

Switching from Medical Care to Health Care Will Save Your Business and Employees Money

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My clients are very concerned about the escalating cost of healthcare benefits – only finding and keeping good employees is a higher concern. While inflation has been running at around three percent per year, the average company has seen health care premium increases of the 10 to 15 percent. Many employers have seen increases of 25 to 40 percent per year.

Most employers have decided that they will be unable to maintain their current cost sharing levels with employees and that the quality of benefits provided will be further diluted. Employees are also more than concerned about the extra cost of healthcare.

Theories abound about who is at fault for this trend. Hospitals, doctors, government regulation, lawyers, insurance companies, health plans, drug companies, employers and employees who misuse their benefits are all suspected or accused of multiple wrongdoings. There are only two things that are clear: each moment we continue to place blame is one lost to implementation of a solution, and continuing to do the same things that got us in this shape will certainly not help us get out of it. Change is required.

Making matters considerably worse is the aging of America. Ken Dychtwald, Ph.D., a nationally recognized expert on aging, says that America is fast becoming a “gerontocracy.” By 2010, almost 40 million Americans will be aged 65 and older. By 2020, there will be over 50 million people over 65. While aging brings many benefits to our country, it also increases healthcare costs significantly. As we age, we spend more money on healthcare. Americans spent about \$1.7 trillion on healthcare in 2003. By 2010, it is estimated that the cost will be \$2.6 trillion. As our nation continues to age, the costs will further skyrocket.

Dr. Uday Deoskar, a Bloomington based geriatrics physician and consultant on the reduction of medical care costs for the aging, has an answer that will, no doubt,

positively impact both corporate costs and employee health. Dr. Deosker believes that we must first stop calling our current approach “healthcare.” Doctors and hospitals do not deliver healthcare – they deliver “illness care.” When patients stay healthy, the provider doesn’t make as much money. While this fact very rarely impacts either the quality or quantity of care provided (only a very small percentage of health care professionals would prescribe care just to increase their billings), it makes it difficult for the majority of healthcare professionals to focus on prevention and health promotion in a meaningful way. Healthcare is, after all, a big business. Businesses that prosper focus on things that make money, not what reduces it.

While medical care is the responsibility of the medical community, wellness is an individual responsibility. If you eat right, exercise your body and mind appropriately, avoid disease and injury and get needed rest, you will be healthier longer and have greater quality of life. We all know this; yet we are a nation of the overweight, over-stressed, under-exercised, and under-rested. For example, one source indicates that 127 million adults in the U.S. are overweight, 60 million obese, and 9 million severely obese. As a result, cardiovascular disease, which is almost totally preventable with proper health care, diabetes and numerous other maladies are significantly more prevalent than they need to be.

The marvels of medicine make it possible for people to live 10, 20 or more years in very poor and declining health. Diseases that once took patients in a couple of years now may be treated for very long periods of time. Unfortunately, the quality of life of those being treated often steadily erodes. They are alive but not fully productive or engaged. While aging will eventually result in a reduction of each person’s abilities and quality of life, good healthcare will push that reduction later in life and result in shorter periods of infirmity before death. Quality of life and length of life will both be improved. Additionally, the cost of care for those who are well longer is much less.

Most people have the option of eating better and exercising and yet, based upon statistics, it isn’t occurring as often as it should. Smart business owners today are not leaving health care to their employees. Employers know that in a tight labor market and with increasing health costs they need to be actively involved in promoting health to their employees. It is not a corporate responsibility to promote health any more than it is to pay for medical care. If your organization is willing to pay for medical care, however, wouldn’t it make sense to reduce the cost through wellness programs? Wellness programs are much less expensive than triple bypass surgery.

Dr. Deoskar believes that companies can set up wellness programs that are inexpensive, compared to the cost of medical care, and effective. Providing employees with knowledge about the impact of specific behaviors on the long-term quality of their lives, options available to promote health and avoid disease, activities that promote high levels physical and mental activity will help them be happier, healthier, more productive and more engaged with the employer.

According to Dr. Deoskar, aging "is a one way street, but you can influence (it's) direction and speed." As we help influence our employee's behavior toward more healthy life styles, we have the privilege of doing a very good thing that will positively impact our bottom lines.

Richard Galbreath, SPHR, is president of Performance Growth Partners Inc., a full service organizational improvement firm specializing in HR audits, corporate outplacement services, customer service assessments, customer service training, supervisory training, employee surveys, employee handbooks, teambuilding programs and team training, on-call and project based HR consulting services, outsourced HR services, employee retention programs, performance improvement programs, executive coaching, manufacturing process and operations improvement consulting, training and programs, safety assessments, safety training, strategic planning, employee retention program, performance improvement programs, interim executive placement, conference speaking, keynote addresses, business turnaround consulting, healthcare consulting and a wide range of other services. Contact Rick toll-free at (877) 739-4747 or e-mail him at rick@performtogrow.com.

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