

EMPLOYEES, PATIENTS, FAMILIES AND COMMUNITIES DESERVE MEANINGFUL PREVENTION & TREATMENT STRATEGIES THAT WORK. THE OVERARCHING GOAL IS TO FOSTER THE VISION THAT KEEPING PEOPLE HEALTHY IS A GOOD BUSINESS STRATEGY FOR MINNESOTA GOVERNMENT AND TAXPAYERS ALIKE.

HEALTHY LIVING

HEALTHY WORKING SERIES

EMPLOYER LEADERSHIP SUMMIT

How to Impact Employee Health and Job Satisfaction to Yield Organization-Wide Results

Les C. Meyer, MBA
Health Care Strategist
President and CEO
HPI Advisors, LLC
Denver, CO

June 21, 2007

EMPLOYER LEADERSHIP SUMMIT

buyers health care action group
BHCAG

EMPLOYER LEADERSHIP SUMMIT

VISION

To learn how to identify the critical success factors that drive health in living, working and organizational success and increase value for companies and employees

EMPLOYER LEADERSHIP SUMMIT

VISION

The Summit's community-based, collaborative effort fosters the idea that employees, patients, families and communities deserve meaningful prevention and treatment strategies that work

EMPLOYER LEADERSHIP SUMMIT

Strategic Context

The overarching vision is to foster the notion that keeping people healthy is a good business strategy for employers, employees, government and taxpayers alike

EMPLOYER LEADERSHIP SUMMIT

Strategic Context

Healthy living and healthy working coupled with employee job satisfaction have become the new imperative for employers

EMPLOYER LEADERSHIP SUMMIT

Strategic Context

The thinking behind this new imperative is to implement built-in benefits design and integrated employee health interventions -- that include a performance-driven focus on the recruitment, retention, engagement, deployment and optimization of all people

EMPLOYER LEADERSHIP SUMMIT

Strategic Context

People are the biggest source
of competitive advantage

Your people are the sole source of value realization in the market

EMPLOYER LEADERSHIP SUMMIT

Strategic Context

Employees are expecting added value out of the contract between employee and employer — a fair wage for a valuable service provided, and why informed employees are searching for the things that matter most to them in an exchange for the value realization of peak performance — employee health, job satisfaction and innovative approaches to annual employee pay-for performance initiatives

EMPLOYER LEADERSHIP SUMMIT

Strategic Context

Everything affects everything – especially when it comes to health

Healthy people are at work more

Healthy people are simply able to do more

Healthy employees can do more on the job

EMPLOYER LEADERSHIP SUMMIT

The more they can do of their job, the more it affects the employer's bottom line -- and when corporate performance is tied to healthy employees, everyone benefits

Jobs stay in America. The economy flourishes
Employees are healthier and performance-focused
And exorbitant health care costs are avoided

Keeping people healthy is crucial to how well business succeeds today and in the future

HOUSTON... WE HAVE A PROBLEM

An upward spiral of out of control healthcare costs and a downward spiral of the overall health of America's workforce

EMPLOYER LEADERSHIP SUMMIT

HOUSTON... WE HAVE A PROBLEM

Employers need to work around the clock to help their employees to better health (regardless of personal health status or multiple risk factors) — the objective is to execute healthy living and healthy working strategies and best practices to achieve healthy employee and business performance

EMPLOYER LEADERSHIP SUMMIT

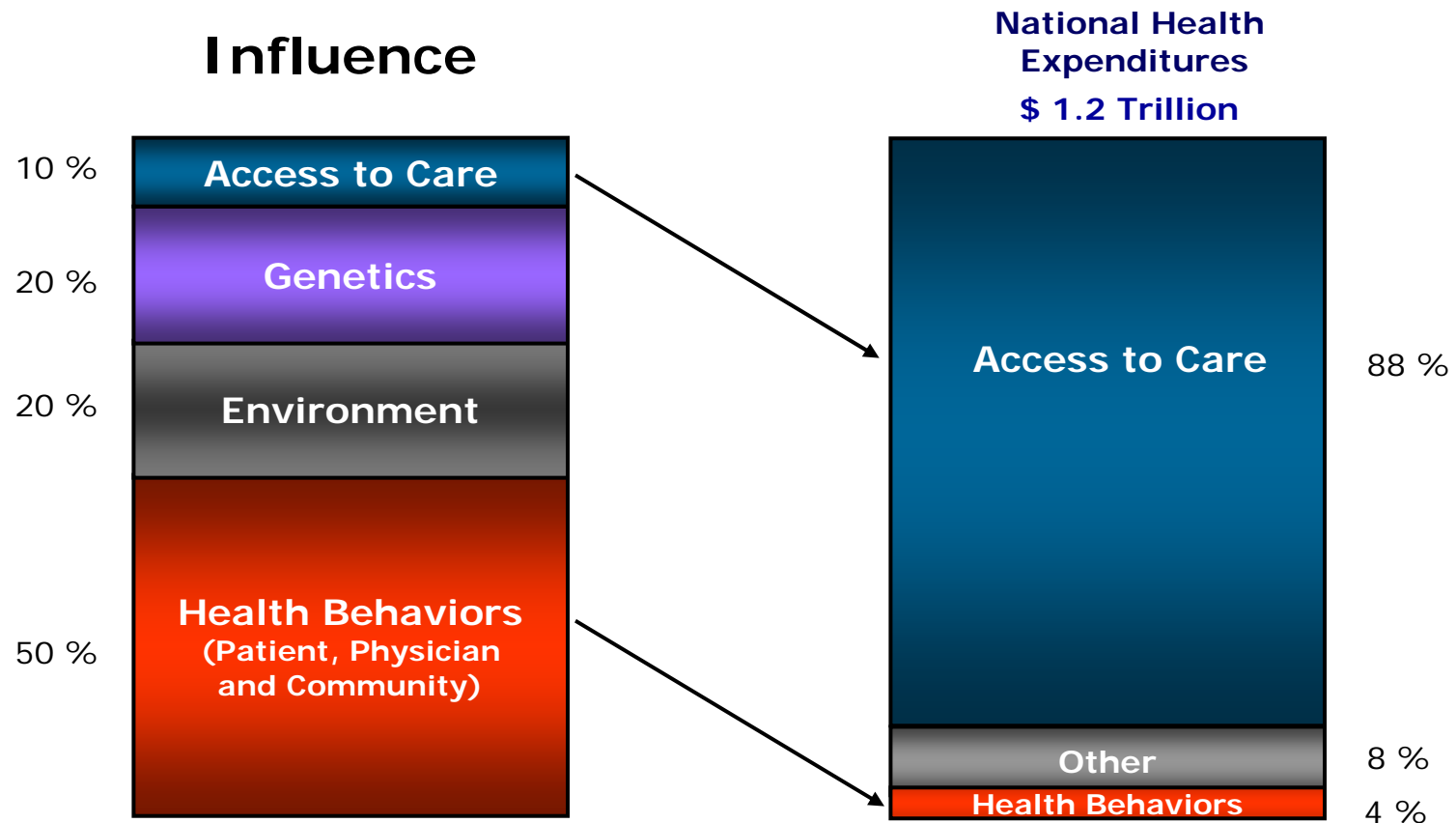
HOUSTON... WE HAVE A PROBLEM

Employee health and optimal performance has more to do with **the environment** (at work and at home), **healthy behaviors, beliefs and attitudes** (i.e., trustworthiness, trust, empowerment and alignment) **job satisfaction, compensation, work-life balance** than with solely affordable access to corporate employee health insurance benefits

Health Status Influenced More by *Health Behaviors* Than By Access to Health Care Services

HOUSTON... WE HAVE A PROBLEM

Health Status



Improving the economic well-being and quality of life of all stakeholders depends upon the execution of innovative systems design, a collaborative care model and the reallocation of community health resources

Source(s): Robert Wood Johnson Foundation, Institute for the Future; and Centers for Disease Control and Prevention

“Consumer-Directed Health Care” ☺...

Hey Dude... how do you *Really FEEL* about that?

HOUSTON... WE HAVE A PROBLEM

50% of People With Chronic Health Conditions Don't Follow Doctor's Orders!



I'm Too Busy

I'm Too Lonely

I'm Afraid

Oops... I Forgot

I Don't Care

I Don't Understand

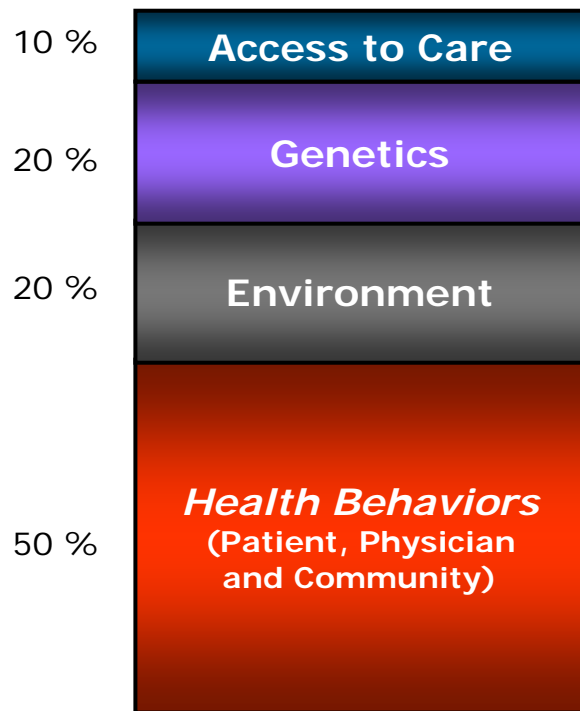
I Can't Afford It

Health Status Influenced More by *Health Behaviors* Than By Access to Health Care Services

HOUSTON... WE HAVE A PROBLEM

Health Status

Influence



Behavior-Based Diseases

Uncured Disease	Approximate Prevalence	Approximate Annual Economic Cost (\$ billions)
-----------------	------------------------	--

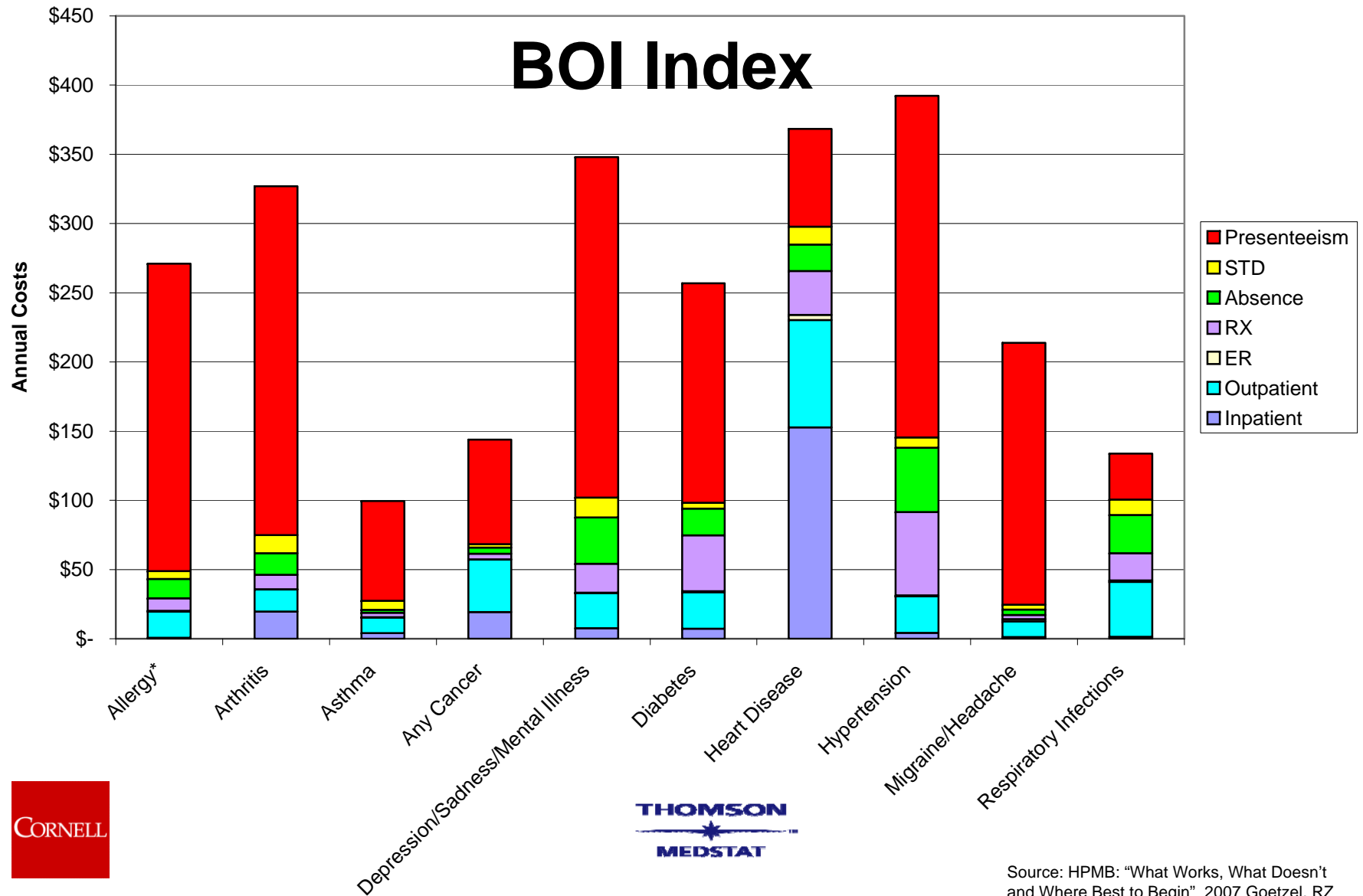
Asthma	15,000,000	\$7.5
Cancer	7,400,000	\$104.0
Diabetes	16,000,000	\$98.2
Depression	19,000,000	\$83.1
Cardiovascular Disease	57,500,000	\$274.2
Stroke	4,000,000	\$43.3

Early Interventions and Behavior Modification Create Optimal Health Outcomes

Source(s): Robert Wood Johnson Foundation, Institute for the Future; Centers for Disease Control and Prevention, NBCH and PhRMA *

The Big Picture: Overall Burden of Illness, by Condition

(Using Average Impairment and Prevalence Rates for Presenteeism and \$23.15/hour wage estimate) (Goetzel, Long, Ozminkowski, et al. JOEM 46:4, April, 2004)



Source: HPMB: "What Works, What Doesn't and Where Best to Begin" 2007 Goetzel, RZ

Recapture Profits In Your Own Backyard!!

HOUSTON... WE HAVE A PROBLEM

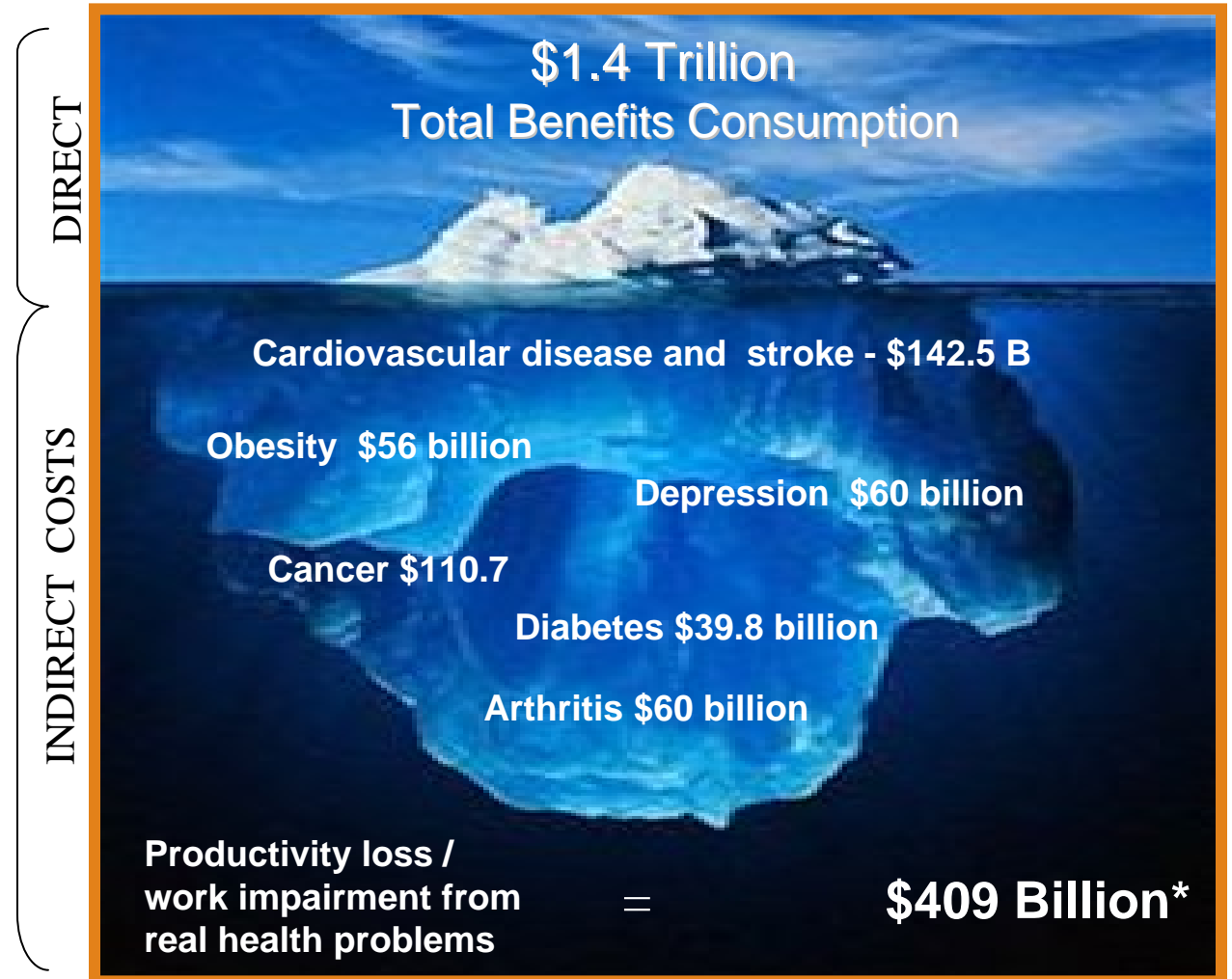
The Real Cost of Sub-Optimal Employee Health...

