

WHEN SILENCE IS NOT GOLDEN:

Understanding the True Costs of Non-Communicable Disease in the Workplace

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Non-communicable diseases (NCDs) are having a devastating effect on our employees and our organizations. But understanding the true costs of NCDs to an organization can be difficult to measure, making investment to improve employee health difficult to justify. This article explores the costs of NCDs to our organizations and offers some solutions that are sure to provide value on investment.



It has been said that silence is golden. In the right context, yes. But not when it comes to understanding the true costs of NCDs to your organization. Why? Because employees are the life-force of the organizations and keeping them healthy has the most significant impact on the success and sustainability of the organization. It's time to break the silence.

In 2006, the Integrated Benefits Institute reported that nearly half of American CFOs surveyed believe that health-related lost time has an adverse effect on business performance, but most CFOs are surprisingly ill-informed about just how much health-related issues are costing their organizations. By extrapolation, we can assume the situation in Canada is no different.

Global Health Crisis

The United Nations High Council met in New York in September 2011 to develop a global strategy to combat the global pandemic of NCDs. It was only the second time that the UN High Council met over a health issue: the first was AIDS, which is

an indicator of the gravity and urgency of the problem. The World Health Organization (WHO) Global Status Report on Non-Communicable Diseases (2010) reported that more than 60% of the world's population was dying prematurely from four NCDs:

- cancers
- respiratory diseases
- cardiovascular diseases, and
- diabetes.

Depression was also noted as a significant condition that was often, but not always related to these NCDs.

WHO (2010) has also recognized that the presence of NCDs increases the risk of injury related disability and death, and vice versa. The UN High Council called on governments around the world to take urgent measures toward a target to reduce premature mortality from these diseases by 25% by 2025. So far, the strategies adopted by member countries are having a positive effect, (WHO, 2014) but there is still a long way to go.

NCDs are extolling a heavy burden on our economy and costing employers billions in lost production.

In 2015, Statistics Canada published the Initial Findings from the Canadian Survey on Disability (CDS), which revealed that 3.8 million adult Canadians (13.7%) reported being limited in their daily activities due to a disability. Furthermore, the Public Health Agency of Canada reported that 3 out of 5 Canadians adults over the age of 20 have at least one chronic disease, and 4 out of 5 Canadians are at risk, and chronic disease is increasing at an alarming rate of 14% each year.

Four major chronic diseases (cardiovascular disease, respiratory disease, diabetes and cancer) account for nearly 75% of premature deaths among Canadians. Treatment of chronic disease consumes 67% of all direct health care costs, and cost the Canadian economy \$190 billion annually – \$68 billion is attributed to treatment and the remainder to lost productivity.

Economic Burden of Mental Illness is Heaviest

The “Opening Eyes, Opening Minds: The Ontario Burden of Mental Illness and Addictions Report (2012), stated that

“Onset of mental illness and addiction issues often occurs at a young age and can persist throughout life, with a significant impact on social connections, educational goals and workforce participation. The impact of mental illness and addiction on life expectancy, quality of life and health care utilization is significant—in many cases, more so than with other medical conditions—yet is often under-recognized.”

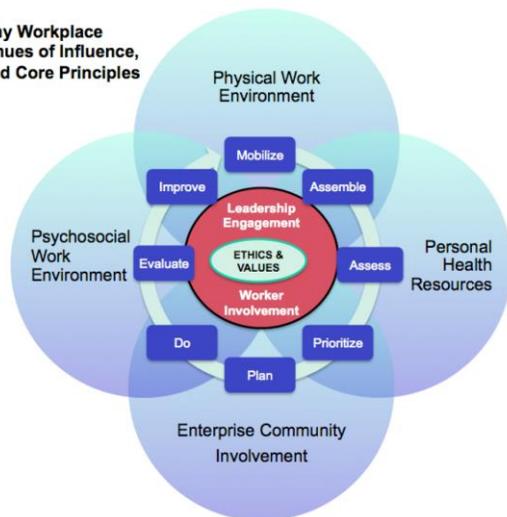
The report conservatively estimated the economic burden of mental illness and addictions in Ontario at more than 1.5 times that of all cancers combined and seven times that of all infectious diseases. Although treatment for some of these mental illnesses is effective in many cases, treatment rates are very low.

