ACTION COLLABORATIVE ON BUSINESS ENGAGEMENT

Nashville Chamber Health Competitiveness Initiative

Prepared for the Action Collaborative on Business Engagement webinar, June 6, 2018. Not to be distributed without permission.
Nashville Region’s Vital Signs – A collaboration between the Chamber and the Nashville Area Metropolitan Planning Organization established issues and priorities.

Chamber partnered with FTI Consulting and local stakeholders on pilot study with key insights on health outcomes and behaviors compared with Nashville’s peer metro regions.

With expanded local stakeholders, the 2017 FTI study focused on impact of health status on workforce age groups and put a dollar figure on productivity and medical costs from chronic conditions.
ENGAGED STAKEHOLDERS

- Nashville Area Chamber of Commerce
- Nashville Area MPO

- BlueCross BlueShield of Tennessee
- Community Health Systems
- Greater Nashville Regional Council
- Nashville Area Chamber of Commerce
- Nashville Area Metropolitan Planning Organization
- Nashville Health Care Council

- Saint Thomas Health Foundation
- The HCA Foundation & HCA Hope Fund
- The Healing Trust
- Vanderbilt University Medical Center

Broader group of engaged business stakeholders
2016 ANNUAL MEETING - DR. RON GOETZEL
How to Build a Successful Employee Health Program

Lessons from top Nashville area companies for businesses of any size

By Carly Vaughn
## RESEARCH APPROACH FOR NASHVILLE PROJECT

### Identify Initial Issues and Questions for Analyses
- Specific chronic conditions and health behaviors; health and economic impact

### Build Baseline Data and Analyses (Pilot Study)
- Data on conditions; prevalence; drivers of health outcomes, behaviors
- Evaluate data on assets and access to healthcare services
- Assess workforce impact of specific health conditions – medical costs, healthcare utilization, and time
- Compare all metrics with peer cities, establish baseline results for Nashville

### Quantify Economic Costs and Detailed Workforce Analyses (Health Competitiveness Study)
- Evaluate specific health conditions and impact on aging workforce
- New analyses to understand regional workforce and drivers of competitiveness
- Estimate economic and productivity costs for obesity, hypertension and diabetes
- Assess health condition impact on area competitiveness
- Examine impactful employer-led initiatives for workplace health and productivity
ACTIONABLE DATA FOR METRO COMPARISON

Collected Data for 11 metro areas: Nashville, Atlanta, Austin, Charlotte, Denver, Indianapolis, Kansas City, Louisville, Memphis, Raleigh, & Tampa

By Age Group (e.g., 25-44, 45-64, 25-64)

By Chronic Condition & Health Behaviors: Hypertension, Diabetes, Asthma, COPD, Depression, Heart Attack, Obesity, Depression, High Stress, Physical Activity, Smoking

- Demographics:
  - Population
  - Median income
  - Race
  - Insured

- Medicare
- Medicaid
- Educational attainment

- Use of medical services by enrollee with condition: Inpatient, outpatient, and pharmaceuticals
- Costs: Total cost and cost to enrollee
- Insurance type and plan

- Prevalence of chronic conditions and health behaviors
- Health status and well-being
- Recent primary care physician visit

Comprehensive Data on Hospital Quality, Physician Supply, and Life Expectancy

Prepared for the Action Collaborative on Business Engagement webinar, June 6, 2018. Not to be distributed without permission.
INITIAL RESULTS: BASELINE COMPARISON

Population Matching

Matching algorithm identifies sample population in each peer MSA using demographic/economic factors

Chronic Condition and Behavior Rankings

Nashville ranks below many peers for: Smoking, COPD, Heart attack, Obesity, and Physical activity

Measured **prevalence** of **chronic conditions** and **health behaviors** by **age group** and **metro area**.
<table>
<thead>
<tr>
<th>Condition</th>
<th>Absenteeism</th>
<th>Presenteeism</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Diabetes</strong></td>
<td>$39.3 Million</td>
<td>$183.6 Million</td>
</tr>
<tr>
<td><strong>Obesity</strong></td>
<td>$28.2 Million</td>
<td>$129.8 Million</td>
</tr>
<tr>
<td><strong>Hypertension</strong></td>
<td>$55.6 Million</td>
<td>$70.8 Million</td>
</tr>
</tbody>
</table>

**Productivity Costs – Nashville MSA**

$500 Million Annually

PRODUCTIVITY COSTS – NASHVILLE MSA

Depression
- Absenteeism: $205.4 Million
- Presenteeism: $429.6 Million

Asthma
- Absenteeism: $55.4 Million
- Presenteeism: $244.9 Million

COPD
- Absenteeism: $18.5 Million
- Presenteeism: $188.3 Million

$1 Billion Annually

### Key sources of productivity costs vary by workforce age group

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Diabetes</th>
<th>Obesity</th>
<th>Hypertension</th>
<th>Depression</th>
<th>Asthma</th>
<th>COPD</th>
<th>Total Costs</th>
</tr>
</thead>
<tbody>
<tr>
<td>25-44</td>
<td>3.3%</td>
<td>9.7%</td>
<td>4.7%</td>
<td>46.9%</td>
<td>23.8%</td>
<td>11.5%</td>
<td>$825.2 Million</td>
</tr>
<tr>
<td>45-64</td>
<td>23.7%</td>
<td>9.4%</td>
<td>10.6%</td>
<td>30.0%</td>
<td>12.6%</td>
<td>13.6%</td>
<td>$824.2 Million</td>
</tr>
</tbody>
</table>