Total Benefits Consumption

- Medical
- Behavioral
- Disability
- Rx
- Etc

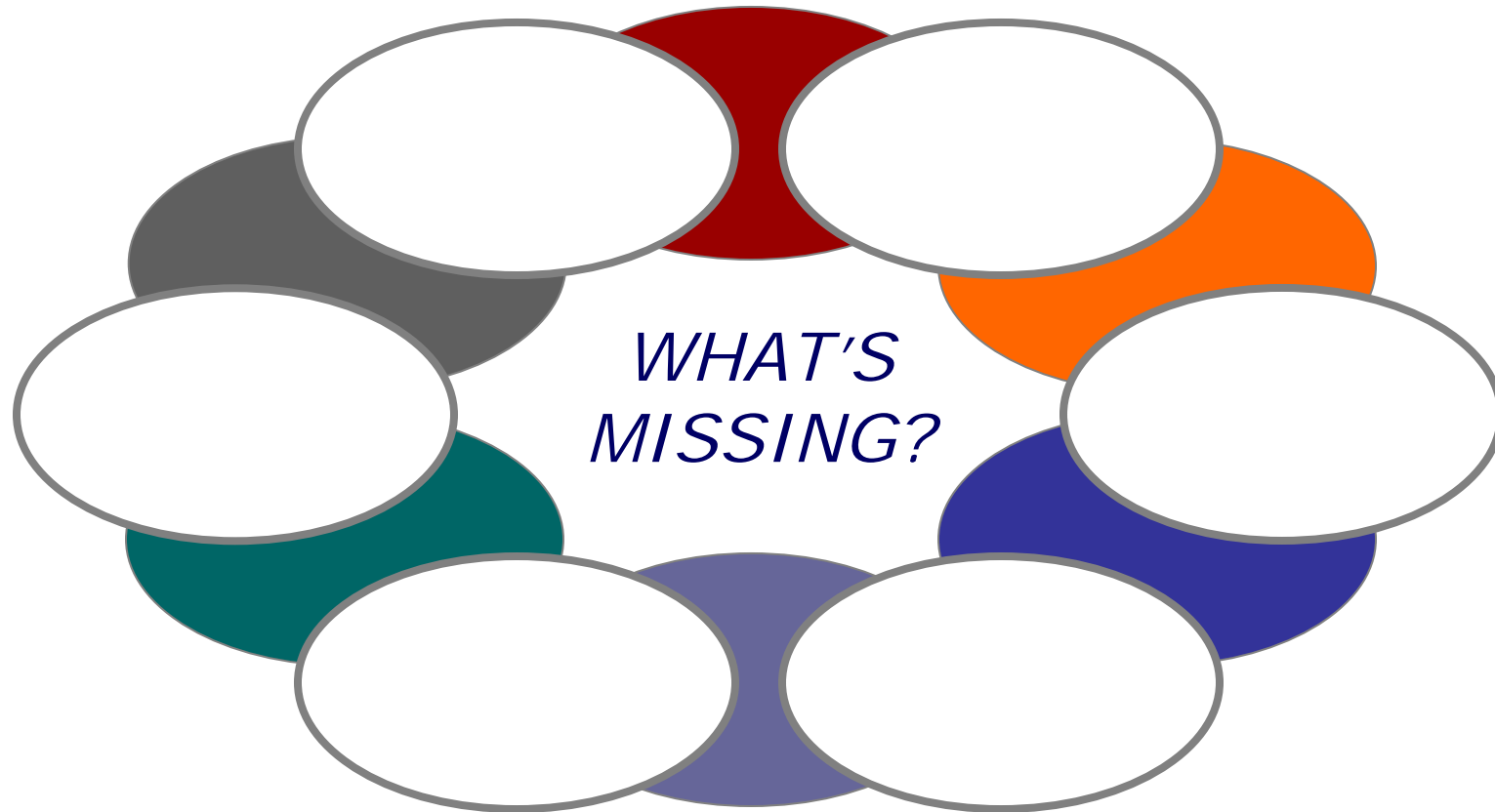
Lost productivity:
(work impairment)

Sub-Optimal
Corporate
Performance



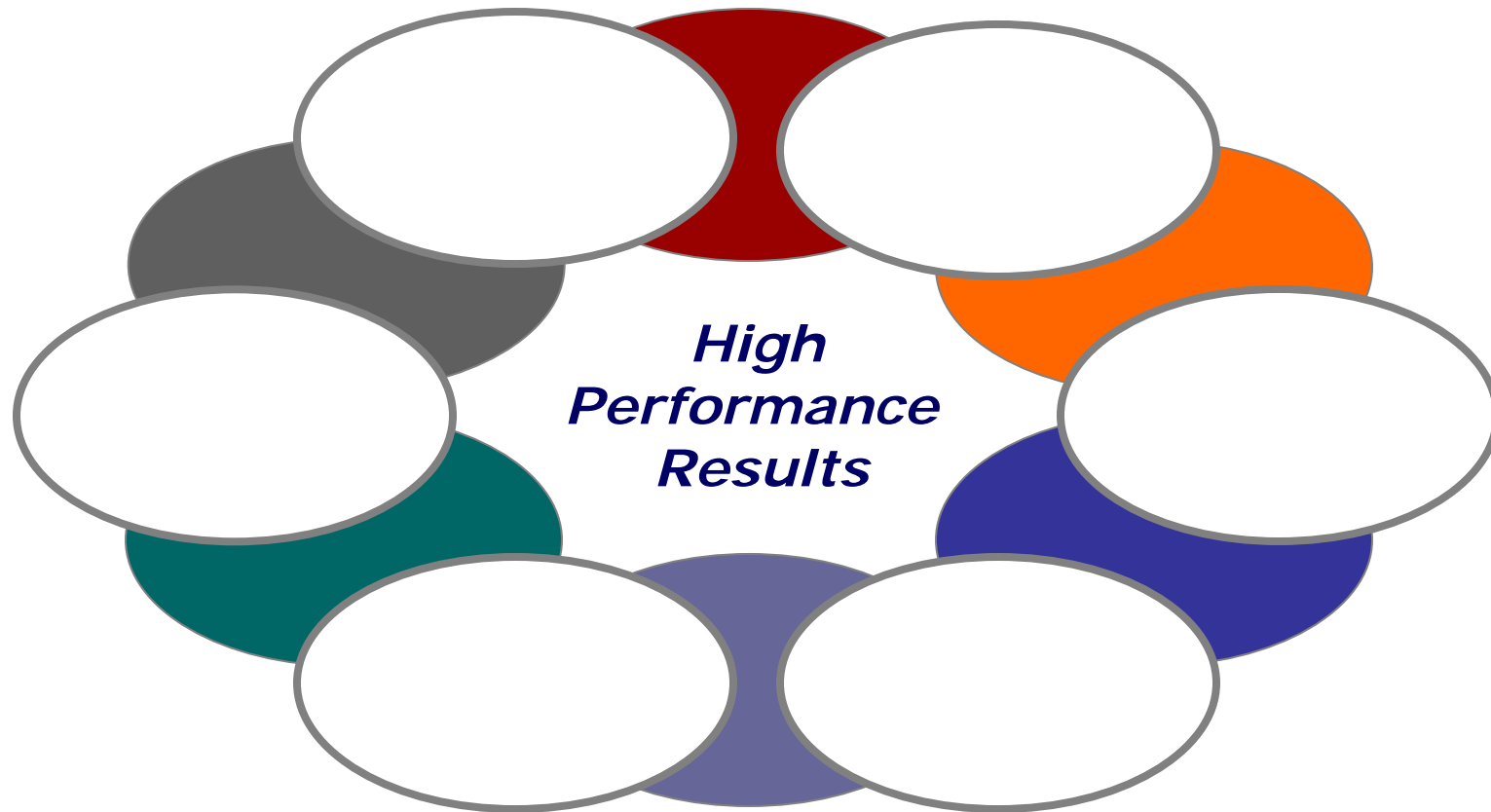
Source: HPI. The HPI Continuum. 2007 Meyer, LC.

Creating A Framework for Healthy Performance



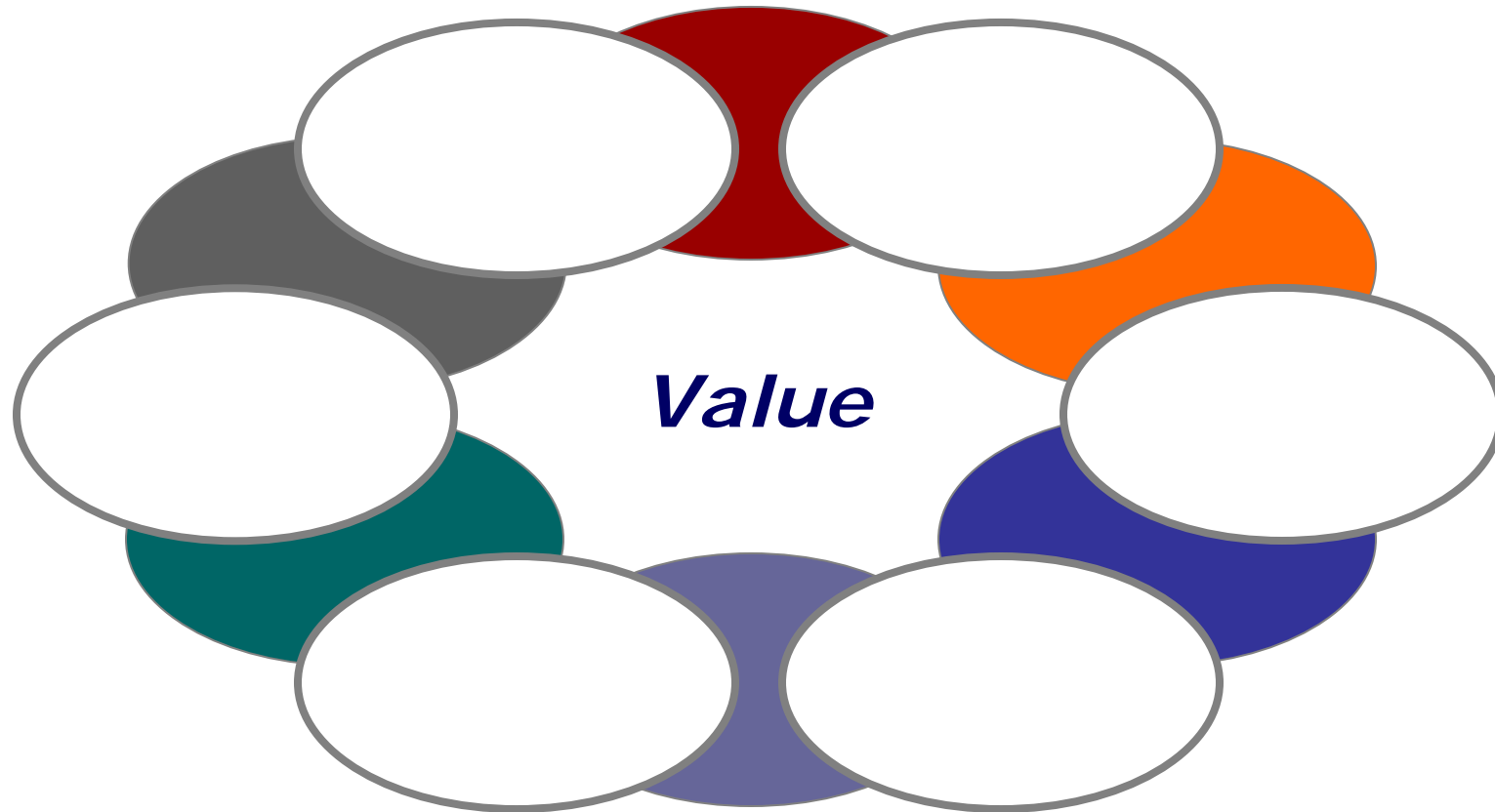
FOCUS ON HEALTHY LIVING AND HEALTHY WORKING

WHAT'S MISSING ?



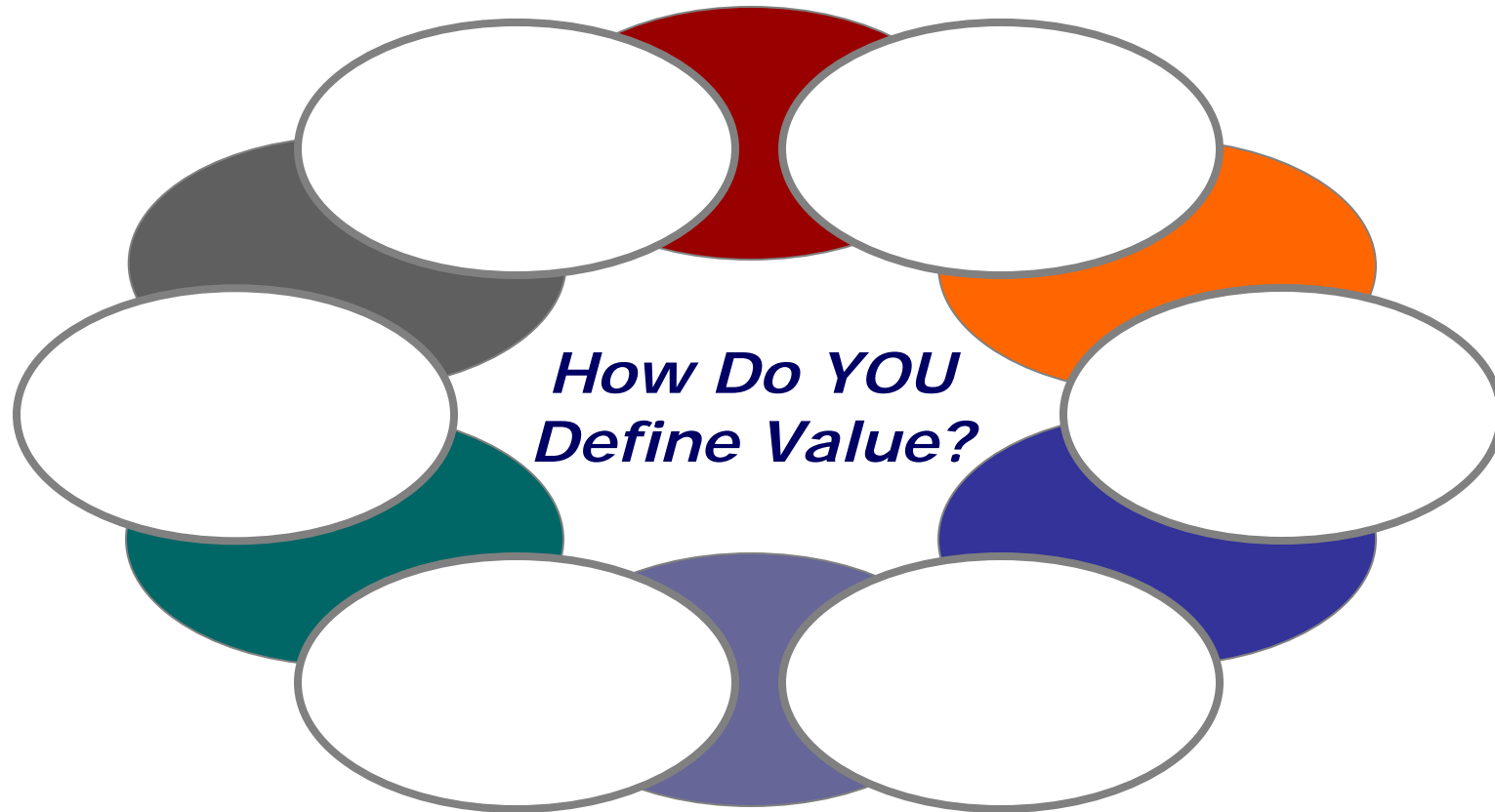
FOCUS ON HEALTHY LIVING AND HEALTHY WORKING

WHAT'S MISSING ?



