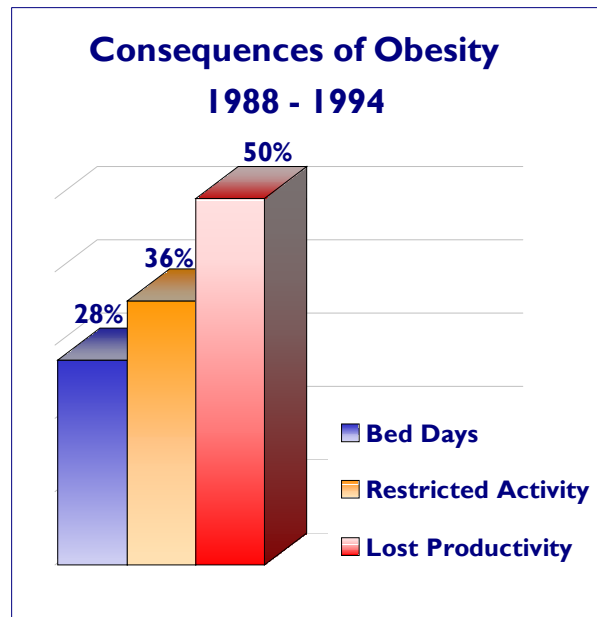


“Work Well—Live Well™” Management Will Improve Productivity and Quality of Life of Baby Boomers: A Pilot Program

Executive Summary

Neil Smithline, MD, FACP
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Strativision
LLC

100 Woodward Avenue
Sausalito, CA 94965
415 331 7407

neil.smithline@strativision.com
www.strativision.com

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Background

The 76 million baby boomers now constitute the largest segment (44%) of the nation's workforce. Ranging in age from 36 to 54, they are the graying workforce and will remain one of the largest segments of the workforce for the next two decades. Older workers are highly productive, have a tremendous fund of knowledge—both institutional and personal, are more stable and mature than their younger counterparts, and therefore comprise a highly valuable segment of the workforce. Unfortunately they are also an obese segment of the work force. Since the obese and the elderly are more prone to injury and illness—and recover more slowly, the obese baby boomer, is likely to be a less productive worker and enjoy a lower quality of life.

Over half of all US adults are overweight (BMI > 25 kg/m²) and nearly one quarter are obese (BMI > 30). Obesity is on the increase and US adults and only 22 percent of US adults get the recommended regular, leisure time physical activity. Furthermore, the annual cost of lost productivity related to obesity (BMI ≥30) among Americans ages 17-64 is approaching \$4 billion, including the obesity-related costs shown in the Figure 1. In addition, obese adults have 70 percent more sick leave and 50 percent higher annual health care costs than non-obese adults.

Figure 1. Financial Consequences of Obesity



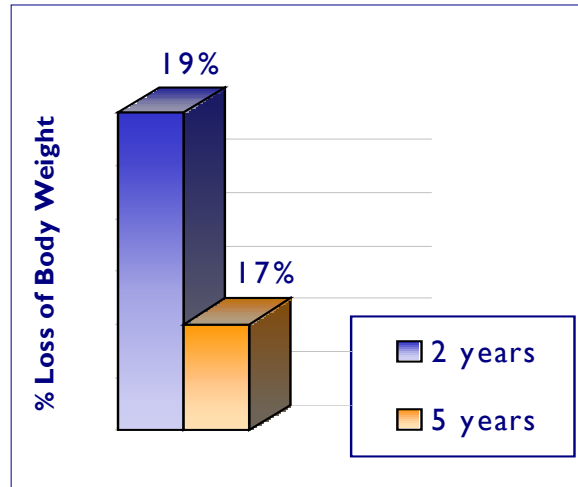
Long-term Weight Loss Can Be Achieved

Obesity is generally treated by one or more of the following approaches:

- Dietary management
- Exercise
- Behavioral modification
- Medication
- Bariatric surgery

There are examples of success with each of these methods alone or in combination. Low cost weight reduction programs can be successful at both removing weight, and maintaining the weight loss. A study using the Trevoze Behavior Modification Program (regular attendance at meetings, substitution of good eating habits for bad and regular exercise) produced sustained weight loss of 17 to 19 percent of original body weight in those remaining in the program two to five years, as shown in Figure 2. Numerous other studies document the success of different treatments in achieving long term weight loss.

