

# Benefits Insights

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National Insurance Services

## Financial and Physical Wellness

### Go Hand in Hand

You have probably heard of the significant benefits associated with workplace wellness programs; perhaps you have even implemented one in your organization. What many employers (and others) don't realize is that financial wellness is just as important as physical wellness. In fact, employees who struggle from financial trouble are often more likely to have less focus at work, an unhealthier lifestyle and higher medical costs. Incorporating a financial component to your wellness program can be a strategic move that both your budget and your employees will appreciate.

#### The Connection between Finances and Health

Financial problems are consistently rated among the highest source of stress for people, and can cause anxiety, frustration and feelings of hopelessness. The financial stress that many endure can lead to health problems. Stress is a known contributor to high blood pressure, cardiovascular disease and stomach disorders, among other conditions. Part of this may be due to the fact that many people engage in unhealthy behaviors to cope with stress, such as drinking, smoking and overeating. In fact, a study published in the British Journal of Psychology found that drinking, smoking and obesity were all associated with debt and financial problems.

Financial trouble can be overwhelming and consuming, leading to trouble sleeping, less focus, moodiness and generally feeling run-down. The combination of stress, anxiety and lack of sleep can cause more colds and minor illnesses, and can also exacerbate existing medical conditions. In addition, those with financial problems are more likely to neglect their own health care, such as not spending money on preventive care or not adhering properly to medication and treatment regimens for chronic conditions. All of the above factors can contribute greatly to an increasingly unhealthy lifestyle and higher medical bills.

#### Problems at Work

Like any stressful personal problem, financial burdens can cause an employee to have a poor attitude at work, less focus, lower productivity and generally more carelessness in their work. Financial stress can increase absenteeism rates due to increased health problems, along with higher turnover as some employees search for higher paying jobs.

#### How to Get Started

As an employer, you can help your employees cope with their financial problems and improve their financial situations. Consider offering financial benefits, including educational materials, resources for those needing advice or assistance, and classes to teach basic to advanced financial wellness. Many employees have surprisingly little knowledge about managing finances, so simply offering education can be a huge benefit. If you have a wellness program, work to incorporate the financial component with the overall program.

You may have two different vendors providing financial and physical wellness services—make sure they communicate so they offer your employees a consistent message. Or, you may already have financial services available as part of your Employee Assistance Program; if this is the case, work to increase awareness so you can boost utilization and ensure employees are taking advantage of the benefit. Instead of focusing on simply physical wellness, emphasize lifestyle management to help employees strive for wellness in all aspects of their life.



### **Benefits of Financial Wellness**

Because finances are on the forefront of so many people's minds, especially in this economy, employees will appreciate any financial benefits offered by their employer, and it will likely raise employee morale and satisfaction. In addition, a good financial wellness initiative can go far to reduce health care costs. For example, a smoker may be unwilling to quit until they learn the financial burden of smoking and realize all the money they could save by quitting.

Financial education should also be integrated with discussions about health care to encourage more savvy health care consumers. Once employees learn ways to save money, they will be more likely to be prudent in their health care expenditures, participate in consumer directed health plans, consider mail-order prescriptions and take advantage of preventive care. This education will save both employees and the company significant money on health care.

Plus, having financial peace of mind, or even a feeling of controlling one's finances, will significantly reduce an employee's stress level, which will improve his or her overall health, along with improving focus, attitude and performance at work. Financial wellness can support your overall wellness initiatives by promoting healthier behaviors and attitudes in all aspects of life—yielding happier, healthier employees.