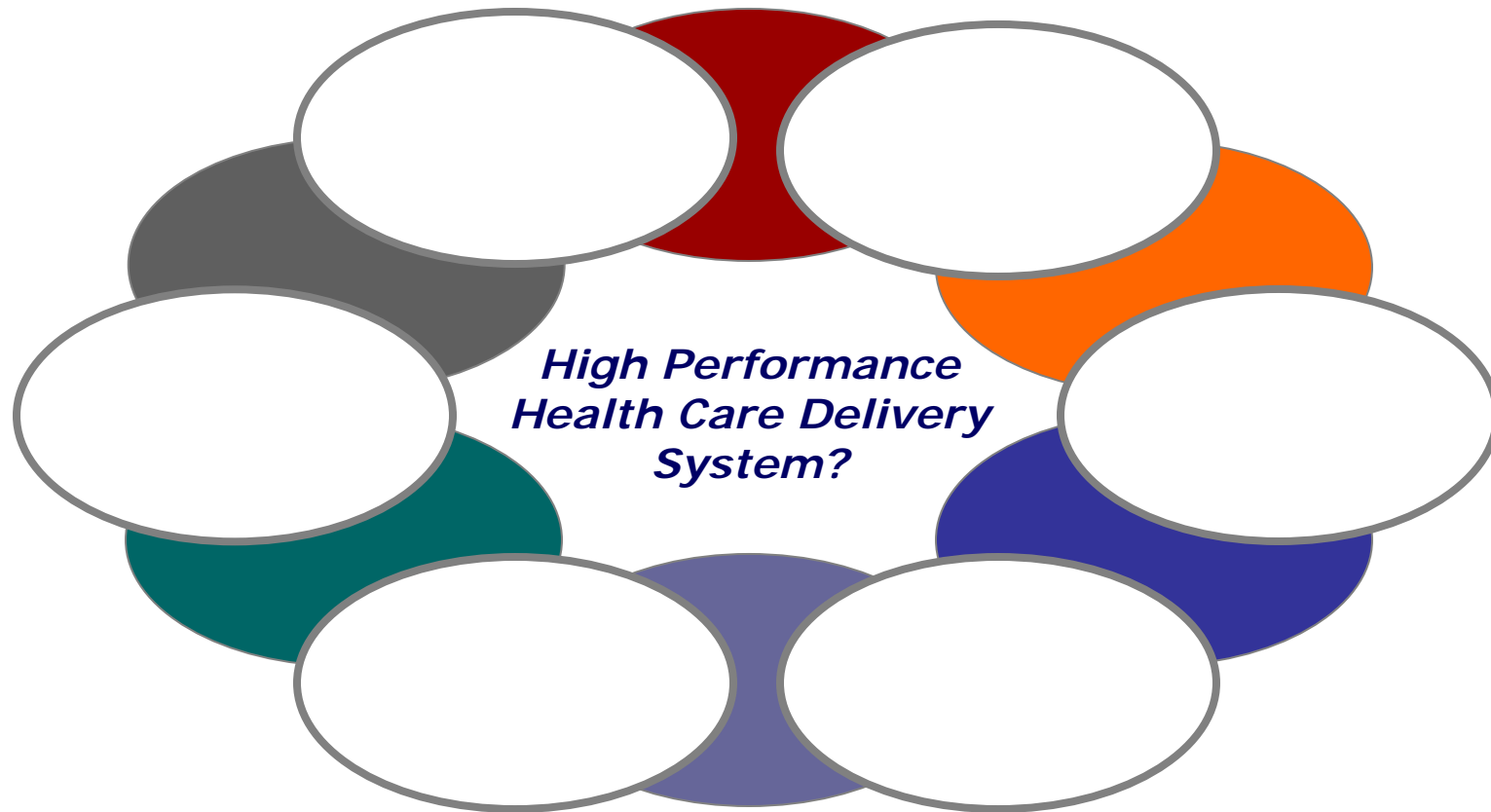
FOCUS ON HEALTHY LIVING AND HEALTHY WORKING

WHAT'S MISSING ?



FOCUS ON HEALTHY LIVING AND HEALTHY WORKING

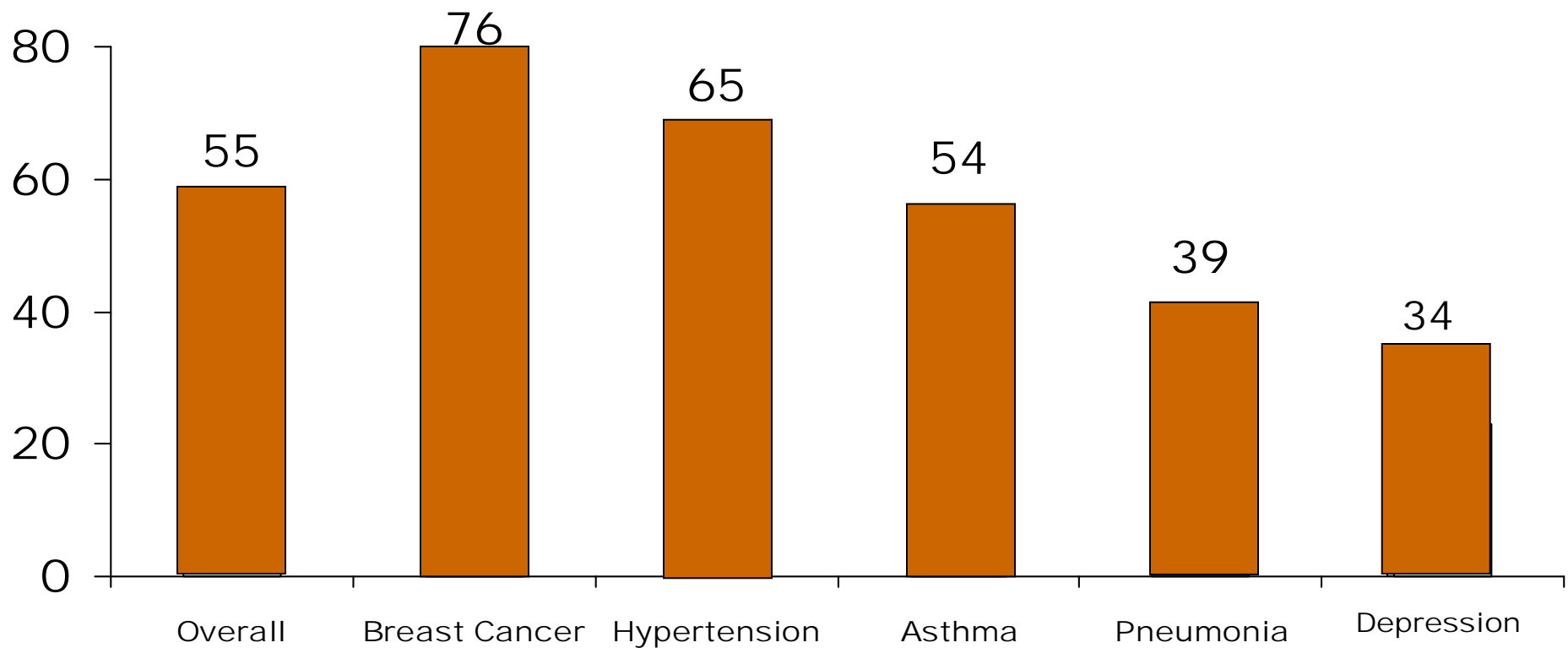
WHAT'S MISSING ?



FOCUS ON HEALTHY LIVING AND HEALTHY WORKING

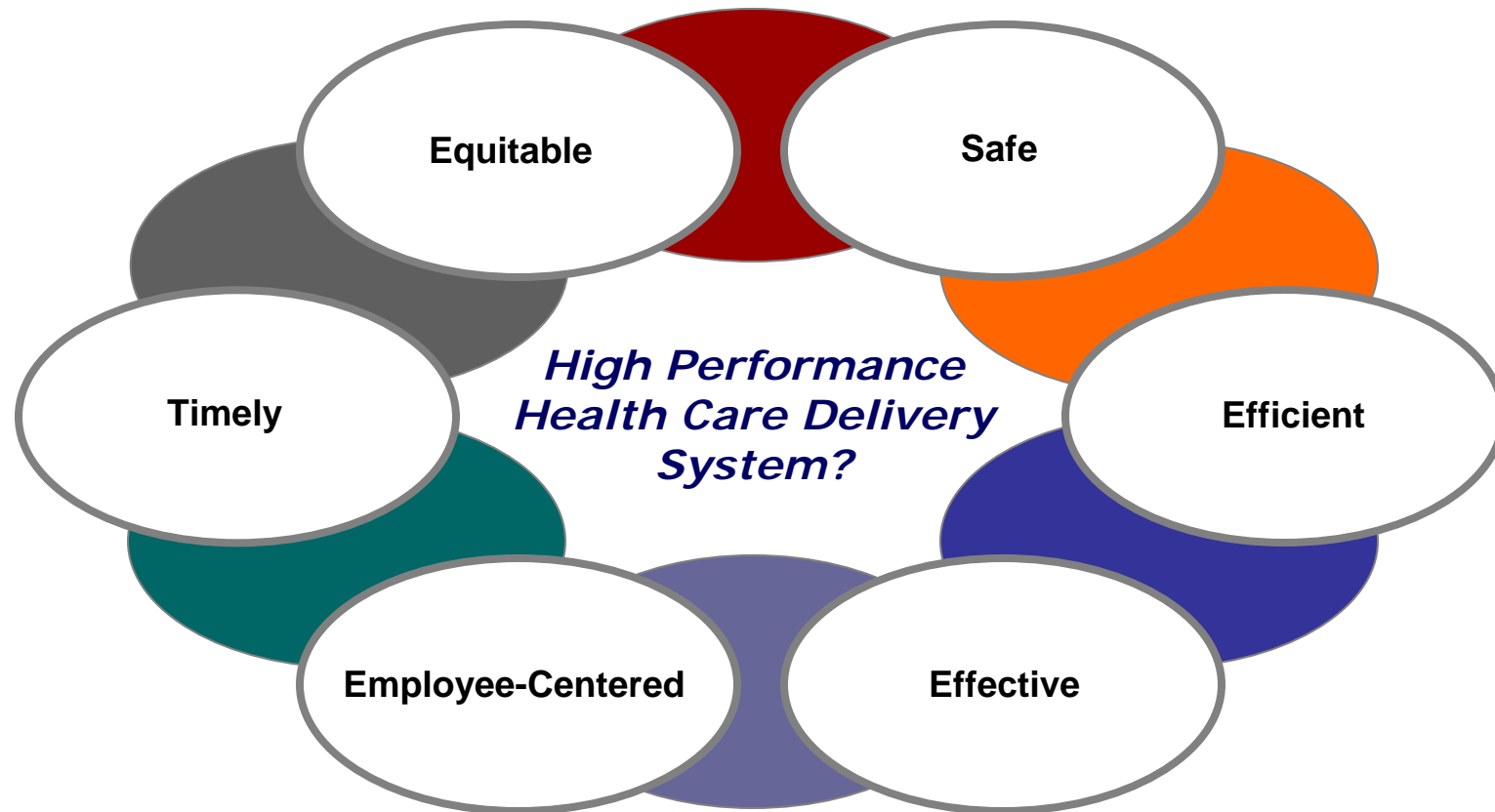
Half of U.S. Adults Receive Recommended Care and Quality Varies Significantly By Medical Condition

Percent Receiving Recommended Care



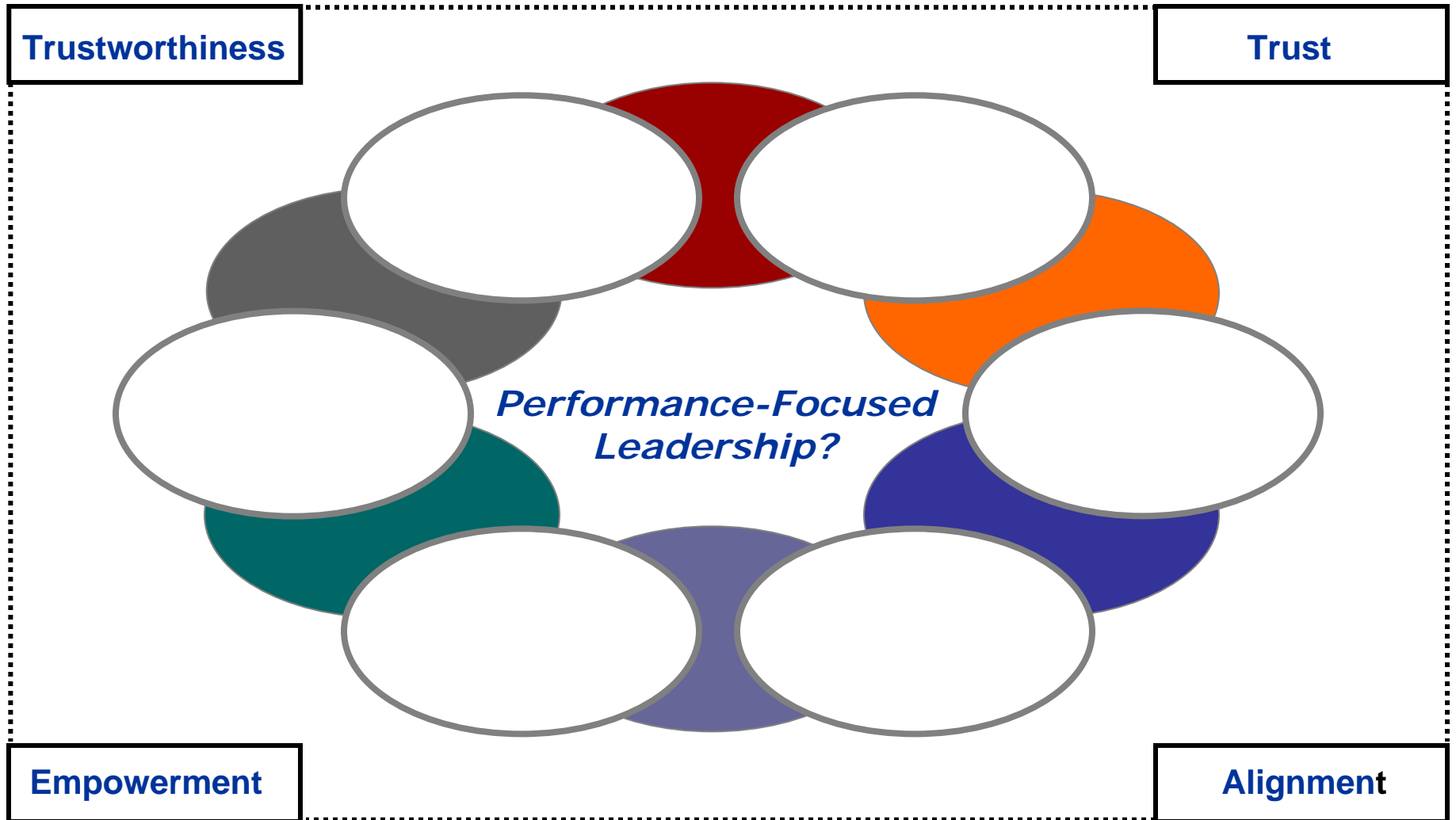
Source: McGlynn et al., "The Quality of Health Care Delivered to Adults in the United States," *The New England Journal of Medicine* (June 26, 2003): 2635–2645.