The Mental Health Commission of Canada reports that nearly 1 in 5 Canadians experiences a mental health or addiction problem in any given year. In any given week, approximately 500,000 Canadians miss work related to mental health problem or issue. Mental health issues are costing Canadian businesses \$20 billion in workplace losses annually, including \$6 billion in productivity losses due to absenteeism and presenteeism!

More than 6.7 million people in Canada are living with a mental health problem or illness today, including 4 million who are living with a mood or anxiety disorder. Let’s put this in perspective. By comparison 2.2 million people in Canada have type 2 diabetes. This is not to downplay the importance of helping to prevent and manage type 2 diabetes. There are also benefits to improving outcomes type 2 diabetes through focus on employee mental health and wellbeing, but that is the topic of another discussion.

The 2014 National Survey by Morneau Shepell revealed that nearly 30% of disability claims are now related to mental health issues, costing employers an average of \$1500 per employee per year. The costs are expected to rise exponentially over the next 30 years.

Figure ES1
WHO Healthy Workplace Model: Avenues of Influence, Process, and Core Principles



Cost of Providing Employee Benefits

The Conference Board of Canada (2015) reported that the average cost of providing employee benefits in 2015 was \$8,330 per full-time equivalent. It is understandable that employers need to make tough decisions on cost containment for employee benefits. But it is critical to understand that benefits are not only utilized by employees who are ill, injured or diseased. Many employees utilize benefits to remain healthy or regain health. Therefore, providing valuable, flexible benefits for employees is a very wise investment for employers. As Pronk (2014) pointed out, employers need to give serious consideration the overall value of having workers who are present, in body and mind, and able to work well individually and with each other.

Value of Investing in Employee Health and Wellbeing

As Pronk (2014) showed, the value on investment in employee health and wellness of helping employees maintain and improve their health and well-being may be difficult to measure, but it is significant. Measuring the Value of Investment (VOI) is far more meaningful than Return on Investment (ROI) because VOI takes into account both direct and indirect costs as well as other investment and outcomes. It is measured on 2 levels:

- Employer investment versus business outcomes; and
- Employee investment versus impact on employee health and wellness.

Whereas ROI is a profitability ratio, Pronk (2014) showed that VOI measures outcomes on the basis of benefits, harms and costs, which can be utilized to help make more fully informed decisions on investments for the overall wellbeing of the workforce as well as for integrated interventions and accommodations for workers with injury, illness and disease. There is evidence that accommodating workers with disabilities often

show a very high cost effectiveness when measured by VOI, and that about half of all implemented accommodations have little to no cost (Pronk, 2014).

The Greatest Impact on Improving the Health of Employees Requires Understanding How the Workplace Impacts the Health of Employees

Health risk assessments, biometric screening and targeted interventions are important parts of a healthy workplace program. However, they will have limited impact on employee health and health-related costs to the employer.

For a more significant and measurable impact, leading indicators of health such as health risk assessments and biometric screening should be combined with appropriate benefits and preventive and protective measures to support the health and well-being of workers.

The greatest impact will come from identifying work-related causes of chronic stress and implementing workplace programs to support employees in reducing chronic stress and increasing resiliency. Why? Because chronic stress is a major cause of presenteeism, absenteeism and many chronic diseases.

Work consumes an enormous amount of physical and mental energy, and the challenges of work must be met year after year. In 2010, 27% of workers reported that on most days, their lives were “quite” or “extremely” stressful. Work, by far, was cited as the main source of stress. Sixty-two (62) percent of highly stressed workers identified work as their main source of stress.

“All types of long-term stress increase the risk of being diagnosed with anxiety and depression and chronic physical illness.”
(Statistics Canada, 2010)

A recent study by Morneau Shepell (2015), in which 1300 Canadians, including 1005 employees, 100 employers and 104 physicians

were interviewed, indicated that 80% of respondents self-reported experience with presenteeism (spending time at work while not being productively engaged in work). Reasons included:

- physical illness (47%)
- stress or anxiety (40%)
- workplace issues and/or problems with co-workers or managers (22%), and
- depression (15%).

