered in the line of duty. (Smerd, 2008).

In addition to the security and privacy rights contained in HIPAA, it provides protections to individuals moving their employment by “securing their right to enroll in group health plans that limit exclusions for preexisting conditions, and those that prohibit discrimination against employees and dependents based on their health status.” (Health Plans, 2007, p. 1). Self-insured employers and insurance plans must allow qualified individuals to enroll in group health plans

without unnecessary or unreasonable exclusions. The exclusions, driven by both employers and health insurance carriers, was meant to reduce insurance costs by making new enrollees wait a specific period of time before visiting a doctor for a health-related issue previously considered by another physician.

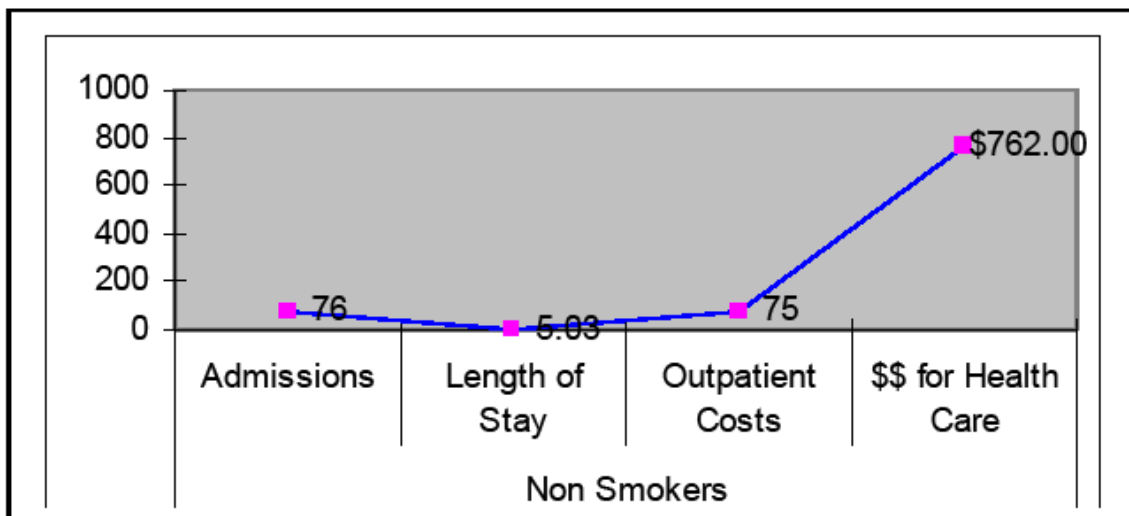
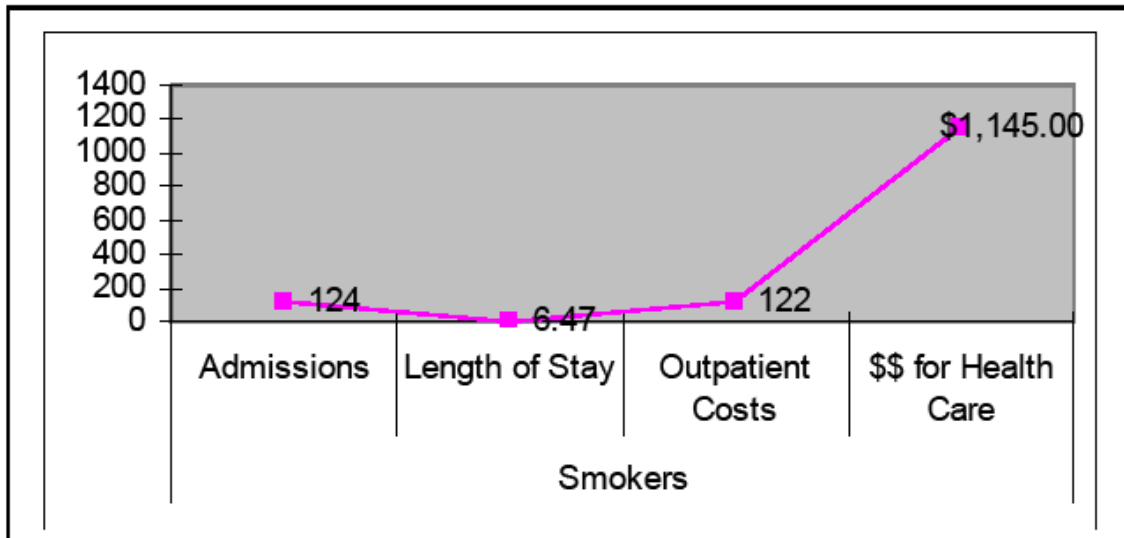
Two readily identifiable health concerns of employers are overweight/obesity and smoking. According to Leade Health, “[a]n estimated 65% of U.S. adults over the age of 20 are obese or overweight,” which directly affects health care costs. The chart below shows some of the health risks associated with obesity.