The Shape of Things To Come



FOCUS ON HEALTHY LIVING AND HEALTHY WORKING

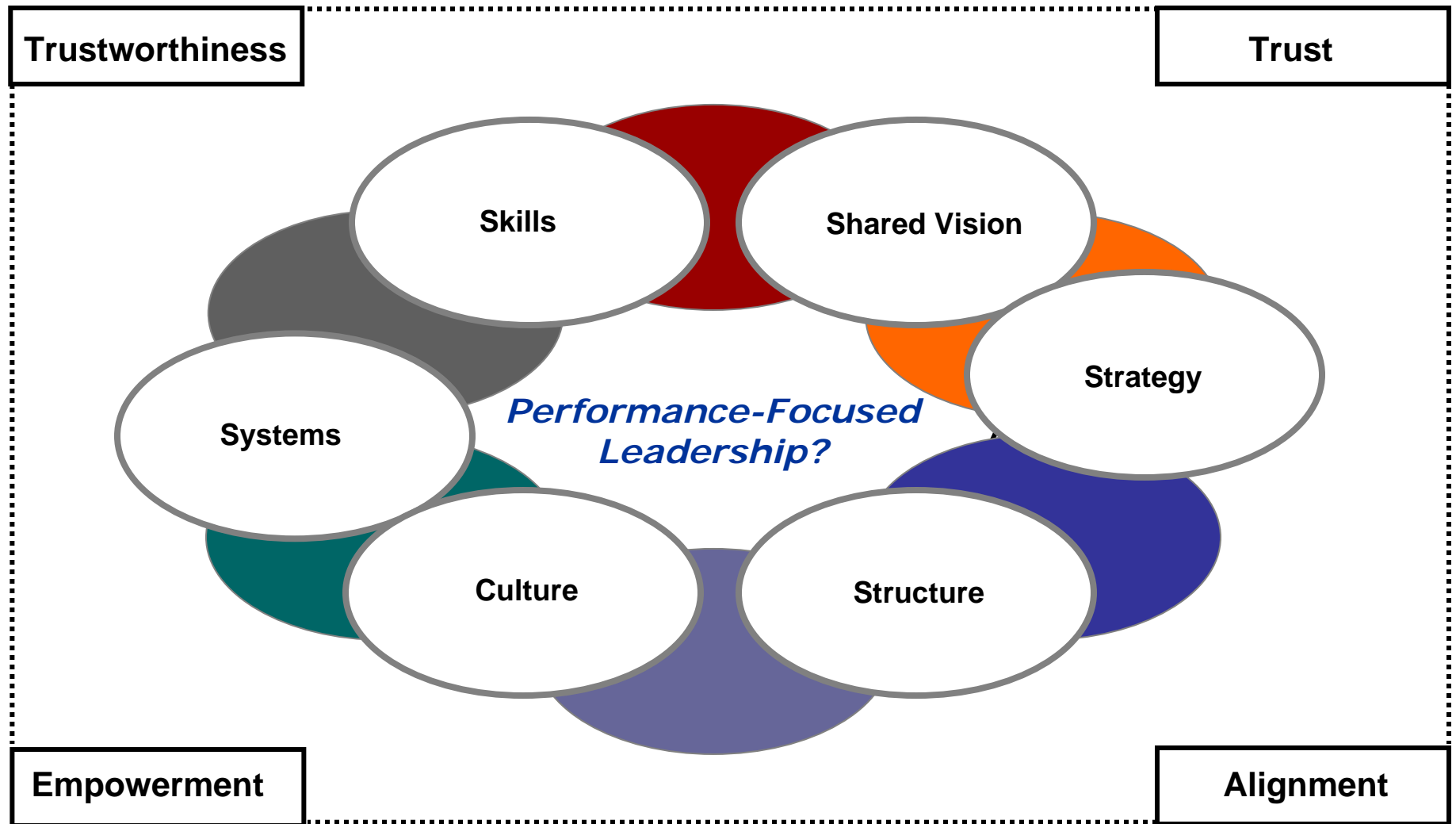
WHAT'S MISSING ?



Source: Les C. Meyer, MBA
Health Care Strategist

FOCUS ON HEALTHY LIVING AND HEALTHY WORKING

The Shape of Things To Come

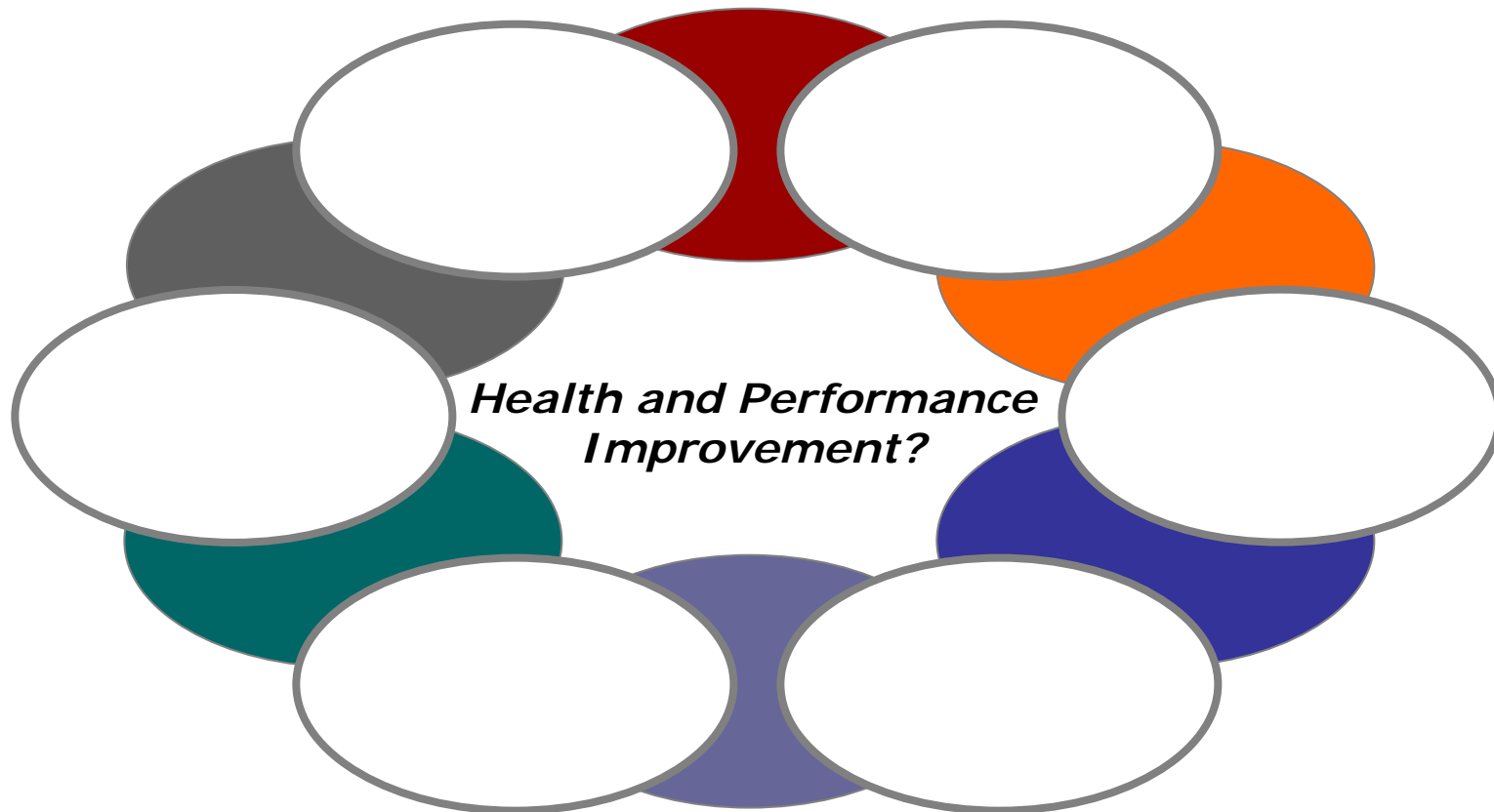


Source: Les C. Meyer, MBA
Health Care Strategist

FOCUS ON HEALTHY LIVING AND HEALTHY WORKING

WHAT'S MISSING ?

Performance-Driven Talent Management



Employee-Centered, Health and Performance Improvement

EMPLOYER LEADERSHIP SUMMIT

What is Health and Performance Improvement?

Health and performance improvement (HPI) – essentially, any wise investment in value-based benefits and the health of your employees – which can help your people to better health and job satisfaction and your company to bigger profits

EMPLOYER LEADERSHIP SUMMIT

What is Health and Performance Improvement?

Employers working around the clock to help their employees to better health regardless of personal health status or multiple risk factors

EMPLOYER LEADERSHIP SUMMIT

What is Health and Performance Improvement?

The objective is to execute healthy living and healthy working strategies and best practices to achieve healthy employee and business performance

EMPLOYER LEADERSHIP SUMMIT

What is Health and Performance Improvement?

Optimizing the total economic impact of employee health to maximize an individual's health achievement potential and job satisfaction expectations through personal and organizational performance results

Creating A Framework for Healthy Performance



FOCUS ON HEALTHY LIVING AND HEALTHY WORKING

THERE ARE TWO CRITICAL BUSINESS ISSUES

1 – the ability to recruit and retain people who not only meet, but exceed, pay-for-performance and personal objectives – thus, increasing value for companies and employees.

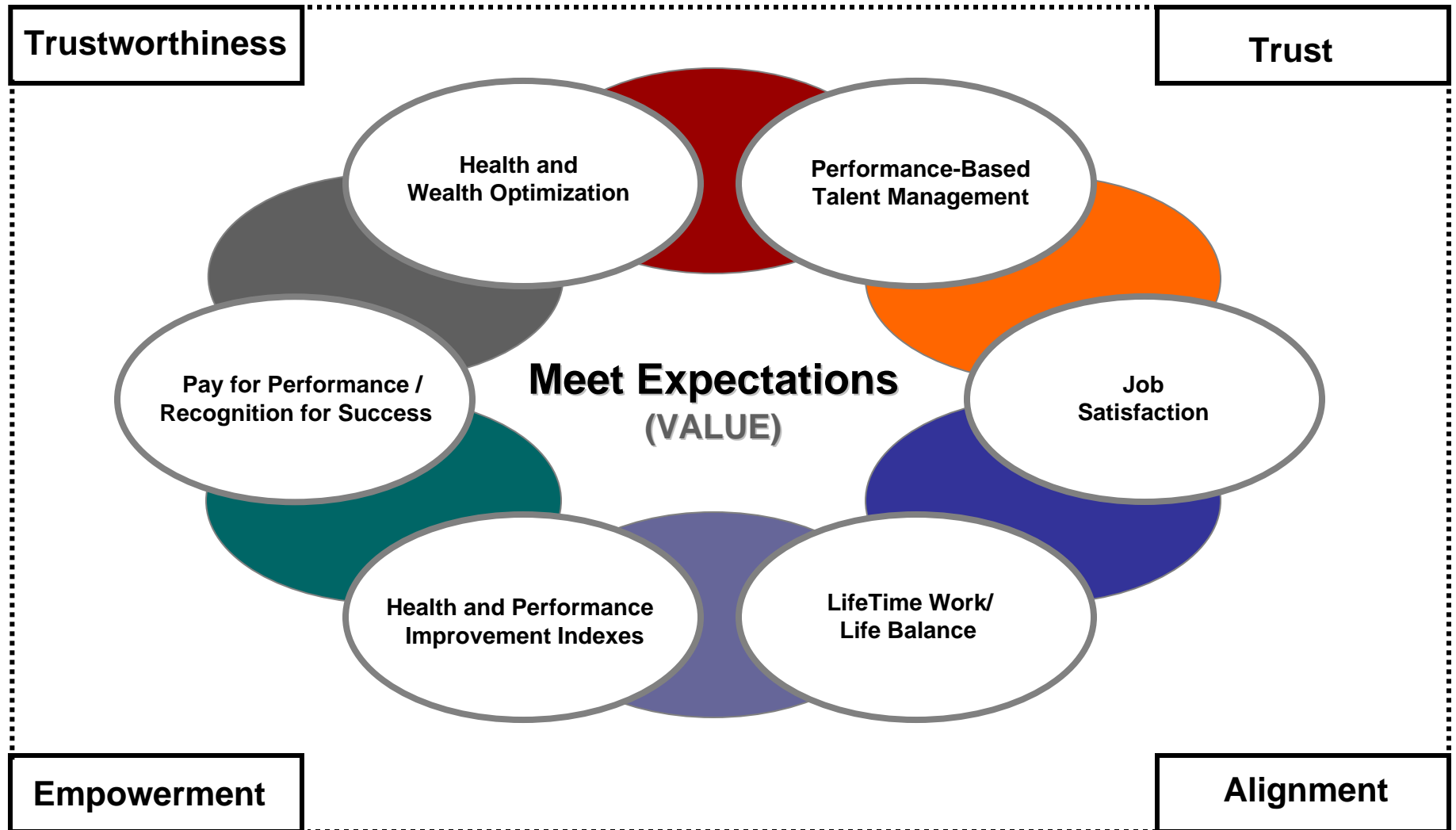
2 – cutting health care costs – thus, executing healthy living and healthy working strategies and best practices to achieve organization-wide healthy performance results.

WHAT'S MISSING ?



FOCUS ON HEALTHY LIVING AND HEALTHY WORKING

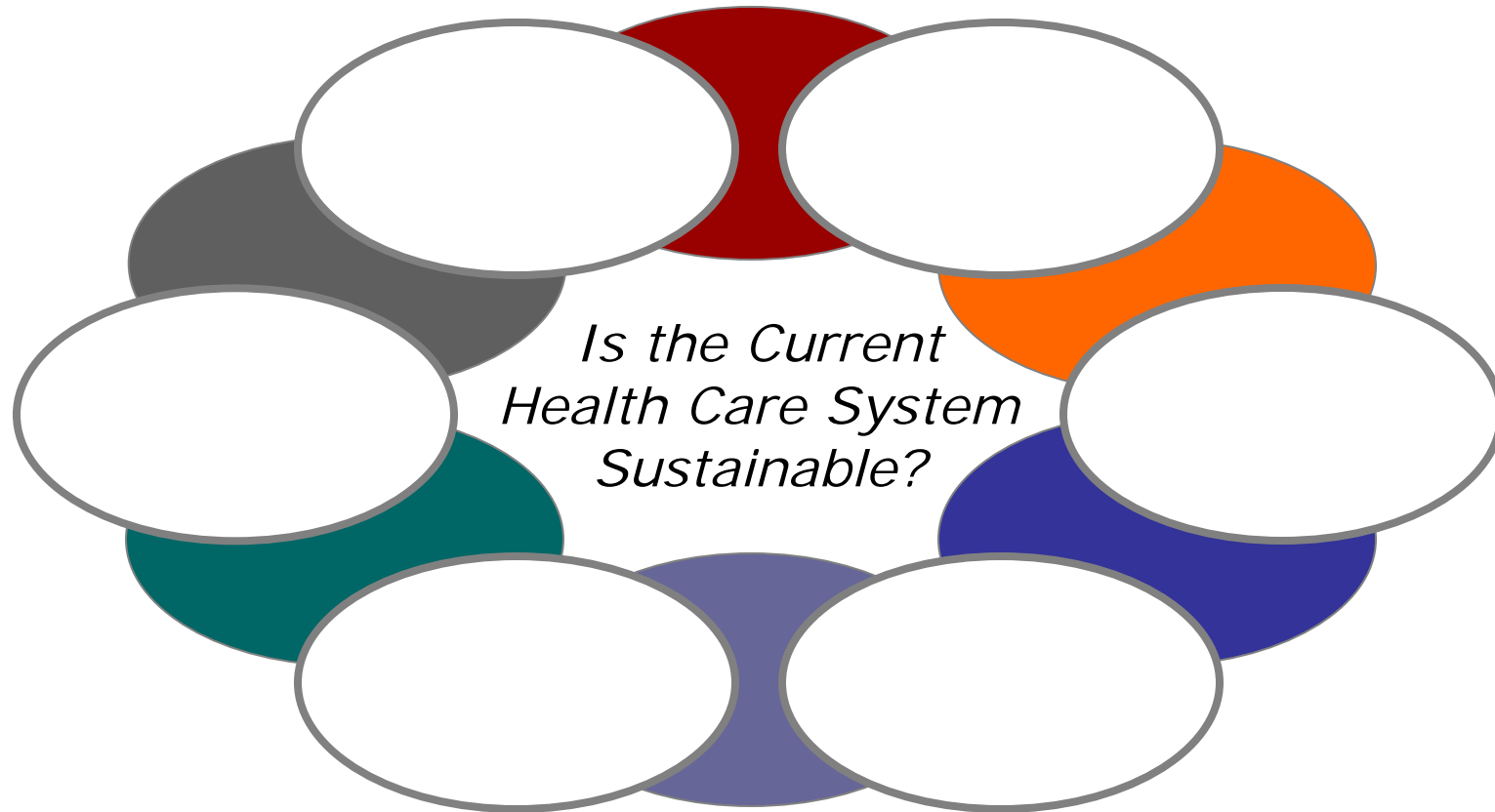
Provide What Matters Most to Your Employees



