

Ten Surprising Drivers of Healthcare Costs for Employers



HEALTHWORKS
By Carolinas HealthCare System

You already know that tobacco use and heart disease can dramatically impact your employee health benefit costs, and, fortunately, efforts to solve these issues have been advancing for decades. But it's also important to examine root causes of healthcare expenses that don't always make the list. Here are 10 such factors and conditions—and tips on how you can help mitigate them—from Lawrence W. Raymond, MD, medical director, Carolinas HealthCare System HEALTHWORKS Division.

1. TRAUMA

It's the leading cause of death in adults under age 45, with an estimated 148,000 such fatalities a year, at a cost of \$670 billion in medical expenses and lost productivity.¹ In addition, trauma is responsible for 25 percent of disability injuries, and 45 percent of trauma patients never return to work.

 *Employers can help prevent trauma by hosting educational workshops that emphasize defensive driving and first-aid techniques, among other tips.*

2. MEDICAL WASTE

As much as \$750 billion a year is wasted in the U.S. medical system, of which \$200 billion is traced to overtreatment.²

 *Help reduce both medical waste and medical errors by adopting a more consumer-driven approach to health benefits and learning more about patient safety in local hospitals.*

3. MEDICAL ERRORS

A host of mistakes—from missed or delayed diagnoses to failing to order appropriate tests or follow up on abnormal results—represents the nation's third largest cause of death, at \$1 trillion a year.³

 *Be more vigilant about reviewing your medical records for obvious errors.*

4. NOISE

It's estimated that 22 million working Americans are exposed to noise at loud levels that can cause irreversible hearing loss. Moreover, nonauditory effects of noise-induced hearing loss include changes in blood cholesterol and other lipid balance problems.

 *Simple remedies are within reach, and just a five-decibel reduction in environmental noise has the potential to reduce hypertension by 1.4 percent and coronary disease by 1.8 percent, saving \$3.9 billion a year on costs related to cardiovascular diseases.⁴*

5. DEPRESSION

Happier employees, no doubt, will be more productive, but only 11 percent of employers actually facilitate employee screenings for depression.⁵

 *Provide education aimed at understanding mental health in the workplace, ending the stigma of depression, and ensure that primary care physicians are paid to screen for depression.⁶*

6. PREGNANCY MATTERS

There are many benefits to reducing pregnancy complications, birth defects and long-term developmental problems, as well as improving postpartum recovery.

 *For every dollar employers spend to help reduce these conditions, they can save between \$1.60 and \$5.19 according to various researchers.*

7. OBESITY'S LINK TO CANCERS

By reducing obesity, it stands to reason that employers also will be able to lower the risk of overweight employees developing various types of cancer.⁷

 *Although sustaining weight loss has long posed a serious challenge to worksite wellness programs, the key is a combination of regular exercise and ongoing monitoring of one's caloric intake, with the help of portion control.*

8. OBESITY'S LINK TO PREDIABETES/DIABETES

People who are obese are also prone to developing diabetes and will cost twice as much to care for as those without diabetes.

 *Lowering body mass index by just 5 percent can prevent type 2 diabetes as well as many other chronic conditions. Consider adding a company-sponsored weight loss program to your employees.*

9. INFLUENZA

Influenza is not confined to infants and the elderly. Indeed, it has caused more than 5 million illnesses, 2.4 million outpatient visits, 32,000 hospitalizations and 680 deaths in adults younger than age 65. This age group accounted for 38 percent of hospitalizations and 22 percent of deaths in 2013.

 *The cost-to-benefit ratio of a flu shot is underrated and it's relatively easy to offer employees an incentive to get one.*

10. USE OF THE ER FOR NONEMERGENCIES

Somewhere between 13 percent to 27 percent of ER visits could easily be handled at an urgent care center or retail clinic, according to a 2010 Health Affairs study.

 *Urgent care saves time and money. The average cost of an urgent care visit is just \$150 (compared to \$1,354 for an ER visit), and the average wait time for urgent care visits is 30 minutes (compared to four hours in the ER). In addition, virtual care is also a cost-effective option.*

WANT TO LEARN MORE?

Watch the video presented by Lawrence W. Raymond, MD, to get more insights, including:

- How to get a handle on the root causes of employer healthcare costs
- What drives up costs for employees
- How to partner with employees to prevent issues and control costs

[Watch the video now »](#)

Endnotes:

1. Source: National Academies of Science, Engineering and Medicine.
2. Reid, RO, et al. JAMA Internal Medicine, published online August 29, 2016.
3. Makary, M.A., et al. BMJ published online May 3, 2016, accessed August 30, 2016.
4. American Journal of Preventive Medicine 2015; 49:345-353.
5. Source: Christopher V. Goff, CEO, Employers Health Purchasing Corp. of Ohio, Inc.
6. Source: Alberto M. Colombi, M.D., MPH, corporate medical director, PPG Industries.
7. Arnold, M., et al. PLOS Medicine, June 16, 2016.



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