On May 11, the Chamber and HackensackUMC’s Corporate Wellness team invited local business leaders to explore the growing trend towards wellness in the workplace.

Hosted by HackensackUMC Fitness & Wellness Powered by the Giants, home of the Health Network’s Corporate Wellness program on Rt. 17 in Maywood, the intimate gathering included executives and owners discussing common threads and strategies for building and maintaining a healthy workforce.

Corporate wellness and the trends toward “population health” are hot topics in the “C-Suite,” as companies seek ways to provide prevention tools, wellness programs and resources for their workforce to better care for their own health. Rising costs for insurance, and the challenges of creating and implementing effective company wellness programs, are just the tip of the iceberg. Compliance with the Affordable Care Act, skyrocketing pharmaceutical prices, stacks of paperwork, and increasing incidence of mental health issues in the workforce are demanding solutions.
more time from busy executives whose hands are full just trying to run a business. That sentiment was a common theme throughout the round-table, and consistent with the challenges employers shared with the HackensackUMC Corporate Wellness team as they help coach them through this difficult time.

The following are some key highlights from the panel discussion:

Welcome Messages from The Hosts

Mark Sparta PT, M.P.A., FACHE (EVP & Chief Population Health Officer - Hackensack University Health Network): On behalf of the Health Network and our Corporate Wellness team, we are looking forward to having this important discussion today. It’s been one year since we gathered with Steve Adubato, Phil Simms, and a panel of distinguished speakers to explore the state of “Corporate Wellness,” (watch the broadcast at www.hackensackumc.org/Corporate-Wellness/) and the changes in corporate health continue to move at a rapid pace. Today’s discussion will give a voice to employers in the region about their challenges. It will allow us to learn how we can help facilitate wellness initiatives throughout their workforce more easily and efficiently.

Leslie Adelman Banks (Partner – HackensackUMC Fitness & Wellness Powered by the Giants): When we joined forces with HackensackUMC and the Giants, our vision was to go beyond building just a fitness center. Our mission was to create a truly integrative wellness center, combining the best medical and preventive care with a world-class fitness facility. An important part of our mission is to engage local businesses to help them create and sustain a healthy workforce. We collaborate with HackensackUMC’s medical teams to bring a truly integrated approach to local businesses and the community. Today’s discussion will help us achieve that goal.

Jim Kirkos (President & CEO – Meadowlands Regional Chamber of Commerce): Our team at the Chamber continues to hear about the challenges of corporate health within our membership. It’s become clear that offering insurance, walking paths, and discounted gym memberships are no longer the solution. The health and wellness of our members’ workforce is demanding increased investment. Often, it’s hard

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Arthur Bassani
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Rafael Castilla, M.D.
Executive Vice President
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to determine if it’s really working. We hope today provides insight through this important discussion, and that what we learn from our members and HackensackUMC helps our community better prepare for the future in this critical field.

Bending the Curve on Costs – A Long-Term Proposition

The panel was asked to share perspectives on the evolving role of corporate health.

Patti Goldfarb (CSA, Certified Senior Advisor - Employee Benefits Advisors Group):
Most of the employers with whom we work either want to, or are already implementing, some kind of employee wellness program. However, we are finding some of the larger employers who have invested in wellness programs are becoming disillusioned after developing them, and then try to determine why it’s not working. They spent time and money to launch these programs, but have not managed employee engagement. It’s difficult to motivate employees to commit. You have to add internal marketing to the mix to incentivize them to take advantage of the benefits employers are providing – often at great cost. It’s an ongoing challenge.

Kirkos: Comments from some of our members remind me of the old phrase “You can lead a horse to water, but can’t make it drink.” A strong workforce is not only an educated workforce, but a healthy and motivated workforce. That is the discussion taking place across our member companies right now. I have lived it personally with my own health issues. The integration of health and wellness is something I care deeply about in my own life – and that translates to my business as well. The question is how to make it sustainable.

Rafael Castilla, MD (Executive Vice President - Eastwick College):
It’s hard to change behavior even when employees know it’s in their best interest. We contradict our own teaching and culture sometimes, too. A number of our classes are focused on healthcare; however, I notice our employees outside smoking during their break. They’re supposed to teach about, and exemplify, cardiovascular health.

As an executive who has worked in both the U.S. and outside the country, I believe the American healthcare system is the best in the world if you are sick. However, it is among the weakest at preventing illness. As a nation, we are behind the international standard when it comes to preventive care.

We have to incentivize employees by rewarding preventive measures – perhaps with lower insurance premiums. If we can lower car insurance rates as a safe-driving reward, why can’t we do the same for health insurance?

Sparta: I think the intention to fix it is there, but the follow-through is not easy. We have seen many false starts in the 20 years as we tried to bend the cost curve to make healthcare more affordable. Rewind five or six years to the rollout of the Affordable Care Act with its vision to
get everyone insured. The current reality is high deductibles and out-of-pocket expenses, narrow and tiered networks, and a public who is insured and believes healthcare to be an entitlement to consume without any real financial obligation. This has changed more in the past five years than in the prior 25 or 30.