Source: Les C. Meyer, MBA
Health Care Strategist

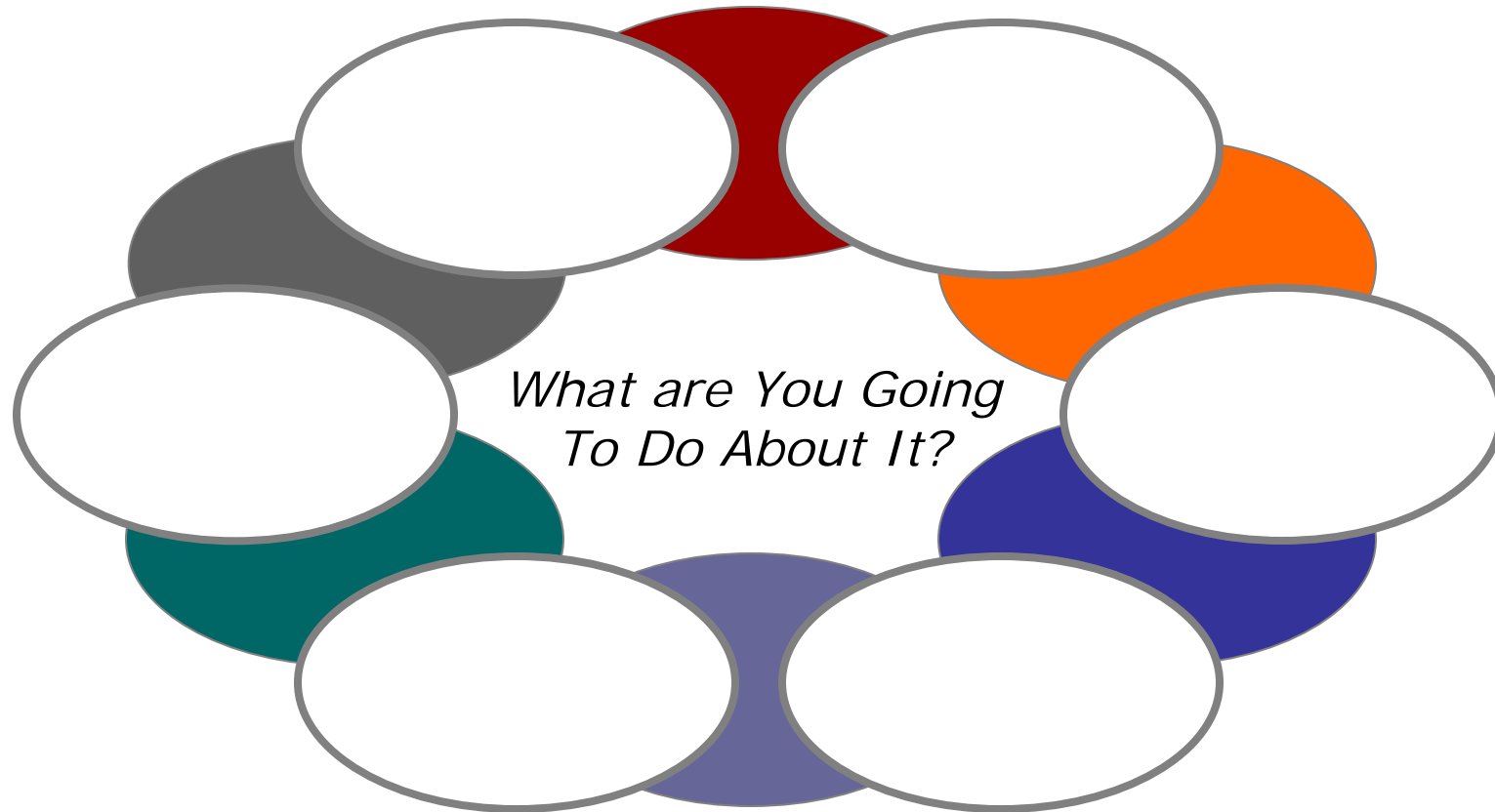
Your people are the sole source of value realization in the market

The Shape of Things To Come



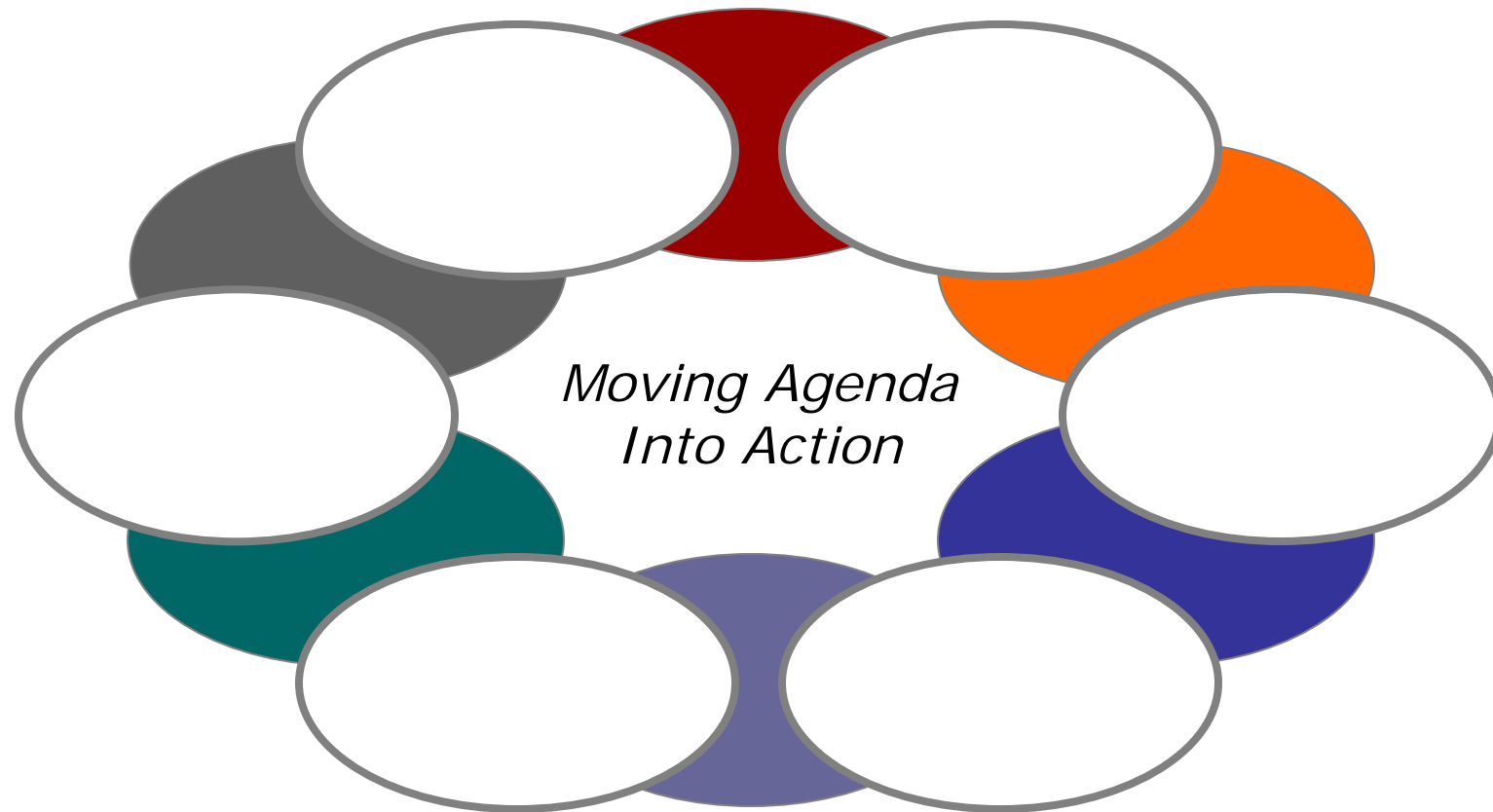
FOCUS ON HEALTHY LIVING AND HEALTHY WORKING

The Shape of Things To Come



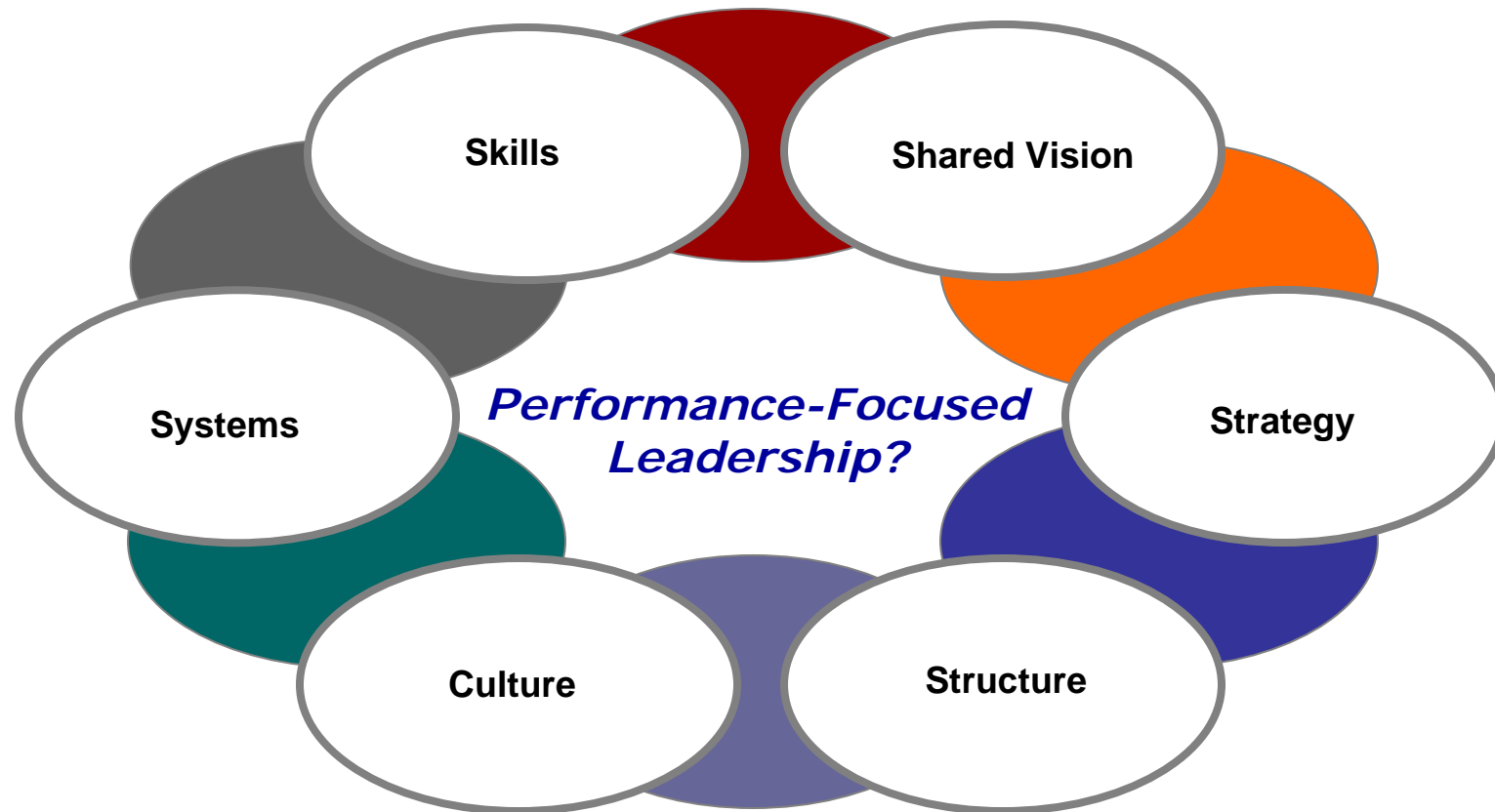
FOCUS ON HEALTHY LIVING AND HEALTHY WORKING

The Quest for Healthy Living and Healthy Working



FOCUS ON HEALTHY LIVING AND HEALTHY WORKING

Performance-Focused Leadership Comes of Age



FOCUS ON HEALTHY LIVING AND HEALTHY WORKING

EMPLOYER LEADERSHIP SUMMIT

Who is the
Chief Performance Officer (CPO)
in your company?

EMPLOYER LEADERSHIP SUMMIT

Performance-Focused Leadership

Successful business enterprises are merging performance-focused leadership strategies within their employee-centric, comprehensive health and performance improvement initiatives

EMPLOYER LEADERSHIP SUMMIT

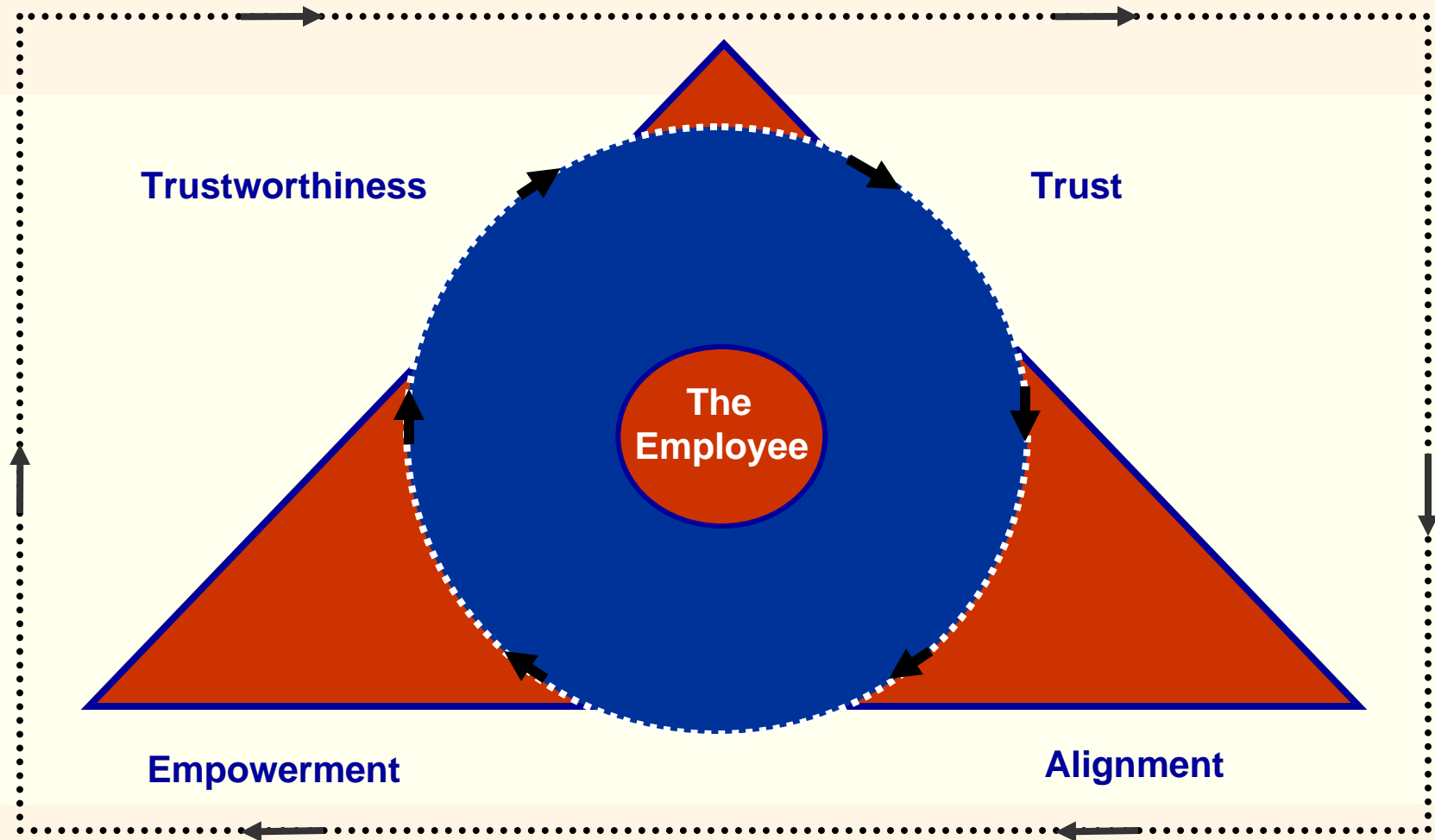
Performance-Focused Leadership

The vision has one universal theme in mind:
To improve the economic well-being and
quality of life of employers, employees and all
community stakeholders

Performance-Focused Leadership

Performance-focused leadership is a powerful and encouraging sign – bringing forth the actualization of trustworthiness, trust, empowerment and alignment

Performance-Focused Leadership



EMPLOYER LEADERSHIP SUMMIT

Performance-Focused Leadership

Employers and executives who grasp performance-focused leadership enjoy a shared vision of proactive collaboration, cooperation, and teamwork with fellow workers and all community stakeholders.