The Desjardins Financial Security National Health Survey (2007) reported that 42% percent of workers go to work sick or exhausted at least once, and 12% reported going to work sick or exhausted more than 10 times per year. Reasons included:

- looming deadlines (61%)
- fear of work piling up (55%)
- not wanting to overload colleagues (49%)
- concern about missing work being frowned upon (41%), and
- not being able to miss the income (40%).

Numerous studies show that as a person experiences increasing levels of chronic stress and exhaustion, they enter a compounding cycle of hormonal imbalance that can lead to illness and disease, which in turn can significantly hamper their ability to focus and do productive work. The risk of errors increases and quality and customer service suffer (and stress-related costs to the employer rise). The employee's sense of esteem diminishes, compounding the stress response. The risk of work-related and non-work related injury and chronic illness increases (costs increase). Prescription drug use and substance abuse may occur or increase in some individuals, further compounding the physiological effects of chronic stress (costs increase). Without intervention, the employee may suffer burnout (major costs).

Even if workers are not experiencing burnout, the effects of workplace stress have a huge impact on the health and safety of workers.

White (2015) reported that a working paper from Harvard and Stanford Business schools looked at 10 common job stressors and considered how the mental and physical effects of these forms of stress related to mortality. The results were astonishing.

“The paper found that problems stemming from job stress, such as hypertension, cardiovascular disease, and decreased mental health, can lead to fatal conditions that wind up killing about 120,000 people each year, making work-related stressors and the maladies they cause more deadly than diabetes, Alzheimer’s or influenza.”

White (2015) noted that the paper also cited several problematic conditions including erratic work schedules and their effect on sleep, conflict between work and other roles, and long hours. One of the problems is that working longer hours correlates to increased risk of occupational injuries in the following week.

“In fact, a 2005 study noted that those who reported high levels of feeling overworked were 20% more likely to say they made a lot of mistakes on the job, which could be especially problematic for those with physically demanding or dangerous positions.”

Shift work and long work hours were also associated with worse health generally, and poor lifestyle decisions that affect health and wellbeing.

To have healthy workers, you must focus on having a healthy workplace. But what is a healthy workplace?

Creating a healthy workplace means focusing on supporting employees' success in meeting their goals in a healthy and safe manner, with consideration of the health challenges they may be facing. These suggested solutions will help:

- Help Senior Executives understand the true costs of an unhealthy workplace and the workplace factors that affect worker health so they can build effective strategies for creating a healthy workplace into the strategic and operational plans and ensure adequate resources are in place to support implementation
- Work with employees to design targeted interventions to maintain and improve health and address the causes and management of NCDs
- Integrate targeted interventions with existing occupational health and safety programs
- Provide flexible benefits that support employees in maintaining and improving health
- Ensure employees are aware of all the benefits that are available for them, particularly for preventive action to support good health
- Work with employees to ensure success despite limitations related to NCDs
 - Involve workers in identifying what they need to be successful in their work and how to accommodate their needs, with a holistic focus on abilities, strengths and solutions)
 - Ask workers what they will do differently to ensure their own success and well-being at work
 - Involve workers in identifying how to deal with future issues effectively (e.g. how to recognize signs and symptoms of deteriorating health, how to address performance issues, how to give critical feedback, how to measure success, how to address things if they are not working out as planned, etc.)
- Work with front line managers to develop plans for dealing with absences and unexpected circumstances in a healthy and safe manner
- Take proactive measures to reduce chronic stress and improve resilience
 - Identify workplace factors that may be causing chronic stress for your workers
 - Include employees in decision-making about how to minimize chronic stress related to their work
 - Provide training and coaching to develop front line managers' knowledge and skills to organize and manage work in a manner that minimizes the risk of chronic stress for themselves and their employees
 - Provide resilience training for all workers and managers
 - Develop and implement a policy on disconnecting from office email
 - Insist on employees taking vacation and breaks to rest and rejuvenate, and ensure that adequate plans are in place to address work during the employee's absence.
 - Provide sufficient training for employees when implementing technology changes (including upgrading of operating systems that impact productivity)
- Issue a workplace challenge to increase physical and mental energy among employees.

By understanding the true costs of NCDs to your workplace, you can be assured that your investment in targeted health promotion initiatives and improvements to create a healthy workplace culture will have a tremendous positive impact on

employee health and will reduce presenteeism, absenteeism and other health related costs, while improving key business outcomes and bolstering the sustainability of the organization.

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