

"CEO Cancer Gold Standard"

The Road to Wellville

24 July 2011

A C-SUITE DISCOURSE ON THE COMPLEXITIES OF EMPLOYEE WELLNESS

Cancer is expensive. A study of major employers found that patients with cancer cost more than five times as much to insure than patients without cancer. In addition, cancer is expensive to businesses in the loss of productivity and it is also expensive to families in the personal toll it takes. With early detection and prevention measures, cancer can cost less. According to the American Cancer Society, at least 50 percent of all cancer could be avoided altogether with the adoption of healthy lifestyles and early detection screening. What role do businesses play in the adoption of healthier lifestyles for employees? Do better benefits equal better employee retention? What options do small businesses have versus large self-funded insurance plans?

The complexities of healthier employees and reducing the risk of catastrophic disease were discussed at a Texas CEO roundtable in Austin. The conversation was moderated by **Jason Myers**, Editor-at-Large. The participants were: **Charles Barnett**, President & CEO, *Seton Family of Hospitals*; **Robin Thurston**, CEO & Co-Founder of *MapMyFitness*; **Bill Gimson**, Executive Director, *Cancer Prevention & Research Institute of Texas*; **Paul Carrozza**, CEO, *Runtex*; **The Honorable Lee Leffingwell**, Mayor of Austin; Former Austin Mayor, **The Honorable Will Wynn**; **Andy Martinez**, President/CEO, *Greater Austin Hispanic Chamber of Commerce*; **David Evans**, Executive Director, *Austin/Travis County Integral Care*; **Mike Dany**, Chief Executive Officer, *American Cancer Society*, High Plains Division; **Lou Earle**, Publisher & CEO of *Austin Fit Magazine*, and Chair of the *Mayor's Fitness Council*; **Doug Allen**, EVP & Chief Development Officer, *Capital Metropolitan Transportation Authority*; **Mark Finger**, VP of Human Resources, *National Instruments*; **Tre' McCalister**, Global Benefits, *Dell*; and **Andy Miller**, Executive Vice President, Mission, **LIVESTRONG**.



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Seton Family of Hospitals



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The Honorable
Lee Leffingwell
Mayor of Austin



The Honorable Will Wynn
Former Mayor of Austin



Andy Martinez, President/CEO
Greater Austin Hispanic
Chamber of Commerce

Moderator: As a CEO, why do you make the investment in employee health & wellness?

Doug Allen, Capital Metropolitan Transportation Authority: Two reasons at Capital Metro we invest in wellness programs: first, to treat our employees' right, and second to save money. We have wellness centers, extensive health and fitness programs, and we offer healthy choices to our operators when they can't take a break for meals or when they spend a lot of time at the facility. Our health care costs have gone down – for every \$1 we spend on an employee, we save \$3.

Moderator: How were you able to track that?

Allen: We track the cost of our health care and the insurance costs because we're self-insured. If you do the math, the trajectory was straight up for health care costs. After we implemented the wellness program, those costs eventually leveled off, even though our workforce is getting older. We could see how much we were saving compared to programs of the past.

Will Wynn, Former Austin Mayor: At the City of Austin about seven or eight years ago we found that we were spending about \$8,400 per employee on health care benefits. At the time, that benchmarked reasonably well with other big public organizations. But do the math – the city has 12,000 employees, so that's \$100 million per year on health care – and it was inflating at 11 to 14 percent per year. At any given City council meeting we might have an hour-long slugfest over a \$10,000 library issue, or \$25,000 parks budget item. Yet we were spending \$100 million per year – of taxpayer money – on health care for our employees, and it was never really questioned or discussed. When we finally focused on it we realized we can't affect the cost of health care procedures or of meds, but we can affect the NEED for health care. Our health and HR departments came up with modifications to the benefits plan to make it more incentives-based; for instance, we eliminated the required co-pay for tobacco cessation drugs. And we got serious about fitness, creating a voluntary cross-departmental City P.E. Program with paid flextime and instructors. The first year a few hundred people participated and the internal cost-benefit analysis looked really promising. Thousands now participate.