Proactive leaders look for opportunities to share the benefits of continuous performance improvement, innovation, and refinement

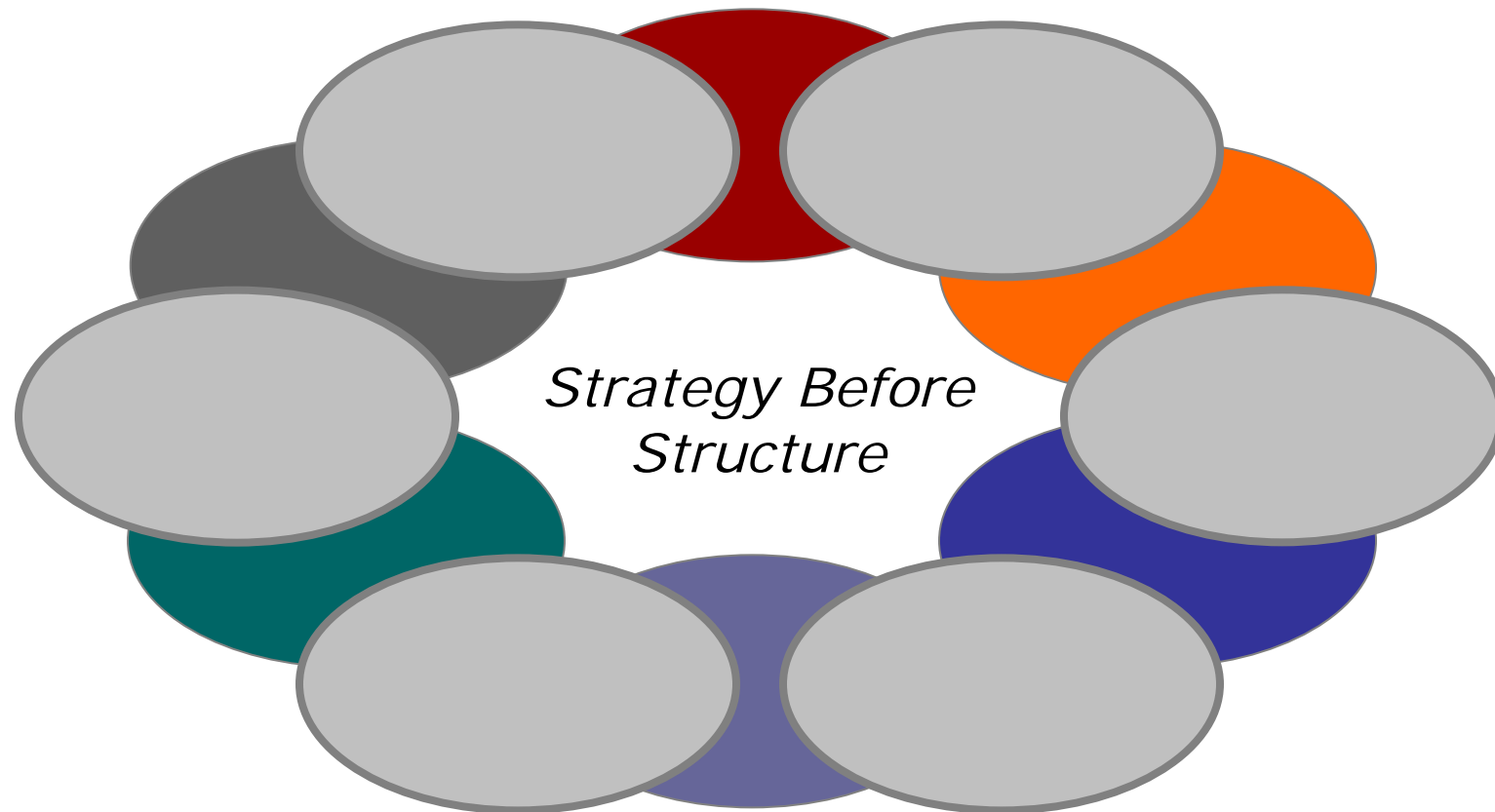
EMPLOYER LEADERSHIP SUMMIT

Performance-Focused Leadership

In turn, performance-focused executives assertively pursue strategies, structures, systems of care and innovative health and performance improvement initiatives that are: *value-based, employee-centered, performance-driven, market oriented, and customer-centric to achieve optimal enterprise-wide health and performance improvement results*

The Quest for Healthy Living and Healthy Working

Performance-Driven Talent Management



Employee-Centered, Health and Performance Improvement

Source: Les C. Meyer, MBA
Health Care Strategist

EMPLOYER LEADERSHIP SUMMIT

Strategy Before Structure

Embracing a healthy performance strategy requires, first and foremost, a shift in mindset

EMPLOYER LEADERSHIP SUMMIT

Strategy Before Structure

People are the biggest source of competitive advantage

Your people are the sole source of value realization in the market

EMPLOYER LEADERSHIP SUMMIT

Strategy Before Structure

People (human capital) are also the greatest organizational cost – and need to be nurtured, protected and maintained just like any piece of capital equipment or long-term financial investment

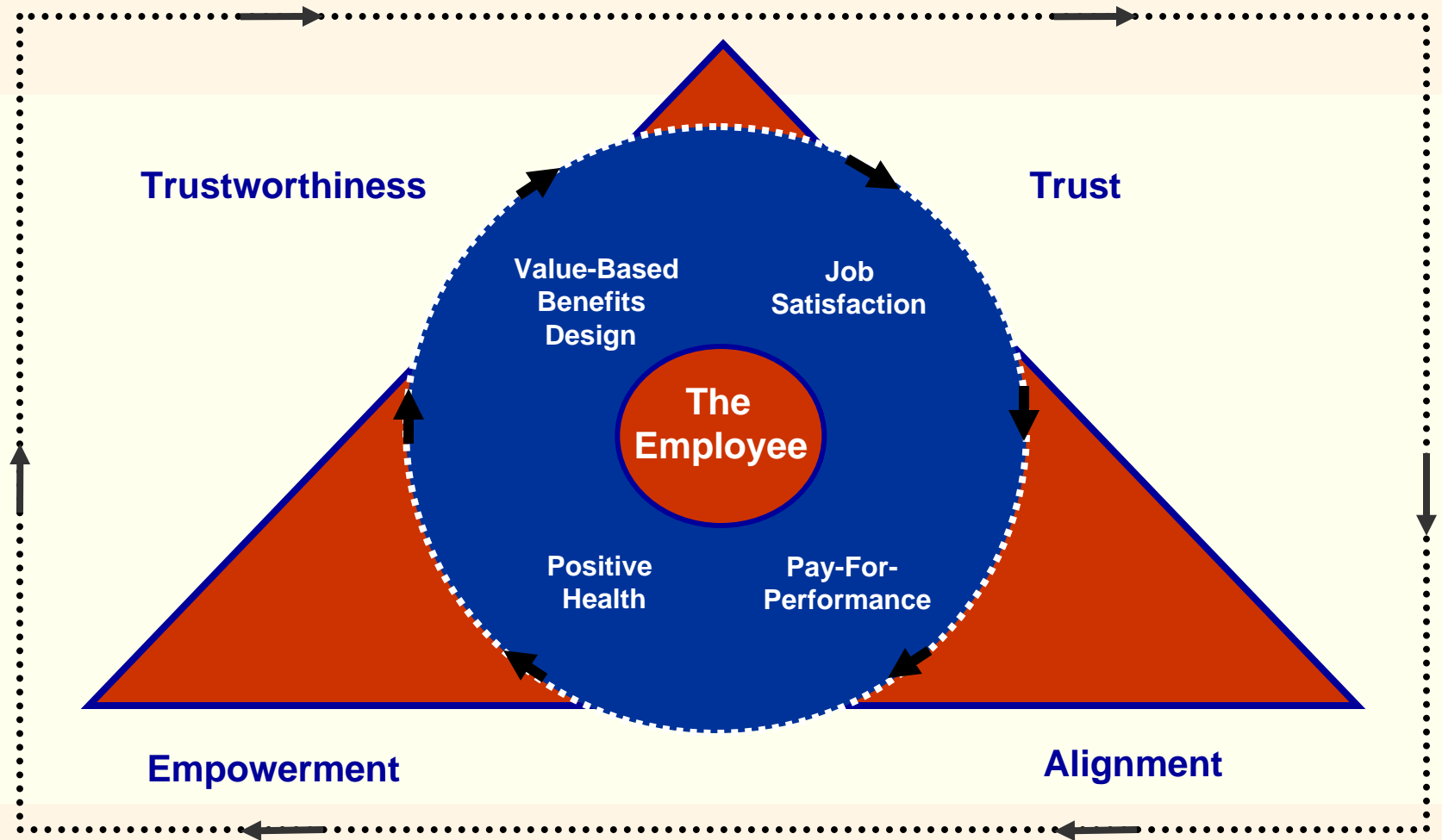
Your people are the sole source of value realization in the market

EMPLOYER LEADERSHIP SUMMIT

Strategy Before Structure

With the emphasis on consumerism and the associated cost and risk shifting to the employee, savvy employers are adopting a new business approach that focuses on the things that matter most to their critical talent pool — employee health, job satisfaction and pay-for-performance approach.

Employee-Centered, Health and Performance Improvement



EMPLOYER LEADERSHIP SUMMIT

Employee-Centered, Health and Performance Improvement

Working around the clock to help their employees to better health (regardless of personal health status or multiple risk factors), the objective is to execute healthy living and healthy working strategies and best practices to achieve healthy employee and business performance

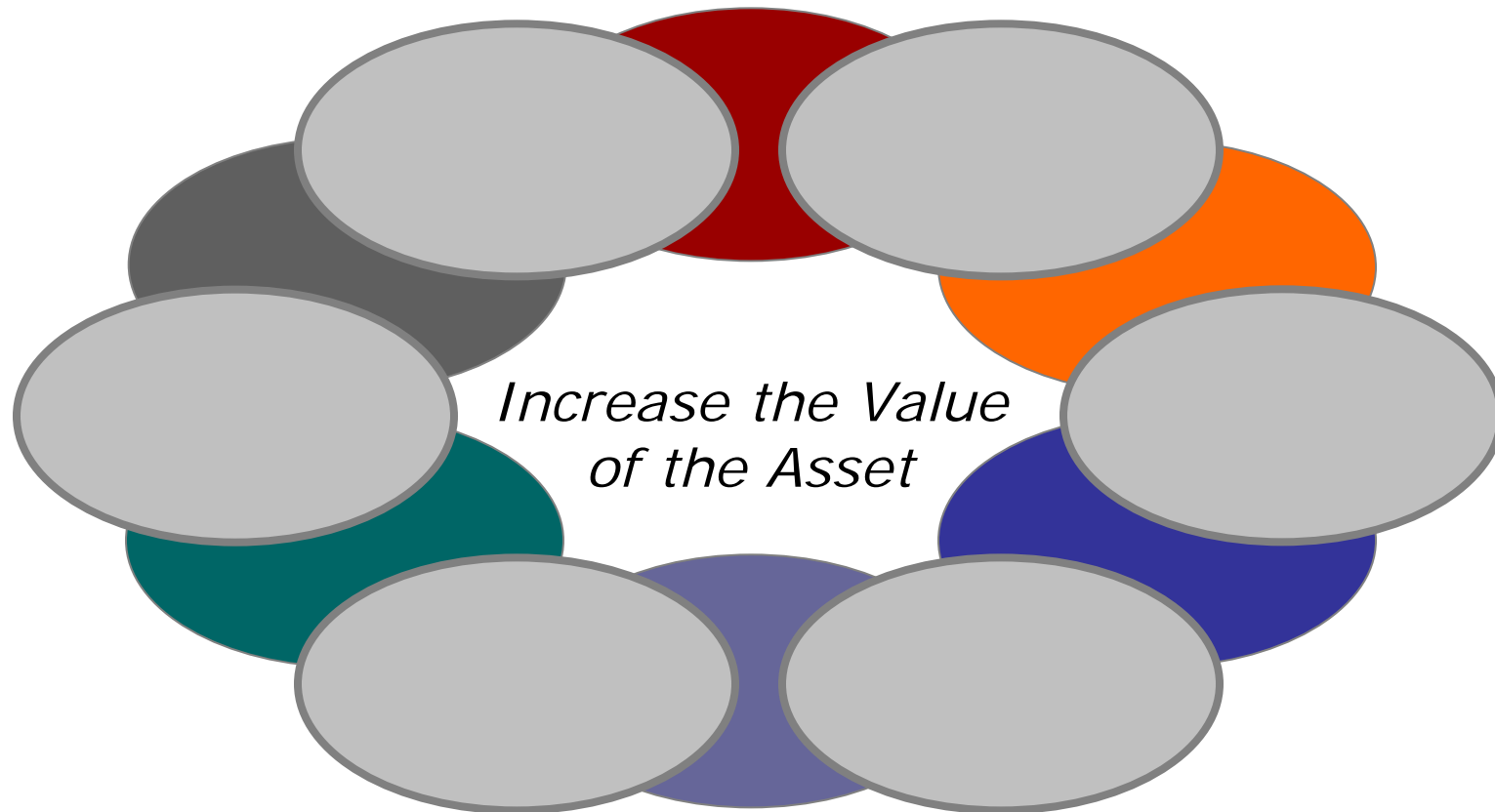
EMPLOYER LEADERSHIP SUMMIT

Employee-Centered, Health and Performance Improvement

The center of attention requires a two-way approach on the vital role of employee health and performance-based talent management that actually resonates more deeply with the very people who are being targeted to live healthier and to personally perform at an optimal level at work and at home

The Quest for Healthy Living and Healthy Working

Performance-Driven Talent Management



Your People Are The Sole Source of Value Realization in the Market

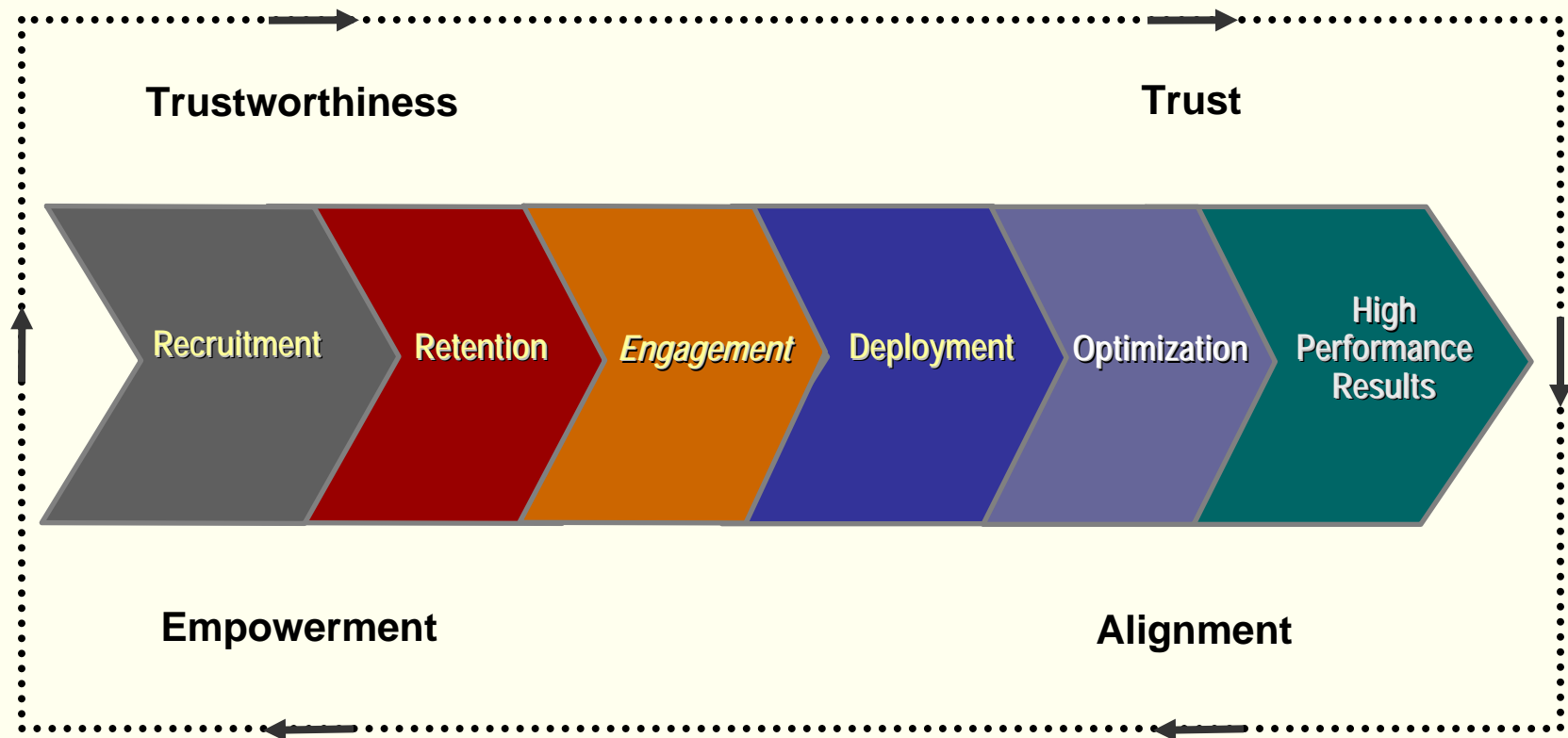
EMPLOYER LEADERSHIP SUMMIT

Strategy Before Structure

The thinking behind this new strategy is to implement built-in benefits design and integrated employee health interventions that include a performance-driven focus on the recruitment, retention, engagement, deployment and optimization of all people

