

The Business Case for Health and Wellness

Eat Smart, Move More NC Leadership Team Meeting

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Libby Smith, NC Department of Commerce

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in **NORTH
CAROLINA**

Why it matters...

- A healthy, productive workforce is vital to strong economic growth.
- Labor time lost and the inability to concentrate or perform optimally at work due to poor health, or a family members poor health, is a drain on the economy.
- Most health care insurance in the U.S. is provided by employers – but N.C. employees pay a higher percentage of their health insurance costs.
- Health care costs are rising at unprecedented rates.
- N.C.'s youth and young adults are our future workforce.

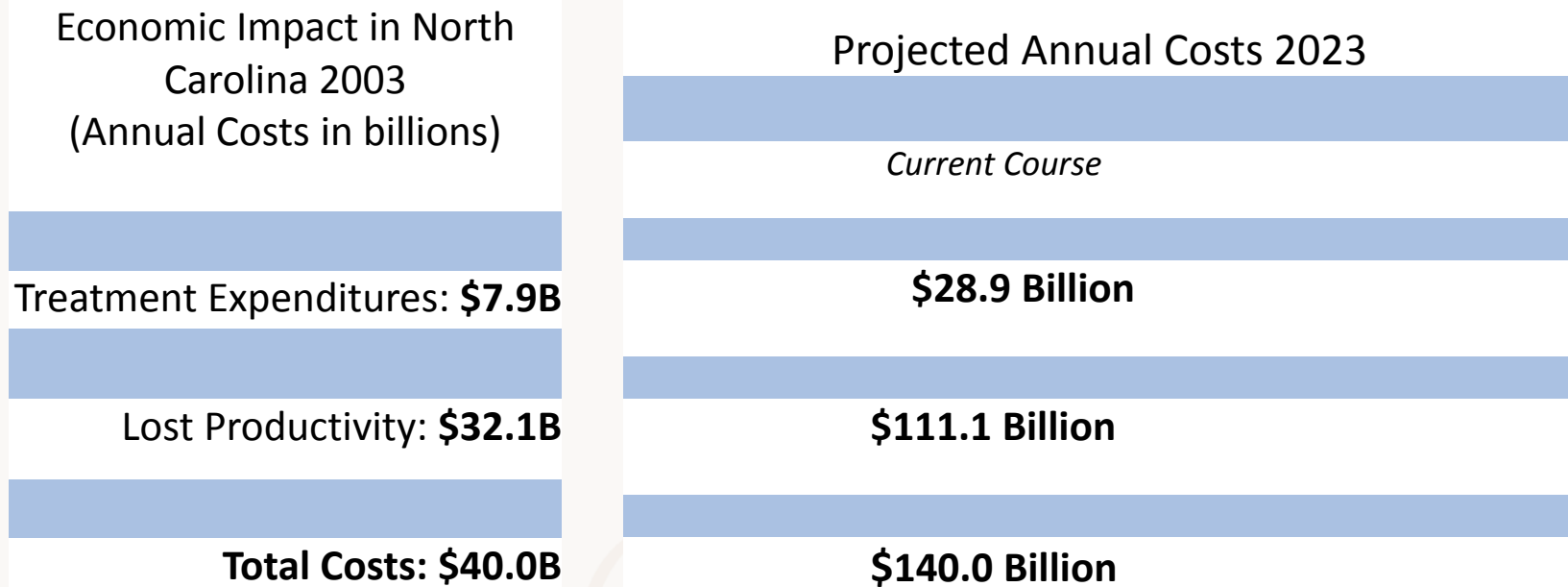
What are the Consequences?

The associated health problems of chronic disease have a significant economic impact not only on our healthcare system, but also our economy.

- Medical costs associated with chronic diseases involve direct and indirect costs:
 - **Direct medical costs** may include preventive, diagnostic, and treatment services.
 - **Indirect costs** relate to morbidity and mortality costs.
 - Morbidity costs are defined as the value of income lost from decreased productivity, restricted activity, absenteeism.
 - Mortality costs are the value of future income lost by premature death.

What is the Economic Impact of Chronic Disease in NC?

Source: Milken Institute Report: "An Unhealthy America: Economic Burden of Chronic Disease". Oct. 2007, www.milkeninstitute.org



How does this effect our Economy?

Having a healthy, productive workforce is critical to economic growth.

- Successful recruitment, retention, expansion and start-up of business and industry relies on a skilled and healthy workforce.

Increasing health care costs and a growing uninsured population have serious implications for employment and economic development.

- A North Carolina Chamber Report (2008) stated that “NC manufacturers complain that healthcare costs are outpacing wages and productivity”.
- High health care costs make it more difficult for small businesses in NC to retain and compete for good workers if they can’t provide healthcare coverage.
- Entrepreneurship suffers if individuals are reluctant to leave the security of their current job’s health coverage.

... so where are the innovative opportunities to promote health within our businesses and in our communities?

Begin with existing frameworks for healthy living

There are a plethora of healthy living initiatives at the national, state and local level aiming to...

- Educate our society on the causes and affects of unhealthy lifestyle choices, like smoking and obesity
- Increase physical activity, by providing exercise breaks and other recreational opportunities
- Make healthy food available and more affordable, by providing better cafeteria and vending machine choices

... and create social purposed enterprises that bridge emerging public/private sector investment

Currently there are innovative and collaborative initiatives that support triple bottom-line approaches - of people, planet and profit – in sustainable community and sustainable business development, which support creation of healthy environments.

- NC Regional Sustainable Community Development - Sustainable Sandhills
- Linking urban planning and public health – consumer demand for walkable and bicycle friendly communities, and recreational green space
- Building sustainable local food economies – ‘Farm to Fork’, ARC, DOD
- Investors: B-Corp, SJF Ventures (external) & Bert’s Bees, SAS (internal)
- Corporate Sustainability – Dow Jones Sustainability Indexes

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