



Wellness Programs & Your Safety Culture

Approximately 91% of employers offer a wellness program for reasons other than reduction in medical cost savings according to a study by Aldana (2016). There are plenty of studies supporting the benefits of a strong wellness program that include improved: employee job satisfaction, employee morale, employee retention and productivity. In 2017, the University of California completed a three-year study of five laundry plants and found that participants in the wellness program increased productivity by 5% daily or one additional day a month of productivity.

Anecdotally, there's a general understanding that healthier individuals are also safer individuals who heal quicker and return to work with less time off. Conversely, obese individuals with type II diabetes are twice as likely to file workers' compensation claims. When compared to healthy workers, obese/diabetic II individuals have medical claims that are seven times more expensive, indemnity claims that are 11 times more expensive and experience 10 times more days off due to work injury or illness (Smith, 2014).

While these findings are very compelling, CFOs often struggle with the true financial return on investment. Below is a chart that reveals the impact a wellness clinic, along with onsite personal trainers to assist with flex and stretch programs, had on ABC Company. This particular Assurance client was very frustrated and anxious with employees reporting muscle soreness, fatigue and generalized weakness, but not citing a specific incident or event that would initiate a workers' compensation claim.

ABC Company decided to bring a wellness clinic onsite with a chiropractic physician and personal trainer for \$2,000 per month and no additional cost to the employees. The chiropractic physician and personal trainer worked with any employee that sought medical/therapeutic treatment. The results did not disappoint! The number of lost time claims and days away from work reduced to ZERO. The reduction in these claims eliminated about \$142,000 in workers' compensation cost annually. The return on investment for this program is a hair less than 5:1.

Onsite Wellness clinic began working with ABC Company in Jan of 2017			
Year	Labor Hours	Lost Days	Restricted Days
2015	255,542	25	5
2016	314,329	36	162
2017	264,029	0	46
2018	106,478	0	0

There are many reasons to implement wellness programs from employee morale to financial savings. Regardless of your company's needs, you should work with a certified wellness professional to select the program that's right for you and your cultural goals.

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