Employee-Centered, Health and Performance Improvement

Performance-Driven Talent Management



Les C. Meyer, MBA
Health Care Strategist © 2007

Your people are the sole source of value realization in the market

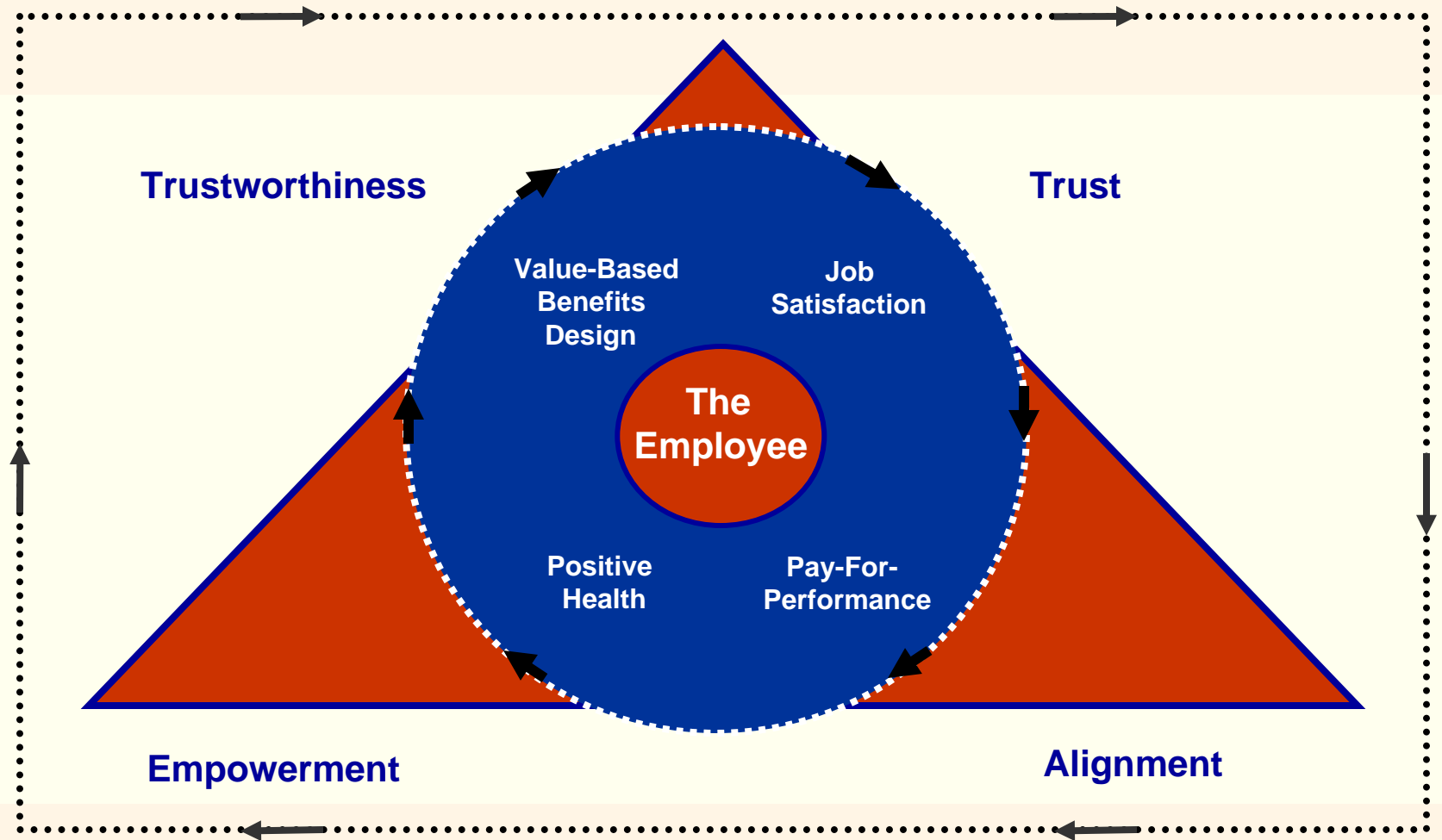
buyers health care action group
BHCAG

EMPLOYER LEADERSHIP SUMMIT

Employee-Centered, Health and Performance Improvement

Employees are expecting added value out of the contract between employee and employer — a fair wage for a valuable service provided — and why informed employees are searching for the things that matter most to them in an exchange for the value realization of peak performance - employee health, job satisfaction and a pay-for performance approach

Employee-Centered, Health and Performance Improvement



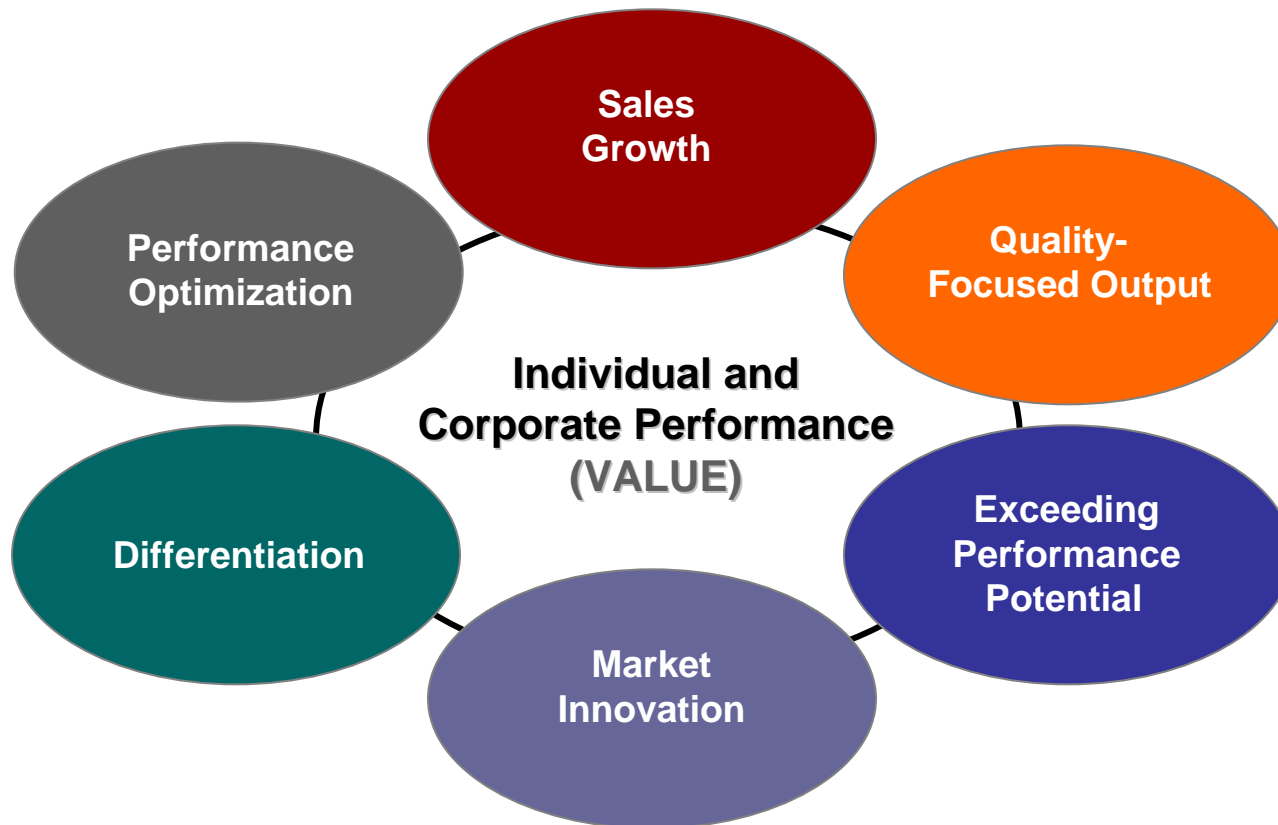
EMPLOYER LEADERSHIP SUMMIT

Employee-Centered, Health and Performance Improvement

The spotlight on employee-centric health improvement that impacts organization-wide results requires a collaborative employee/employer outlook that includes a diversity of providers, value-focused vendors and community resource groups

The Shape of Things To Come

Optimization of People (Human Capital) Assets

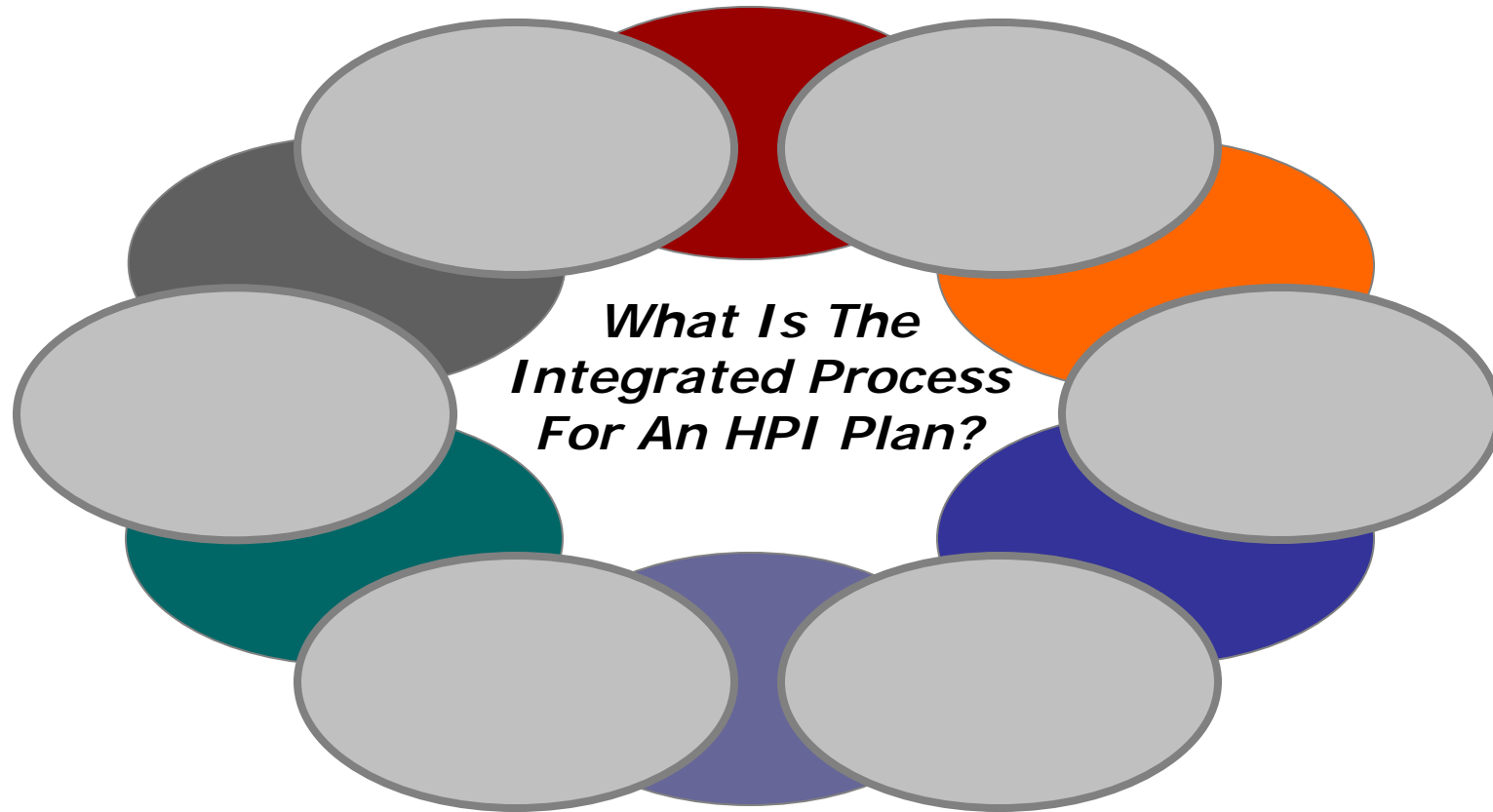


EMPLOYER LEADERSHIP SUMMIT

Increase the Value of the Asset

It's time employers protect, sustain and promote the health and well being of their employees — and align incentives and rewards for healthy and productive behaviors and consistently take care of their people, knowing that healthy living and healthy working lead to healthy corporate performance and improved profits for the company

The Quest for Healthy Living and Healthy Working



Health and Performance Improvement (HPI)

An integrated process

**Phase IV
Measurement**

**Phase I
Diagnosis**



**Phase II
Strategic and
Tactical
Planning**

**Phase III
Intervention**

Les C. Meyer, MBA
Health Care Strategist © 2007

Your people are the sole source of value realization in the market

buyers health care action group
BHCAG

Employer-Based

The HPI Framework

Health and Performance Improvement

Systematic process that is tailored¹ to the business and maximizes resources for enhancing worker capacity

Infrastructure

Establish a culture of health

Priorities

Focus on defined health priorities

Resources

Identify tools and techniques to reach and engage the workforce

Environment

Modify the workplace to promote and sustain healthy practices

Metrics

Determine the process for collecting and reporting affect of system

¹Tailored: defined as understanding the key business needs and identifying health solutions (as customized for each employer) specific to these critical outcomes

Employer-Based

Align the System with the Business

A key criteria: Integrate into core organizational mission, goals, operations and administrative structures



- Mission and vision share the importance of health to the success of business
- Leadership creates a culture of health
- Cross functional team drives accountability and advocates engagement
- Communication strategy to weave your health system into the business culture
- Data aggregation of “people” resources

Create a Psychologically Healthy Workplace

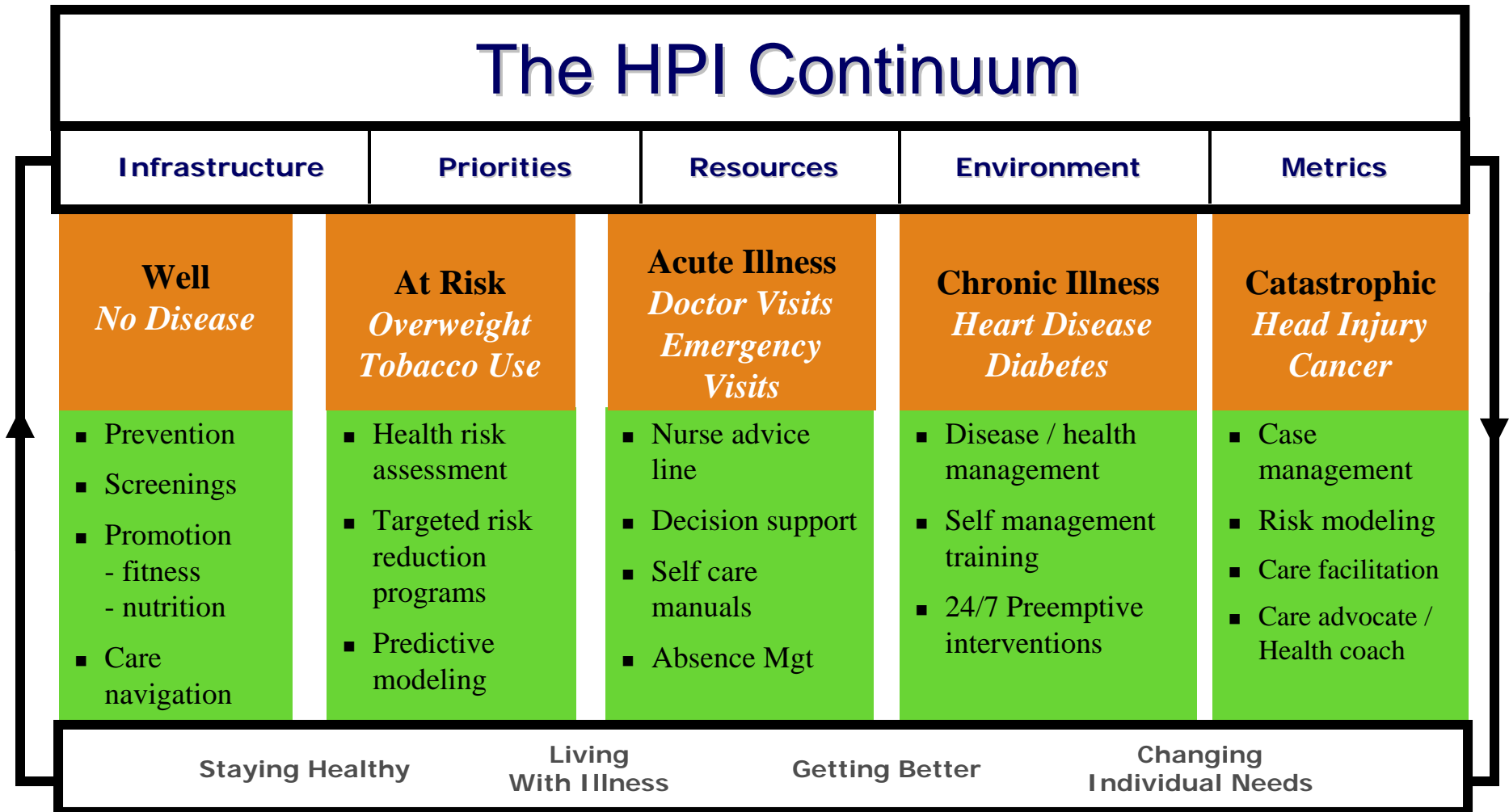
Employer-Based



Employer-Based

The HPI Framework (Con't)

The HPI Continuum



What Should Go Into The HPI Action Plan?