Moderator: What about small business?

Lee Leffingwell, Mayor of Austin: Here are the numbers I've been working with — 90 percent of the businesses in Austin have fewer than ten employees; over two-thirds of

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the jobs in Austin are with companies with less than 100 employees. It's much more difficult to implement the kind of comprehensive employee fitness programs in small businesses because they don't have the kinds of margins or resources to do it. Large companies have resources like Seton and Dell — not that it's not a great thing, because it is — but if you're really going to make an impact you have to do something to address the small business issues.

Andy Martinez, Greater Austin Hispanic Chamber of Commerce: In working with small businesses they have a lot of challenges, and one of them is attracting and retaining employees. These people are so busy working 'in' their business they don't have time to work 'on' their business. Many don't have the time or the training, or the knowledge to make those kinds of decisions. That's why we collectively need to work together on communication and developing continuous education options for small businesses. They are the largest employers in the U.S.

Lou Earle, Austin Fit Magazine & Mayor's Fitness Council: The Mayor's Fitness Council started out with one big group called the "Business Group on Health." The concept was centered around best practices to get some feedback from organizations on what they were and weren't doing with regard to health and wellness. It became apparent after six or eight months that we really had to segregate those two groups into small and medium businesses — they had a lot of the same problems, but didn't solve them in the same way because of resource issues. Both groups meet quarterly. The sharing has been extraordinary, relative to what the companies are doing to solve these problems, both for the small and large businesses.

Bill Gimson, Cancer Prevention & Research Institute of Texas: Perhaps we need to create a simple checklist for small businesses, with, "Here's what you can do to improve the health of your employees and help your bottom line." Finding evidence-based information of the top ten wellness "to dos" would be difficult for small businesses to obtain on their own.

Robin Thurston, MapMyFitness: I really believe that technology is fundamentally changing the status quo around health and fitness. Most of the data we've had in the past 20 or 30 years was completely subjective and survey based. People are overly optimistic when they do surveys — they say they work out a couple of times a week, and they actually don't. With smart phone penetration, look at what the possibilities are related to tracking health data. I'd venture to guess every person in this room is walking around with a smart phone, so it's zero cost for someone with a cell phone to get the health and fitness data together with all the free apps available. Someone can go to their phone, download an app, and if their company is encouraging them, there is zero cost for the company. It's just about at the point where even small companies can start to have a dramatic understanding of what they can set up for people simply because of the tools that are on people's desks today.

Charles Barnett, Seton Family of Hospitals: The large companies have an obligation to those organizations they connect to either as vendors, or in our case, the fact that we

work with 2,500 physicians. Many of those physicians' practices are actually small businesses. You make resources available to them, and identify expectations. I have as much as stake in making sure the suppliers that I work with are in a healthy situation, as I do making sure my associates are healthy. I depend upon not just people who are administering care on 64 sites, but the connections I have. Are they, in fact, somebody that's going to be reliable, and do they have a commitment to their associates; do they have a consistent approach to a healthy lifestyle for their associates? The second piece is an obligation to be an advocate. Two million patients come through our organization every year; not only the two million patients, but their family members that come with them. We probably see five million people on our sites every 12 months. You need to make sure you're publicizing this is a 'smoke free' and soon to be 'tobacco free' facility – that's equally important. I understand there's a difference between a large and small company, but there should be no difference in the commitment with regard to the solution

Tre' McCalister, Dell: Dell is a results driven environment and data can help other companies show how programs to support creating smoke free campuses, along with policies that support healthy behaviors can be greatly beneficial to a company's overall well-being. In addition, building incentives to increase awareness and accountability and putting in place resources like replacement therapy, or other prescription drug support for folks who are engaged in counseling to increase their success rates, are some of the ways that have helped us to be successful.