**Ross:** We know we have to do it – and that a corporate wellness program is important in the long run, but we are just getting started. Our managing partners are interested in making this work, but our diverse employees include everyone from senior partners to mailroom clerks. We will need to create a program to accommodate each individual, as its not a one-size-fits-all solution. We have about 120 employees - some fly coast-to-coast every week and others sit behind a desk all day. I don’t think there’s a future in benefits without an employee wellness program. We need to find a way to advance to the next level quickly.

**Goldfarb:** Be ready for a long-term commitment. One company we spoke with invested in a health-screening program for their employees and was surprised to see their claims go up in the first year. They found they had employees who didn’t know they had diabetes, cardiovascular issues, and other chronic conditions. Suddenly, their costs increased for treatment after the expectation was for costs to decrease.

**Sylva Takvorian, M.D. (HackensackUMC Corporate Wellness):** It is common for a company who begins a new program to find their costs initially increase. It is a natural outcome when diagnosing long-term problems for the first time. But, you have to ask yourself: Are you making an investment against more catastrophic illnesses down the road? Are you paying more now to avoid some of the long-term effects of conditions like heart attacks, kidney disease, stroke, or cancer?

**AJ Bassani (Owner - In Thyme Catered Events):** As a small mom-and-pop shop, I have to make hard choices to keep the business viable. I offer all my employees health benefits and 401Ks, and it’s become very difficult for me. I had to reduce coverage for my employees with the increase in costs plus the administrative requirements.

**Sparta:** It’s definitely an investment. Preventive measures, from employer’s standpoint, have a much longer ROI. It’s estimated that up to 30 percent of the population is diabetic or pre-diabetic. Companies have to think about supporting folks who are candidates for chronic-care management. Patients who suffer from congestive heart failure, hypertension, chronic obstructive pulmonary disease, and diabetes have the most complex care. When you look at the cost trajectory, and expenses of healthcare, most literature indicates five percent of the population accounts for 50-70 percent of healthcare expenditures within the course of a year. We need to balance investment and prevention, and fund that through the savings we can accrue by better managing chronic care.
Jay Groves (Executive Director of Population Health Management, HackensackUMC Fitness & Wellness): Extensive data shows larger employers, who are more often self-insured, provide biometric screenings and appraisals, have a robust fitness program, and are committed long-term – do get results. For every dollar they spend up front, they can expect to save about $1.80 to $3.40 on healthcare claims, according to studies.

One powerful study published in a noteworthy medical journal compared employers that offered employee wellness programs over a 10-year period to an equivalent company that did not. They examined one outcome: their stock-market value. There was almost a 40 percent differential over a 10-year period in large companies that invested in wellness programs over companies that did not. Companies that invested enjoyed increased productivity. Their employees take fewer sick days and perform better on the job.

Impact Beyond the Human Resources Department

The corporate wellness trend is impacting day-to-day business decisions

Bassani: This trend goes beyond my employees and impacts my business as a food service provider to my customers. In my corporate catering business, we’re finding a huge shift in what people eat. They are becoming more educated about nutrition, and more concerned with what ingredients are in their food. As a business, we continue to educate ourselves to stay in front of this trend. Everyone wants organic foods, but sometimes the cost can be nearly double. Who pays for that? Does the company absorb the cost to keep their employees and customers healthier? Do they pass it on to their employees/costumers?

Sparta: That’s a great point. At HackensackUMC, we’ve been instituting these types of programmatic changes over the course of four to five years. We’ve made substantial changes to our beverage program with PepsiCo, resulting in major reductions in the consumption of sugary beverages. We introduced healthier options at our serveries, including organic chicken, which partially has been accomplished through smaller portion sizes to keep prices in line (and has its own health benefits). Also, we partially subsidized monthly costs for those who commit to utilizing this fitness center. We’ve introduced smoking cessation programs and other incentives to focus on employee health.

And I can say with confidence we have seen a significant reduction in our claims expenses, which we feel is directly attributable to these programs. However, there’s a balance between mandating that your employees do things and offering opportunities for them to take advantage of. Many will bite. Many will take an interest in their health. When they see their lab results, and learn they have primary-care wellness benefits with their plan which allows them to see their physician and begin monitoring and managing their health, they will take advantage of that. Our senior leadership has really stepped up too. You will find me and many of our top executives working out here on a regular basis, trying to set an example.

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—MARK SPARTA, PT, M.P.A., FACHE
EVP & Chief Population Health Officer
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Takvorian: These are great cultural challenges if you guide employees to make health a priority, they become and inspiration to others. Senior management who actually participate in wellness programs themselves are the best example of that. When employees are actively taking care of themselves, it will translate into helping other people. Ultimately, others will do the same.

