

## HCSC's Commitment to Improving Health Outcomes

### Worksite Wellness Programs Help Members and Employers Reduce Health Care Costs

"HCSC believes that investing in evidence based condition management and wellness programs can result in positive member outcomes that impact employers' bottom line. 40 percent of Americans have one or more chronic diseases equating to 75 percent of health care spending in the US. These conditions can often be managed and improved through early intervention, health coaching and counseling."

- *Dr. Stephen Ondra, Chief Medical Officer, product development, HCSC*

#### Summary

In recent years, worksite wellness initiatives have expanded significantly as a means of improving employee health and productivity while lowering health care costs. Growing incidences of preventable, chronic conditions such as hypertension and diabetes, coupled with the nation's alarming obesity rates, have made worksite wellness initiatives a growing necessity. The Center for Disease Control and Prevention (CDC) estimates that more than 75 percent of U.S. health care costs are due to chronic conditions that are largely preventable with education and medical intervention programs.

At Health Care Service Corporation (HCSC), operator of Blue Cross and Blue Shield of Illinois, Montana, New Mexico, Oklahoma and Texas, we believe that wellness is not just good for business, it's the right thing to do. The nation's largest customer-owned health insurer enables healthier lifestyles and helps manage medical costs

by offering evidence based wellness strategies and targeted interventions, resulting in positive outcomes for members and employers.

#### Did you know?

- About one in three Americans has at least one chronic disease. The estimated economic impact of chronic disease is \$1.3 trillion annually, a figure that is projected to rise significantly over the next few years.<sup>2</sup>
- Medical costs fall about \$3.27 for every dollar spent on wellness programs, and absentee day costs fall by about \$2.73 for every dollar spent.<sup>3</sup>
- Getting employees to exercise for 20 minutes, two or more days per week can lower health care costs by \$500 per employee per year.<sup>4</sup>

<sup>1</sup> Institute of Medicine: [http://iom.edu/~media/Files/Report%20Files/2012/Living-Well-with-Chronic-Illness/livingwell\\_chronicillness\\_reportbrief.pdf](http://iom.edu/~media/Files/Report%20Files/2012/Living-Well-with-Chronic-Illness/livingwell_chronicillness_reportbrief.pdf)

<sup>2</sup> The Milken Institute. Fact sheet: the economic burden of chronic disease on the United States. [www.milkeninstitute.org](http://www.milkeninstitute.org), October 2007. Accessed September 18, 2012.

<sup>3</sup> Harvard University. Workplace Wellness Programs Can Generate Savings. <http://dash.harvard.edu/bitstream/handle/1/5345879/Workplace%20Wellness%20Programs.pdf?sequence=1>

<sup>4</sup> University of Michigan Health Management Research Center

# Key Findings

For more than a decade, HCSC has implemented programs focused on improving the overall health and well-being of employees, while helping to reduce medical costs. Our programs help members to identify and understand their risk factors for chronic conditions, manage care for their existing conditions and understand the importance of living an active, healthy lifestyle.

## Healthy Lifestyles

Increased physical activity is associated with lower medical claim costs and increased productivity. With more than **15,000 members** participating in HCSC's fitness program, which includes discounted gym memberships at facilities nationwide, our program demonstrated **11 percent lower claims cost** for participants which equated to approximately **\$4.6 million in 2012**. Members that visit the gym 3 or more times a week have almost two times the savings of members that visit the gym 1 to 2 times a week.



## Biometric Screenings

HCSC analyzed improvement in Body Mass Index (BMI), for more than 1,000 members who completed biometric screenings for three consecutive years. **38 percent of study participants demonstrated improvement in BMI** in addition to the following results:

- **59 percent** demonstrated improvement in total cholesterol levels
- **48 percent** demonstrated improvement in systolic blood pressure and **36 percent** showed improving diastolic blood pressure.

## Condition Management

HCSC's condition management program focuses on five core chronic conditions (asthma, diabetes, coronary artery disease, congestive heart failure and chronic obstructive pulmonary disease) that represent roughly 30 percent of claims cost. Our program targets members with these conditions and provides education to on the importance of recommended health screenings. We also engage members' physicians to effectively decrease lapses in care.

A review of program and claims data for more than **600,000 members** with one or more of the five core chronic conditions showed:

- **49 percent** of members with at least one core condition were **converted from poorly managed to well-managed** (closed all gaps in care) saving employers approximately **\$7.47 per employee per month**.
- Members with the program demonstrated **5 percent lower emergency room visits and 4 percent lower hospital admissions** resulting in approximately **\$147 million in savings** over a two-year period.

## About Health Care Service Corporation

Health Care Service Corporation, a Mutual Legal Reserve Company is the country's largest customer-owned health insurer and fourth largest health insurer overall, with nearly 14 million members in its health insurance Plans in Illinois, Montana, New Mexico, Oklahoma and Texas. For more information, please visit [HCSC.com](http://HCSC.com), visit our Facebook page or follow us at [twitter.com/HCSC](https://twitter.com/HCSC).

<sup>5</sup> Pronk NP et al, Relationship between modifiable health risks and short-term health care charges. JAMA. 1999;282(23):2235-9.

<sup>6</sup> BMI: a measure which determines a person's risk level for certain diseases and medical conditions