(Business Case, 2006, p. 1)

The American Cancer Society estimates that smokers are sick 6.5 more days per year than nonsmokers, utilize 8% of the workday on smoking rituals, and have a higher lifetime medical cost (32% for men, 24% for women). The following charts represent data relating to

hospital admissions, length of stay, cost of outpatient visits, and healthcare payments for smokers vs. nonsmokers:



(The Cost of Smoking, 2000)

So, in light of this information, what is a business manager's duty to the firm, and would exercising those duties subject employees to unethical treatment? A business manager's primary responsibility to the organization is to maximize shareholder profit. However, the manager's duties do not end there. The manager owes a duty to the clients and customers who pay for the

company's products and services; duties to uphold legal and ethical responsibilities in the businesses community; governmental and societal obligations and last, but not least, duties to the employees who serve the clients, who pay the firm. As any tradesman will tell you, you are only as good as the tools in your toolbox. Liken the employee to the "tool" that finishes the work. To continue producing income a business has to keep its tools sharp, and at the ready.

Consumer-driven health care, one of the many initiatives meant to help drive down the costs of health insurance, has not made significant inroads. The theory behind consumer-driven health care is individual responsibility. Proponents of this movement believed if "[c]onsumers have to pay more out-of-pocket for doctor visits, prescriptions, and hospital care, they will be incentivized to avoid unnecessary care, and demand higher quality and better prices for the care they do need." (Baeck, 2006, p. 14). Rather than making healthier choices, Americans are simply reducing their frequency of physician visits, and/or becoming more creative with their prescriptions.

In a May 2007 research paper entitled, *Cross-Country Variation in Obesity Patterns among Older Americans and Europeans* we find that in Europe the instance of overweight individuals and overall obesity percentages are lower than in America. However, Europe is also experiencing the negative effects of an overweight population. It should come as no surprise that the, "widespread reliance of Americans on food eaten away from home and little time spent cooking is a contributing factor. Differences in physical activity and time spent in sedentary activities like watching television are another important contributor to the observed differences in obesity among older adults between the U.S. and Europe." (Michaud, 2007, p. 5). The workplace, too, has changed. Rather than the industrial revolution of the 1900s, we are living in

the technological age. We are working smarter, but without the physical component. While few would advocate turning back the hands of time, it is obvious that, collectively, our waist circumference and addiction to nicotine are like a noose, choking off what could be a healthier lifestyle. When Americans aren't sitting behind their computer screens, we are taking a meeting over lunch, or cued up in the nearest fast food line on the way to take Junior to soccer practice. Less time preparing nutritional meals at home means more time eating highly processed fatty foods. Nutritionally bankrupt diets, plus a sedentary lifestyle, equal poor health.

Vince Kerr, a physician with Ford Motor Company, indicates that, “[o]rganizations lose more than \$12 billion per year due to higher health care utilization rates, lowered productivity, increased absenteeism, elevated health and disability insurance premiums and other consequences associated with obesity and weight-related conditions. (Minehan, 2007, p. 1).

