

# Benefits Insights

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National Insurance Services

## Containing Costs of Chronic Health Conditions

Chronic conditions are health conditions that require ongoing management over an extended period of time. Some have very few symptoms, while others severely limit a person's ability to perform everyday, routine tasks. Regardless, chronic conditions may deeply affect those who suffer from them.

Many chronic conditions affect the workforce today, including cancer, diabetes, obesity and cardiovascular disease. When left unchecked and unmanaged—for weeks, months or years—chronic conditions can result in serious illness, hospitalization and death.

Treating chronic conditions may involve physician visits, extended hospital stays, prescription drugs and expensive treatments, contributing to increased medical expenditures and lost productivity for employers. This article explores chronic conditions' impact on employers and workplace strategies to contain associated costs.

### The Cost of Chronic Conditions

According to the Centers for Disease Control and Prevention, 6 in 10 U.S. adults have a chronic disease—and 4 in 10 adults have two or more conditions. Furthermore, chronic diseases are the leading drivers of the nation's \$4.1 trillion in annual health care costs. Unsurprisingly, this is a significant source of financial pain for employers. According to the Partnership to Fight Chronic Disease, employer health care coverage for an employee with a chronic condition is, on average, five times higher than coverage for those without a chronic disease.

Unfortunately, many people deferred or delayed care amid the pandemic due to fear of contracting COVID-19. That, paired with employees experiencing long-term COVID-19 effects, means employers may face higher costs than usual as health care utilization and chronic condition spending increase. Additionally, experts report people increasing

alcohol and tobacco consumption, poor nutrition habits and reduced physical activity. Such behavior changes during the pandemic are likely to have long-term adverse effects on the general population's health.

### Strategies for Employers

It's crucial for individuals with or at risk for chronic conditions to receive treatment or preventive services and ensure they're practicing healthy lifestyle habits. Fortunately, employers are uniquely positioned to help combat chronic conditions, which could, in turn, reduce their health care costs and yield a healthier workforce. Employers may consider the following strategies:

- **Focus on prevention.** Many chronic conditions are preventable despite their devastating effects. Employers can help make preventive care affordable through medical benefits and also encourage the use of such critical care.
- **Be accommodating.** Adjusting policies and programs can help address the needs of employees affected by chronic conditions. Employers may consider offering arrangements such as alternative worksites or other flexible work options to help make chronic care management and treatment more accessible. When employees can stay on schedule with appointments, medications and treatments to take care of themselves, they'll be more likely to remain productive and engaged at work.
- **Make it personal.** Care for chronic conditions can be complex, time-consuming and inconvenient. Employers might consider identifying programs that



offer targeted messaging and support to keep employees informed, engaged and motivated to make healthy choices or changes. Access to health screenings, assessments and wellness coaches can help personalize an employee's experience on their wellness journey.

- **Consider programs that address the common causes of chronic conditions.** The top causes of chronic conditions are tobacco usage, unhealthy diet and a lack of physical activity. Employers might, for example, provide a smoking cessation program or develop exercise programs to promote physical activity. Especially in today's digital world, tools such as fitness apps and wearable devices can help employees make sustainable lifestyle changes.

In the end, employers have an opportunity to influence and encourage employees to successfully manage their conditions and develop healthy lifestyle habits. In general, a healthy workforce is a major boon to an employer's operations.

### Conclusion

Employers are well-positioned to help fight chronic health conditions. Especially today, employers should address and strategize ways to contain costs associated with chronic conditions. In addition, employers can promote health and productivity among their workforces.

Following the pandemic, it's even more critical to get regular health care back on track to help employees better manage their chronic conditions and improve outcomes. Reach out to National Insurance Services to learn more about chronic conditions and the workplace.