- **Overall plan**
 - Goal
 - Activity to impact or achieve goal
 - Description of approach
 - Target audience
- **Resources**
 - Owner
 - Development
 - Deployment
 - Communication
 - Supporting resources (internal, vendors, community)
 - Project champion
- **Proactive issue resolution**
 - Legal issues
 - Stakeholder buy in
 - Barriers to success and plan to address barriers
 - Budget
 - Incentives for participation
- **Deployment timeline**
- **Communication messages**
- **Metrics -- How will you measure success?**
 - Participation
 - Survey
 - Behavior change
 - Health status
 - Financial
 - Absence
- **Post event**
 - Outcomes
 - Lessons learned
 - Continuous process improvement
 - Data integration



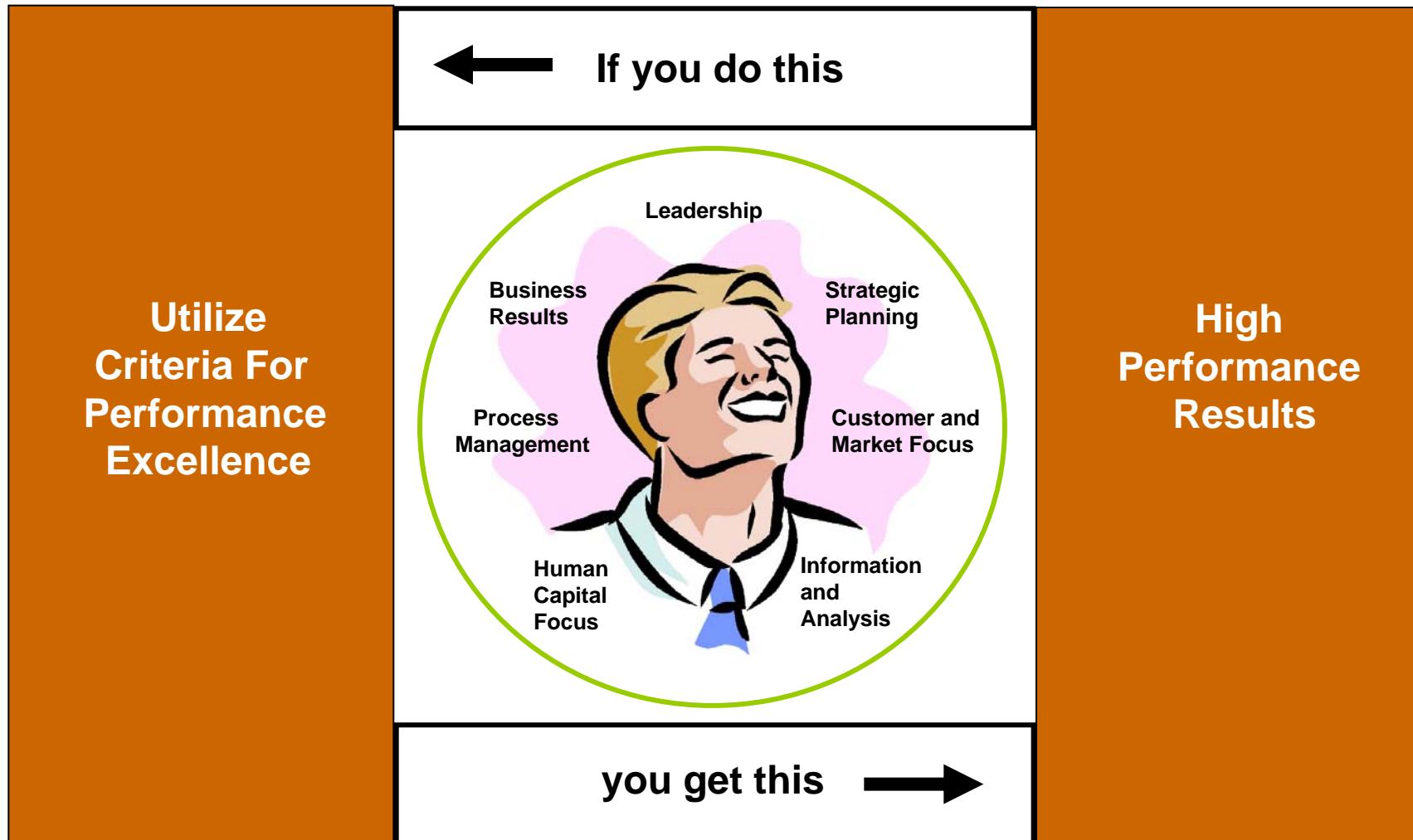
FOCUS ON HEALTHY LIVING AND HEALTHY WORKING

Source: HPI Advisors
How to Develop Your Action Plan, 2007 Lattig, H

Les C. Meyer, MBA
Health Care Strategist © 2007

buyers health care action group
BHCAG

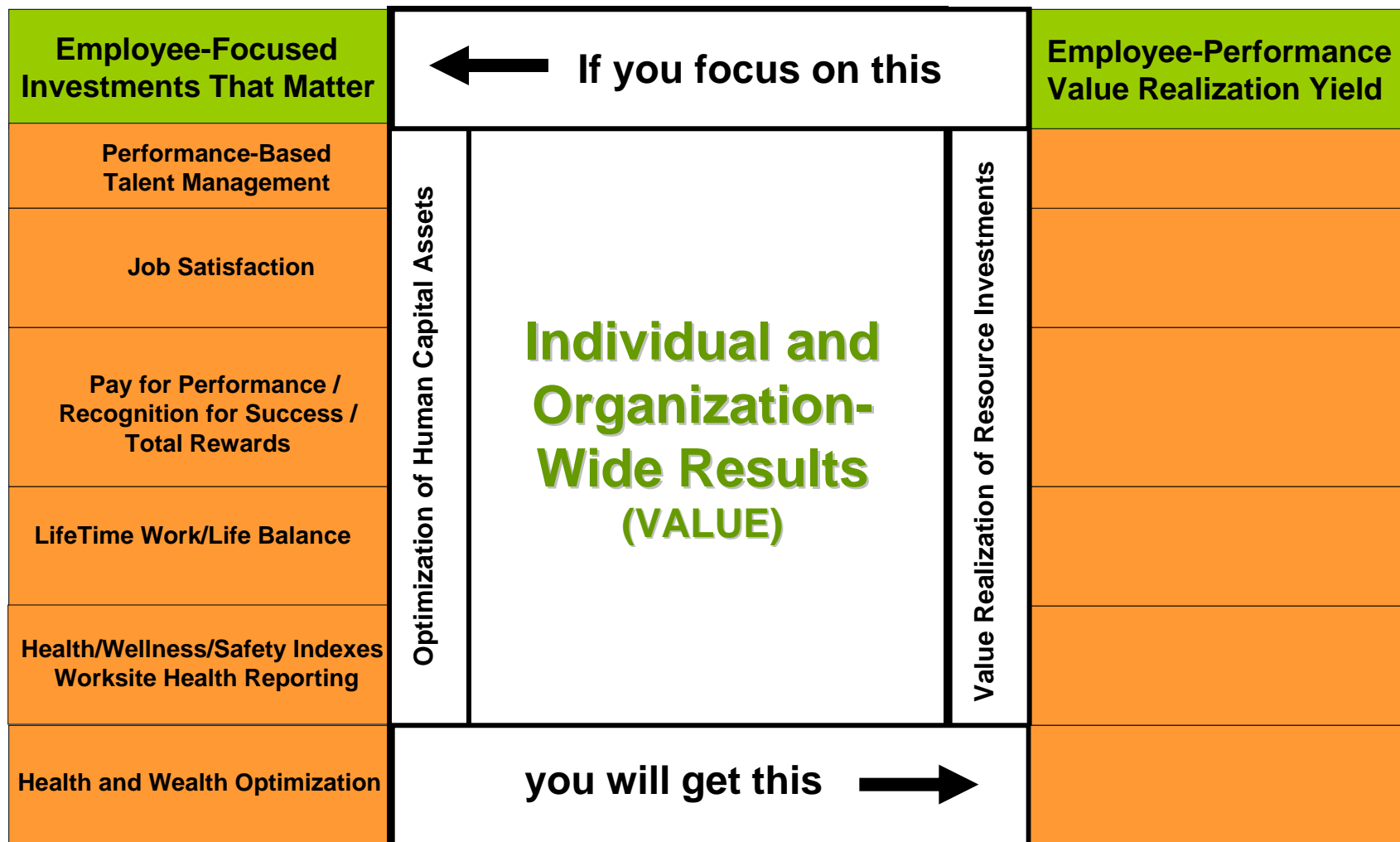
How Would Malcolm Baldrige Do It?



Critical Success Factors That Drive Organizational Success

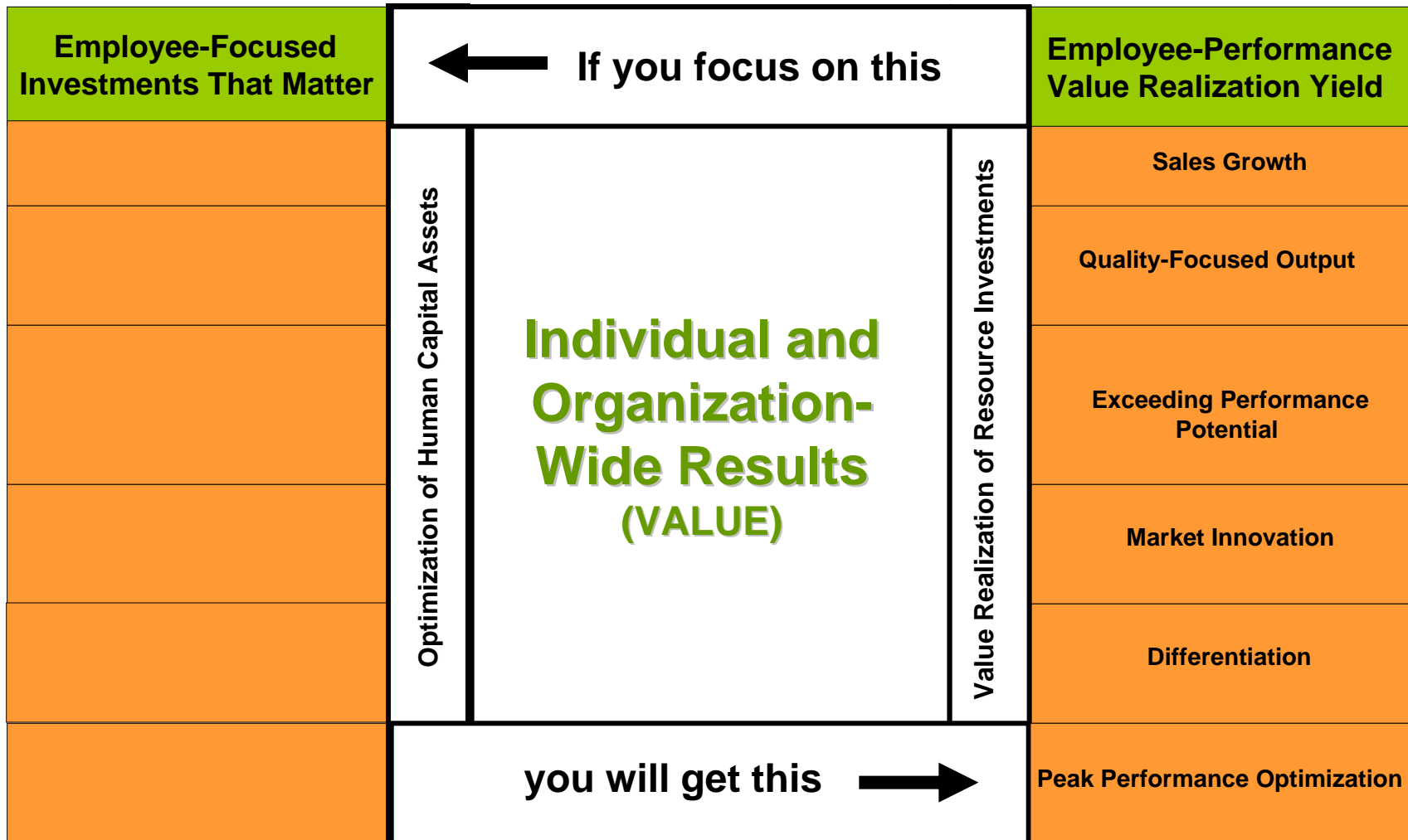
The Baldrige National
Quality Program © 2004

The Quest for Healthy Living and Healthy Working



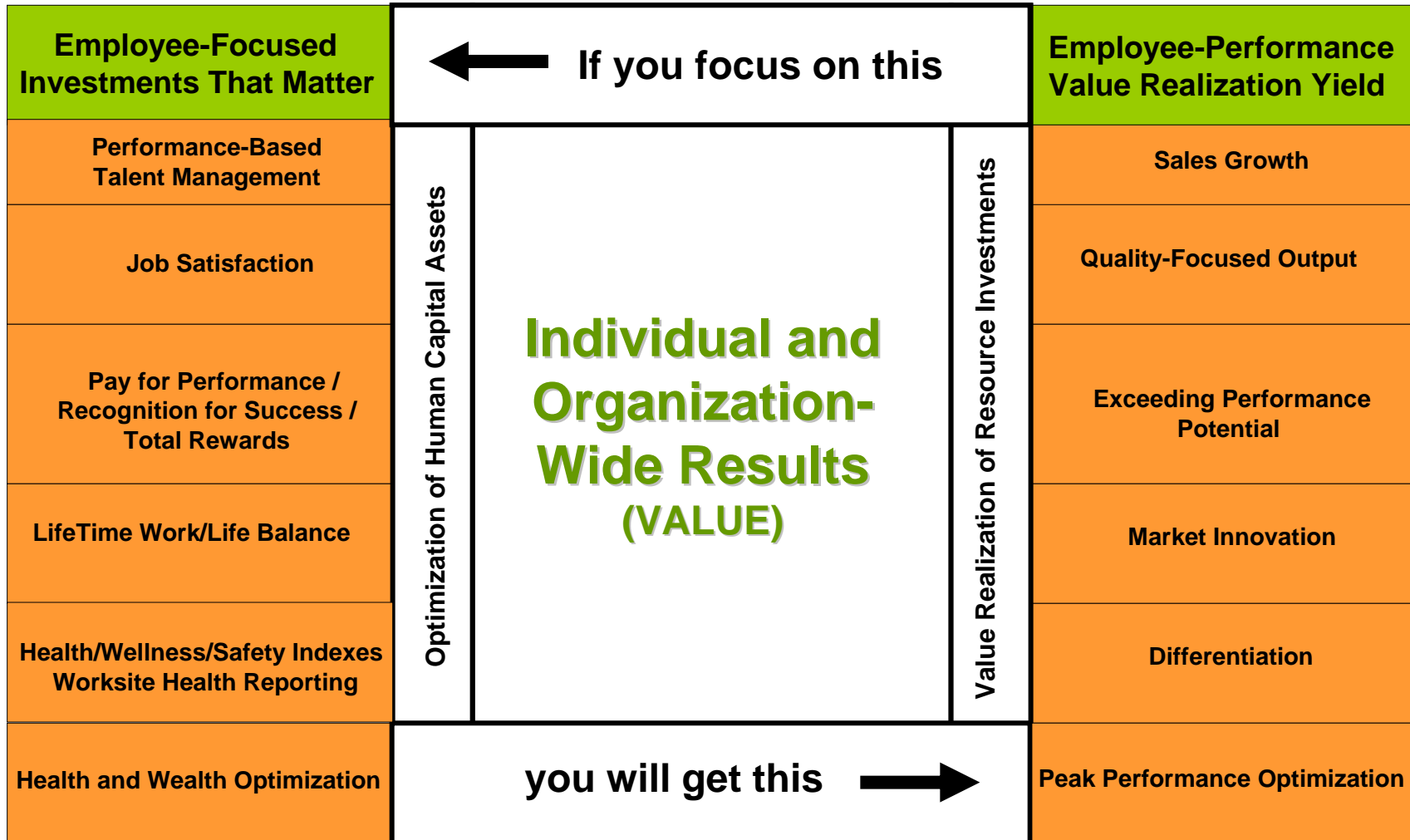
FOCUS ON HEALTHY LIVING AND HEALTHY WORKING

The Quest for Healthy Living and Healthy Working



FOCUS ON HEALTHY LIVING AND HEALTHY WORKING

The Quest for Healthy Living and Healthy Working



FOCUS ON HEALTHY LIVING AND HEALTHY WORKING

EMPLOYER LEADERSHIP SUMMIT