Groves: It’s great seeing Mark and other leaders from HackensackUMC leading the way and making a personal commitment to inspire others. I see them at the Center working out in the mornings. That has an impact on the staff, too. From the fitness aspect, the data is overwhelmingly positive. There are few things you can ask your employees to do that would benefit their health more than becoming active on a regular basis. Consider exercise’s impact on diabetes, heart disease, cancer, and Parkinson’s. It is hard to think of a medical condition that doesn’t benefit from exercise, regardless of age, fitness level, and any other factors.

Unfortunately, the drop-out rate of exercise programs, whether you start at a facility or do it at home, is probably 60-70 percent over a year’s time. Often, we are at the table with employers, helping them keep folks engaged. When we talk about the fitness benefit, employers frequently have multiple ways to address the topic, but sometimes it becomes a price-sensitive conversation: What’s your enrollment fee? What’s your monthly fee? Will you contribute to the employee’s membership fee?

We have flexible models to meet the needs of individual employers because we want it to work for them. Our service model is second to none, particularly service as executed in this building with full integration with HackensackUMC for the medical side of the equation.

When you join our Center, it is not like joining a gym. You see a nurse who evaluates you at your baseline and a trainer to get you started the right way. Before you get on the treadmill or jump in the pool, you’re encouraged to see your primary care physician, who makes sure it’s safe for you to exercise. Every three months for the life of your membership, you are entitled to see a Center nurse and trainer to track progress and monitor health concerns.

There’s probably nothing employers are going to do that’s more difficult than wellness. Employee wellness is like a dance. An employer must understand their symbiotic relationship with employees. It’s not about telling people what to do. It’s about taking a coaching approach to your wellness program where you educate and trust your employees to make good decisions. Hopefully, you are in it for the long haul. That’s the magic of it all.

I heard a CEO once talk about it this way: “I view wellness programs like I do my own retirement account. I contribute three percent, my company matches me, and I don’t think about it. I just know it’s there. I know 30 years from now, if I’ve done that, I’m going to be a lot better off from a personal standpoint.”

If employers put three percent of their healthcare dollars into wellness and just commit to it, I can almost promise you in 5, 10, 15, 30 years, you’re going to be in much better shape than if you hadn’t made that investment.
Great Coaching Inspires Great Players

The toughest part is to build and manage a strong GamePlan

Bassani: It’s been a big challenge for us as a small company. I am not sure how I can add a wellness program that would even be of interest to my employees, but I truly want the best for them and their families. How do companies get started?

Takvorian: It’s really about helping a company create a culture of lifestyle modification and management of chronic illness, whether that’s physical or mental health. It has to be personalized for the employee. They have to be ready to make changes. It’s not just about supporting those in need. It’s about engaging them so they know how to optimize their own health status. We work with employers to coach them through a strategy and help them implement it.

Sparta: Mental health is another important component of corporate wellness. It’s estimated that, similar to the numbers for diabetes, up to 30% of determinants are behavioral-health related. When we look at the number of patients in our hospitals, 35 percent of them have some behavioral diagnosis and those patients have a 30% longer stay. That contributes to higher absenteeism and poor performance, in addition to the added claims.

Ross: We’re only as good as our employees. We need to assure five years from now we’re better because of our employees are healthier in mind and body. I understand the long-term approach. The corporate culture is something we need to start changing, even with baby steps.

We are a law firm, but sometimes it feels like we are running a benefits company.

—TINA ROSS, Director of Human Resources at Scarinci/Hollenbeck Attorneys at Law

Sparta: We realize, historically, healthcare has been an inefficient, poorly-coordinated industry, which has resulted in some of these expenses we’re all trying to control. To really do what we do better, we have to meet people halfway as an industry and partner. As an organization, we must focus on the access issues I talked about in terms of getting into the community and having more touch-points within the community. We also must put a tremendous amount of focus on care coordination.
We’re making heavy investments in the healthcare “continuum.” The continuum of care involves this setting, which is really a centerpiece for the community, and the home health that’s delivered, the services that take place prior to hospitalization, and all the things outside the hospital.

**What’s the Next Step?**

**Kirkos:** Today’s discussion is just the tip of the iceberg. I think we agree the stakes are getting higher, the costs are going up, and hiding our head in the sand is not a solution.

As the baby boomers continue to age and the workforce has more high-value employees in their sixties and beyond, we are charged with getting ahead of these challenges. We must try to bend that cost curve down while improving service.

My personal experience here at the Fitness & Wellness Center has made me a healthier person and an advocate for these corporate wellness initiatives. I work out as part of my daily routine. My stats are taken by the nurse and sent to my physician to ensure I stay with the program he customized for me. I work to inspire those in my office and in the Chamber to follow my lead as well. We all have to set an example.

I hope today’s discussion helps keep the conversation going. We will not be able to solve all these problems at once. It’s going to take a prolonged effort to inspire folks to change their behavior and help them lead the healthiest life they can.

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To learn more about how HackensackUMC’s Corporate Wellness team can customize an employee program for your company, contact Kate McDougall at 551.996.5291.

To learn how HackensackUMC Fitness & Wellness Powered by the Giants can be part of your company’s healthy GamePlan, call Steven Lopez at 201.843.4422.