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Coping With Health-Insurance Costs

Wellness programs waxing

Companies are implementing on-site health-risk assessments and follow-through programs that can rein in staggering costs

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Armenia Williams is helping businesses cut their health-insurance costs. The Georgia State University associate nursing professor and her students often can be found at work sites, drawing blood and conducting other tests to determine employees' risk of diabetes, cardiovascular disease and other health problems. After the screenings, they detail workers' risk for physical problems or death 10 years from now and create programs for healthier living.

Williams' clients -- quarries, day-care centers, textile companies and other Georgia companies -- are seeing that implementing health-risk assessments and wellness programs are effective ways of battling rising health costs.

"It's a great benefit whether you're large or small to help influence good behaviors that help reduce your claims," said Peter Townsley, a spokesman for the Georgia Cardiovascular Health Initiative who has designed programs and health-risk screenings for businesses. "Businesses are saying, 'We need help, the costs are running away,' so now it's time to get serious."

Even folks who don't immediately take Williams' advice remember her. Last fall, an employee at a quarry where she held a screening had a heart attack at work.

"While waiting for EMS people, the guy said, 'I should have listened to that woman who came out and did the screening,' " she said.

For years, businesses have held annual health fairs and offered affordable flu shots, but the efforts of Williams and others are taking it to a new level because they're creating measurable change, Townsley said.

"We're on the forefront of something that's going to change everywhere," he said. "They're not just doing one event; they're doing the whole process."

Early-detection screenings and wellness programs need to be built into the business model, much like Fieldale Farms in Baldwin and TI Automotive in Cartersville have done, Townsley said.

Fieldale's efforts over the past 12 years have resulted in costs only increasing by 2.5 percent over the period, compared with 12 percent nationally and 17.8 percent in Georgia. Last year TI Automotive began screenings and taking active steps such as changing vending areas to offer more healthy selections, creating a smoking cessation program and giving employees pedometers.

In Atlanta, a physician group with more than 130 employees has found its wellness program is a creative solution to rising costs. Dr. Charles Taylor, a partner at Perimeter North Family Medicine, said as health-care costs rose for years and years, the group tried the traditional stopgap by increasing co-pays and prescription drug costs for employees. Employees there receive health insurance for free.

Three years ago, premiums were set to increase by 28 percent, amounting to close to \$100,000. "For a small business, that is crippling," Taylor said.

The group's choices were to either not offer insurance or make employees pay for health care, which Taylor said would probably result in some workers being uninsured.

"We were forced to get creative," he said.

Perimeter North chose the self-insured route combined with an in-depth wellness program. The group offers screenings to employees, and doctors and dietitians meet with workers on a regular basis to discuss current or potential problems, the most common of which has been diabetes. An extra incentive that led to an employee participation rate in the high-90 percent range: Co-pays were cut in half if workers participated.

"We tried to get them to be as healthy as possible," he said. "It was an economic model out of need and desperation without any other solutions out there."

As a result, they've maintained the same premium for two years, Taylor said.

A key to these programs is creating a partnership with the medical community to do evidence-based screening that will produce the best outcomes for employees, Townsley said. The challenge is for a business to form a relationship with a hospital, physician group, health department or program such as the one at Georgia State to hold the screenings and implement steps.

Taylor and others say the upfront costs are worth it. Although Taylor's office has the equipment and physicians, it still took an investment of time and money. He estimates that the expense was \$20-\$40 per person for the initial screening.

"That was a drop in the bucket compared to the exploding health-care costs out there," he said. "To invest in our employees, we saw it as just a win-win-win -- that if the patients would get healthy, we would do better, they would perform better at work, our costs would be less."

Williams said her clients typically invest between \$20 and \$35 per employee, depending on the grant money awarded to her program. Williams works with companies with as few as 25 workers and as many as 350 employees. One of the first businesses she worked with was Hanson Materials more than 20 years ago; five years ago, she launched a wellness program at Vulcan Materials in Conyers.

"In the quarry industry, a lot of workers are the rough, tough, good-ol'-boys type," she said. "Concern about their health is not something they have valued."

Over time, employee participation has grown as workers see results such as lower cholesterol and weight loss. Another selling point is the convenience of getting the tests and advice while at work, she said.

When Taylor talks with other business owners about implementing a similar model to reduce costs, he'll usually hear the same questions: Do people really change? Can you make somebody better if they're only here for eight hours?

Instead, he tells employers their workers are on the job for 50 percent of their awake hours -- and they can help them make healthier choices. He tells employers they shouldn't be shocked that health-care costs are rising if they have a smoking room and junk food in vending machines.

"Some corporations ... think about the bottom line in this quarter; they don't think about the bottom line four years from today," he said.

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