Figure 2. Weight loss in the Trevoze Program: Results at 2 and 5 years.

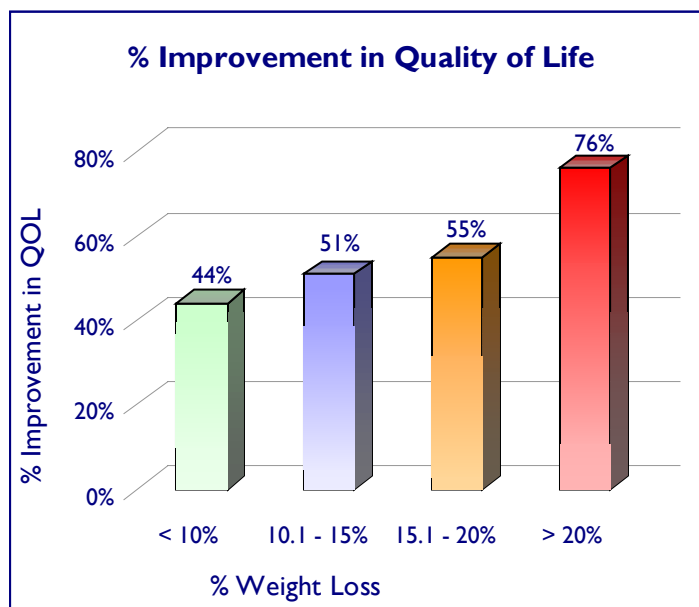


Long-term Weight Loss Benefits both Employees and Employers

There is good reason for employers to want to reduce obesity since weight reduction is strongly related to improvement in health related quality of life (HRQL). In one study of obese adults, average age 45, who completed at least one year of outpatient treatment in a weight reduction program (phentermine-fenfluramine and dietary counseling), there was a statistically significant improvement in the IWQOL (Impact of Weight on Quality of Life) scale over the 1-year period. As shown in Figure 3, the greater the weight loss, the greater the improvement in quality of life.

This is particularly important to employers, since they bear the brunt of direct (healthcare costs) and indirect costs (lost work time and diminished productivity) from obesity. Clearly this is a vital issue to employers, and one not receiving a proportionate share of funding. This underfunding provides an opportunity for individual employers to play a leadership role in this common condition that will have a major impact on how the boomer generation performs in the workplace in the years to come.

Figure 3. Weight loss Improves Quality of Life.



Developing a Workplace Culture And Lifestyle Modification — Work Well—Live Well Program for the workplace

Obesity will not shed its weight easily: it will be a major challenge to reduce obesity in the workplace. It will require not only major lifestyle modifications by individual workers, but a major change in workplace culture that must be led by the employer.

StratiVision is in discussions with a number of organizations regarding Work Well—Live Well. Such a program will require a major organizational change, including:

- Commitment by board and senior management
- Change in culture: to one that promotes fitness
- Change in cafeteria and vending machine offerings

In addition, employees must be willing to make personal lifestyle modifications including:

- Dietary management
- Exercise
- Behavioral modification
- Medication and bariatric surgery

Employer qualifications for participation in Work Well—Live Well include:

- Willingness to participate and partially fund the pilot
- Large workforce with representative proportion of baby boomers
- Ability to provide a control (regular) care group
- Ability to collect data elements required for the study
- Ability to integrate Work Well—Live Well principles and vendors into environment

Outcome Measures

This pilot will measure both health and business outcomes to determine success of the program. Employee measures will include body mass index, illness and injury rates, lost work time and Health-related quality of life (HRQL) assessment. Employer measures will aggregate employee metrics and also include the cost, savings and net return on investment of the WCLM program

Conclusion

Obesity is a killer—both of individuals and of corporate productivity. Combating obesity has proven difficult, however, newer techniques are beginning to prove effective. StratiVision will work with employers to develop a pilot Work Well—Live Well™ program focusing on baby boomers that incorporates the best of these techniques. The pilot will test the hypothesis that Work Well—Live Well will benefit both employee and employer.