Calculations and methodologies are based on Center for Healthcare Economics and Policy, FTI Consulting, Inc. and Nashville Area Chamber’s Research Center, “Nashville Region Health Competitiveness Initiative: 2017 Report”, and data and related proprietary work product. (Not to be reproduced without permission)

**Hypertension** | $126 Million
**Obesity** | $158 Million
**COPD** | $207 Million
**Diabetes** | $223 Million
**Asthma** | $300 Million
**Depression** | $635 Million

Total annual productivity cost is $1.6 Billion which represents 1.3% of Nashville’s MSA’s 2017 GDP ($124 Billion)


2017 Nashville MSA GDP: $124 Billion – Bureau of Economic Analysis
Prepared by the Center specifically for the Workforce Health Executive Roundtable on Nov. 27, 2017. Not to be distributed without permission.
SUMMARY OF RESEARCH RESULTS

Community

Health Behaviors

Baseline Health Status

Chronic Conditions

Prevalence

Life Expectancy

Demographics

Access & Assets

- Age Group

- Population

Medical Costs

Inpatient

Outpatient

Prescriptions

$1.2 Billion Incremental Cost

Utilization & Costs

Commercially Insured

- Individual

- Age Group

- Population

Productivity Costs

Presenteeism

Diabetes, Obesity

Hypertension

alone

$500 Million Annually

Absenteism

Depression, Asthma,

& COPD

Additional $1 Billion Annually

DR. GARRETT HARPER
VP, Research
The Research Center,
Nashville Area Chamber of Commerce
Replenishing Nashville region workforce needs 2015-2020

Retiring from Workforce: -120,000 - 140,000

New Graduates: +90,000 - 115,000

Migration: +40,000 - 50,000

Return to Work: +8,000 - 12,000

Net Workforce Turnover: -2,000 - 56,000

Even if we replenish the retiring workforce, Nashville employers are expected to add up to an additional 100,000 new jobs by 2020.

U.S. HEALTHCARE COSTS

Trends in average medical and pharmacy claims costs per employee

Source: Truven Health Analytics, 2014

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Source: Center for Healthcare Economics and Policy
HEALTH COMPETITIVENESS

Chronic Health Conditions - Ages 45-64

- COPD
- Depression
- Diabetes
- Hypertension

U.S. vs. Nashville
Opportunities for improvement in employer engagement and support.

Opportunities to increase use of motivational strategies for health promotion.

LEADERSHIP

Successful workplace health promotion starts with *intrinsic organizational commitment*.

Key Findings:

• Health promotion aligned with firm objectives
• Health culture permeates policies and practices
• Designated staff roles and responsibilities for health culture
• C-suite leadership buy-in and continued involvement

13% of firms have paid staff with a role in health promotion coordination.
Certain program elements position firms for success.

Key Findings:

- Start with employee needs assessment
- Regular, targeted communication to employees
- Consistency and continuity of program activity
- Determine outcomes/metrics, evaluate regularly
- Easy access to services, particularly primary care
- Programs engage family, community
- Default options as healthy, easy choice
- Third-party vendors as supplements, not drivers
- Holistic “health in all policies” approach

50% of firms actively promote and market health and wellness programs to employees.
Employer motivations extend *beyond a simplified idea of ROI*.

**Key Findings:**

- Assessing ROI for health promotion programs can be a challenge
- Empirical evidence exists for favorable financial return on health promotion programs
- Many firms recognize benefits are multifaceted

Motivations may include cost control and savings, employee retention and recruitment, worker productivity and employee morale.
Business involvement in employee health has a powerful role in broad policy discussions.

**Key Findings:**

- Employers are uniquely positioned to impact population health
- Employers have a unique role influencing and shaping U.S. health outcomes
- Health-related policies contribute to business climate and quality of life

Health-oriented policy can result in a healthier, more productive workforce with gains in regional livability.
BILL PURCELL
Former Mayor of Nashville
Adjunct Professor of Public Policy,
Vanderbilt University
DEFINE SUCCESS AND PRIORITIES

• Address aging workforce and tightening labor market; population health status lagging peers

• Employers as important levers to improve population health

• Champions for health and wellness in local community

• Define and share best practices and strategies to address chronic conditions

• Bottom line savings; increased productivity and economic well-being
Engaging local business leaders and stakeholders as levers for change

Actionable data and analyses provide essential information on chronic conditions and health behaviors with significant productivity and medical costs for a community.

Access to data and answers to key questions provides business, civic and healthcare leaders with insights into priorities. Leaders/champions and cross-sector stakeholders foster collaboration and needed research.

Employer engagement in workplace health and wellness shows benefits – bottom-line savings, increased productivity, stronger talent recruitment and retention, and improved employee morale.

Broader benefits from business and individual engagement include the economic health and competitiveness of an area.
“The business sector is a critical partner in helping achieve gains in the wellness of Americans ... my signature Surgeon General’s report will focus on the intersection between health and the economy, and how businesses are able to thrive by investing in the health of their employees and communities. By partnering with non-traditional sectors and helping them recognize their role in wellness at the community level, we allow everyone to have a fair chance for good health and opportunities for better health choices.”
QUESTIONS?