

IN THE NEWS

## A corporate culture of health (or else)



By Joanna Weiss, Globe Columnist

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Ok, It's time to guess your New Year's resolution. Go to the gym more? I knew it. Maybe because that's the same New Year's resolution I make every year.

The difference is, this year, your boss might make the same resolution for you.

This is the new wave of corporate activism: Looking out for employees' health, in ways that are sometimes gently encouraging, sometimes more coercive. In 2010, at Boston-based insurance broker William Gallagher Associates, employees were asked to fill out a voluntary survey about their health, and got a \$50 gift card in return. In 2011, the company offered a set of lab screening tests, free, along with a considerable stick: If employees declined to do the bloodwork, the company would pay a smaller percentage of their health care premiums.

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It's little surprise that insurance companies are leading the charge on wellness. Health-care costs are skyrocketing, in Massachusetts and everywhere else. And while some political types are eager to blame this on RomneyCare, the fact is that Massachusetts health care law was never intended to make things cheaper. Cost control was always going to be Phase 2.

Part of cutting costs involves changing how doctors and hospitals work. But a big part is changing the habits of consumers: Encouraging them to eat better, exercise more, get regular checkups, says Phil Edmundson, the CEO of William Gallagher Associates, and a longtime RomneyCare proponent.



Edmundson's company is trying to be on the leading edge of wellness reforms; it's using the data from its screenings to set up corporate wellness programs. (Executives get aggregate results, but not individual ones.) The company is trying to create a healthier workplace: Candy is largely gone from corporate kitchens, sugar-sweetened drinks are out of vending machines. The company's Atlantic Avenue lease is up in two years, and Edmundson is looking for office space with an onsite gym, or architecture that encourages more walking.

And this fall, William Gallagher Associates enlisted pollster David Paleologos to survey 1,100 of its insurance clients, and found a sharply increased interest in wellness programs. About half of respondents said they were planning to implement "health risk assessments." Nearly 40 percent hoped to provide employees with anti-smoking programs, and nearly half were interested in weight-loss programs. Some offered cash incentives, such as money toward health club memberships. Some made employees who took health care screenings eligible for more generous health plans.

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Most of the companies surveyed were in Massachusetts, and about half were high tech or biotech companies, which might be on the leading edge of social trends. Still, Edmundson says the rise in interest is significant; five years ago, few in the corporate world were talking about wellness.

“CEOs like me are just coming to be more committed to this,” Edmundson said.

There have been other times when American companies tried to influence their employees’ private lives, in service to the bottom line. The most extreme example comes from the Ford Motor Company, which, from 1914 to 1919 - in response to high turnover and absenteeism among its immigrant workers -

offered to double wages, to \$5 a day, for employees who behaved according to company standards. This applied to life at home, as well: Ford investigators reviewed workers’ bank books, interviewed their neighbors, made sure they didn’t smoke, drink, or stay out late, notes Stephen Meyer, a professor emeritus of history at the University of Wisconsin-Milwaukee. The program finally fizzled for economic reasons, Meyer said: Wages rose during World War I, and the costs became unsustainable.

Spying on workers’ home lives is, of course, a far cry from taking soda from the vending machines. But anytime we talk about changing personal behavior, a hue and cry about the nanny state ensues. Just look what happened when Boston Mayor Menino pulled sugar-sweetened beverages from City Hall.

The difference, perhaps, is that everyone faces the consequences of rising health care costs - not just your boss, but your government, your family, you. There’s a fine line between a nanny state and an incentive system. But I know I’d hit the elliptical machine a little more if there were money at stake.

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