David Evans, Austin/Travis County Integral Care: Going from evidence based health care to creating policy has its challenges. In January, our board made the decision to make our 46 properties in the county [Travis] tobacco free. That policy changes the discussion from, "We have a picnic table 15 feet from our entrance and how do we get pamphlets out there on ending smoking," to enforcing the policy through support. The second part of this initiative is to try and recruit other local partners. The City of Austin, who is leading local tobacco-free efforts, provided the data and the evidence that we couldn't gather on our own. Second, Seton has opened up smoking cessation groups to our employees that we couldn't have gotten to on our own. So, there are resources available.

Andy Miller, LIVESTRONG: With something like tobacco cessation, it has to start at the top. It's an insidious drug that keeps people addicted for years and years. When people express the desire to quit, and then when faced with the reality of, "Now you're going to restrict my usage," it can be very difficult. There can be a lot of employee pressure and negative employee feedback to put those policies in place. When it doesn't come from the top it becomes watered down. In reality, if you put the park bench outside the door it just accommodates the continual unhealthy behavior, as opposed to showing leadership and saying, "We're going to do this because we care about you, and we're going to help you quit." You have to hold firm on the policy.

Moderator: Are there incentives to participate in wellness programs?

Mark Finger, National Instruments: We do HRA's – health risk assessments. We benchmarked it and put in financial incentives, and the first year we had 50 percent of our people participate. We felt that was unacceptable, so at NI, if you don't get an HRA, it costs you \$60 per month. The first year we put it out, the sky was falling and we're Communists. When it was all said and done, we had 99.85 percent of our people do it. Now HRA's are required every year; this next year we will go mandatory for aged-based physicals and screenings. We came very close this year – then we backed off on having your medical premium based on your numbers, like cholesterol. We had to make the decision that this was important, and we're not going to play the game of, "We hope you do it." We want to maintain the great coverage we have, so you have to do it, and if you don't do it, it costs you \$720 more. We'll move to the spouses, probably next year, because that's 40 percent of our costs. Every year it gets easier, and in another two years, it will be just fine.

McCalister: We offer screenings onsite like mobile mammography, skin cancer screenings, free cholesterol and glucose testing; we have onsite clinics which provide convenient access to preventative and some primary care. We build into our health care plan design an additional discount, or reward, for individuals who are doing things to keep themselves healthy like the 150 minutes of exercise per week the CDC recommends for preventing illness. As an incentive, they get a discount on premiums for maintaining a healthy weight, blood pressure, and 150 minutes of physical activity a week. Dell participants receive a discount on their health insurance of up to \$728 per employee, or \$1,456 per family per year. That's a significant amount of savings, so they take home more money – we've seen a higher level of engagement in our population as a result.

Thurston: I think there's a big shift coming from the insurance companies to support true rewards programs that incentivize people to get healthy and stay active.

Moderator: Tracking productivity levels – specifically, has anybody been able to do that in any fashion that's tangible?

Paul Carrozza, RunTex: When we started with the City of Austin P.E. Department, we tracked health care claims from the prior year, then through the year of our program. There was a \$40,000 savings on a small population.

Evans: I do want to underscore this connection of body and mind. There's a concept called presenteeism – it's the opposite of absenteeism. Presenteeism is being at work while you're sick – people who are quietly suffering from depression, or post trauma. There is good evidence that exercise has a place in our overall health. Good mental health means good overall health.

Barnett: What we know is that 20 percent of any given population represents 80 percent of costs. About three percent of the population represents about 40 percent of costs. We're beginning to segment our own populations of associates. One of the things we know is: While cancer is an incredibly difficult disease, people don't just usually have

cancer – most of the people that are in this 20 percent that represent the 80 percent, have multiple problems. Today the health care delivery system generally has two options for you: one is going to see a specialist who specializes in one disease, or a primary care physician, who, while they understand multiple diseases, don't normally have the kind of infrastructure around them to deal with multiple diseases. At Seton, we're implementing three chronic disease clinics to be able to manage the multiple problems people have in order to avoid the kind of recycling we experience in our emergency room and hospital. You can actually reduce overall costs, if you begin to segment your populations, and put them in the right kind of support structure. The primary care physician is not going to be the right person to deliver full care, nor is the single specialist. It is clear from the evidence we see from people like the Kaiser Foundation, that the clinics that are managing the health of the population, and close to the illness, are controlling costs and have the right patient support.