When considering America's health dilemma John Peters, Ph.D., CEO of America on the Move, said, “there is no ‘get off the couch’ gene,” therefore, “employers are stepping up to help their employees help themselves.” (McConnell, 2006, p. 1). I submit that it is an employer's right, and duty, to insure that its human capital, its most costly tool, is well honed with the ability to function at maximum capacity. Moreover, the investment pays off. A formal study conducted by Moen, the kitchen and bath products supplier, showed that every dollar they spent on healthy lifestyle management resulted in a health care savings of three to four dollars. (Hastings, 2006, p. 2).

The level of assistance or intrusion employers can and/or should offer will be debated for a long time to come. However, most will agree the benefits of promoting a healthier lifestyle far outweigh what may be deemed as an intrusion into personal choices. We cannot know the

reasons people make the choices they do. Some choices are based on heredity and others on environment or, just personal preferences. However, the greatest good for any organization is for its employees to embark on a path to wellness. While America's workforce has the right to the seven deadly sins, it does not have the right to expect employers to bear the cost through higher health insurance premiums and reduced productivity. "Obesity and obesity-related conditions or ailments result in at least \$62.7 million in doctors' visits and \$39.3 million in lost workdays each year." (Economic Impact of, 2007, p. 1). The U.S. Department of Health and Human Services (HHS) estimates that more than 80% of worksites with 50 or more employees offer some sort of health improvement program (Grossman, 2004, p. 6). In a research project conducted among 24 manufacturing worksite managers, 75% of those managers believed health promotion at work is important. 98% strongly agreed that employers have a responsibility to protect employees from hazards, while only 41% strongly agreed that employers had a responsibility to promote healthy lifestyles. Polling all managers (senior, middle, and line managers) their combined responses revealed that 80% strongly believed health promotion programs would improve employee health. 68% believed they would improve health are costs, and 67% believed employee morale would improve (Addressing Health, 2004).

To be sure, what we ingest and whether or not we exercise too much or too little, are personal choices. To many, the intrusion of others dictating how we live our lives is reprehensible. The fairest way to approach this touchy subject, I believe, is to offer assistance, educate managers and employees, and hope the program catches on. I do not believe it would be fair to penalize an overweight person, or someone who smokes for not participating. However, I do favor offering incentives to those who do. There is no one right way to address this problem.

Organizations have to consider their own unique culture, and mull through what will be best for the firm and its employees.

Following are a few suggestions employers may want to consider:

- Ⓢ Offering all employees the opportunity to attend well-designed nutrition/weight management programs at a reduced or contributory cost.
- Ⓢ Offering all employees a reduction in their shared health insurance premiums if they drop their Body Mass Index (BMI) by one unit and/or maintain a 5% weight loss for six months. For a 150-pound person that equals 7.5 pounds.
- Ⓢ Offering all employees a \$100 stipend on an approved physical activity for their use (e.g., joining a gym; purchasing a bicycle; attending a health and nutrition conference).
- Ⓢ Offering employees who smoke the opportunity to attend a well-designed smoking cessation program at a reduced or contributory cost.
- Ⓢ Offering employees who smoke a reduction in their shared health insurance premiums if they remain smoke-free for one year.
- Ⓢ CEOs can follow the lead of a health plan administrator in Grand Junction, Colorado who invited employees to take a 30-minute daily walk with him (McConnell, 2006, p. 6).
- Ⓢ Employers with an on-campus cafeteria can help employees make healthier food choices by seeing that their food service provider offer more fruits, vegetables, and whole foods.

Many employers are encouraging their employees to take part in a “Biggest Loser” weight loss campaign, based on NBC’s highly rated show of the same name. This allows similarly situated individuals to come together as a supportive community, working toward a common goal. This type of approach is also great for personal accountability. It is important for the employer to be supportive, but each individual has to decide the level of discipline and sacrifice needed to live their best life.

Conclusion:

Is it ethical for employers to dictate their employees' health choices? No! Is it ethical for employers to partner with their willing employees to assist them in overcoming health-related challenges? Yes! In fact, I would say it is bordering on being unethical or remiss not to do so if the employer has the means and a receptive audience. America's problem with weight management is of epidemic proportion. Instead of dying from lack of proper medical treatment, our high mortality rate will be because we are digging ourselves into an early grave with a fork or the butt of a cigarette.

The choice to change is ours.

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