Mike Dany, American Cancer Society: Things that prevent cancer: eliminating tobacco use, being physically active, eating a balanced diet and maintaining a healthy body weight, also prevent many of the other chronic diseases such as heart disease, stroke, respiratory disease and diabetes. You need to be thinking holistically of your workforce. It is not just about screenings for cancer, or blood pressure, or cholesterol. Reducing smoking, the leading cause of preventable death, reduces illness and disease beyond cancer.

Gimson: At CPRIT we are investing \$3 billion over the next ten years to defeat cancer in Texas. I spoke to the former epidemiologist for the State of Texas and asked if anyone has ever gathered data on whether people who exercise regularly, say five days a week, smoke? I would guess that almost none of them smoke. Wellness and exercise are the treatment for greatly reducing smoking.

Moderator: Paul, you work with a lot of small companies to put programs in place, what are the common themes about why they bring you in?

Carrozza: If you look from the outside in, whether someone is exercising or someone is training, it looks like they are doing the same thing. On the mental health side, if you're training for something you're waking up with a goal in mind and you're preparing for it every day. If you're exercising, you get to check off that box when you go into the doctor's office that says, "Yes, I did my 30 minutes." I believe in purpose, that's the underlying thing.

Moderator: And what about CEO involvement?

Dany: If you have strong CEO support, you'll make major strides because it becomes part of the culture and the opportunity to be successful dramatically goes up. Interest in participation goes up when the CEO is involved. There was a [Harvard Business Review](#) story about the pillars of an effective workplace program. Key among those elements is the importance of creating a culture of health that starts with the C-suite.

Miller: There are accreditation programs like the *CEO Cancer Gold Standard* where small companies can be partnered with other small companies, and creatively they can look at how to achieve the five pillars of the program. Likewise, large companies can be paired with other large companies that have been through the program like Dell and Seton and National Instruments.

For the employees of tomorrow, Mayor Leffingwell wants to see Austin become the first U.S. entity designated as a “Let’s Move” city. “Let’s Move” gets kids involved in fitness at an early age, creating habits they will follow throughout their lives. And that age-old problem of getting kids off the couch? “It’s Austin, so you ‘game-ify it,’” suggested Robin Thurston. “If you want kids to take 10,000 steps in a day, you can gameify it. It will become something they want to do on mobile.”

WHAT IS THE *CEO CANCER GOLD STANDARD*?



The CEO Cancer Gold Standard is a workplace-based accreditation program designed to fight cancer. There are five pillars in the accreditation program:

Pillar 1: Tobacco Use

Accreditation Requirements:

1. Establish and enforce tobacco-free worksite policies.
2. Ensure that health benefit plans include coverage at no cost for evidence-based tobacco treatments. (counseling and medications)
3. Establish workplace based tobacco cessation initiatives.

Pillar 2: Diet & Nutrition

Accreditation Requirements:

1. Sustain a culture that supports healthy food choices.
2. Provide access to nutrition/weight control programs.

Pillar 3: Physical Activity

Accreditation Requirements:

1. Sustain a culture that promotes physical activity.
2. Demonstrate commitment to eliminating barriers to active lifestyles.

Pillar 4: Prevention, Screening and Early Detection

Accreditation Requirements:

1. Sustain a culture that promotes appropriate cancer-screening behaviors.
2. Ensure that health benefit plans include cancer-screening provisions that adhere to the American Cancer Society guidelines.
3. Offer health benefit plans that eliminate cost as a barrier to accessing preventative/screening tests and exams, including all vaccines approved by FDA and recommended by the CDC for the prevention of cancer.

Pillar 5: Access to Quality Treatment and Clinical Trials

Accreditation Requirements:

1. Provide education and promotion of clinical trials.
2. Offer health benefit plans that eliminate cost as a barrier to accessing cancer clinical trials.
3. Ensure that health benefit plans provide access to cancer care at Commission on Cancer approved facilities and/or National Cancer Institute-designated cancer centers.

