

My Generation: The Who wrote “I Hope I Die Before I Get Old.”

Sixty is the new thirty and old has a
new definition

Cheryl Matheis
Senior Vice President, Health Strategy
AARP



Overview

- The workforce is aging dramatically
- For employers not ready for the change, it will cost them
- Major driver of cost: Chronic Disease
- The workplace is a good place to address chronic disease
- The value of older workers
- Some employers are capitalizing on the value
- AARP is here to help



Changing workplace demographics...



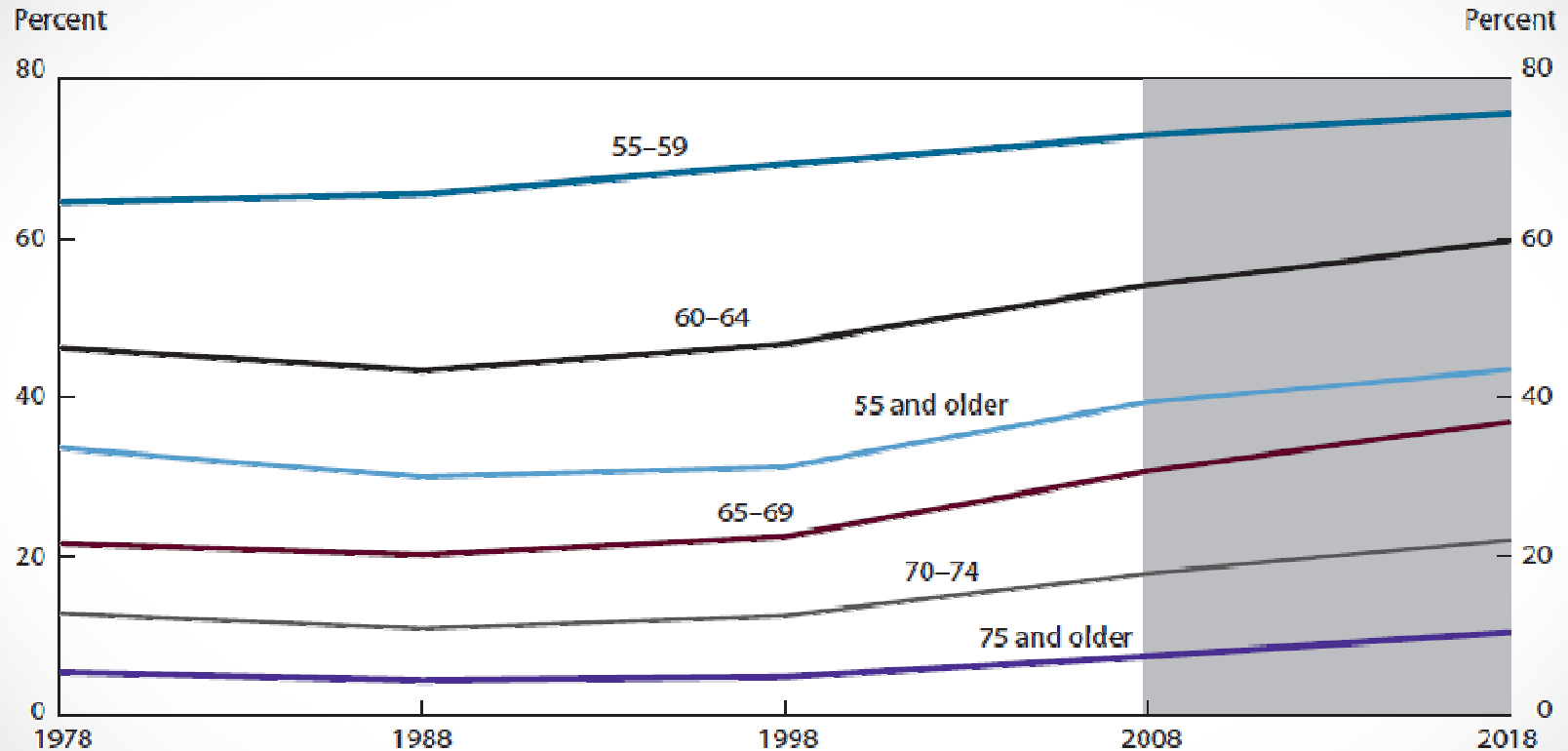
Demographic Changes in the Workforce

- Beginning in the latter part of the 20th century, three major demographic trends dramatically changed the makeup of the U.S. labor force:
 - Slowing growth
 - Increasing Diversity
 - Aging (by 2018, almost all Baby Boomers will be 55+)



Older Workers Are Here to Stay

Labor force participation rates of older workers, 1978, 1988, 2008, and projected 2018



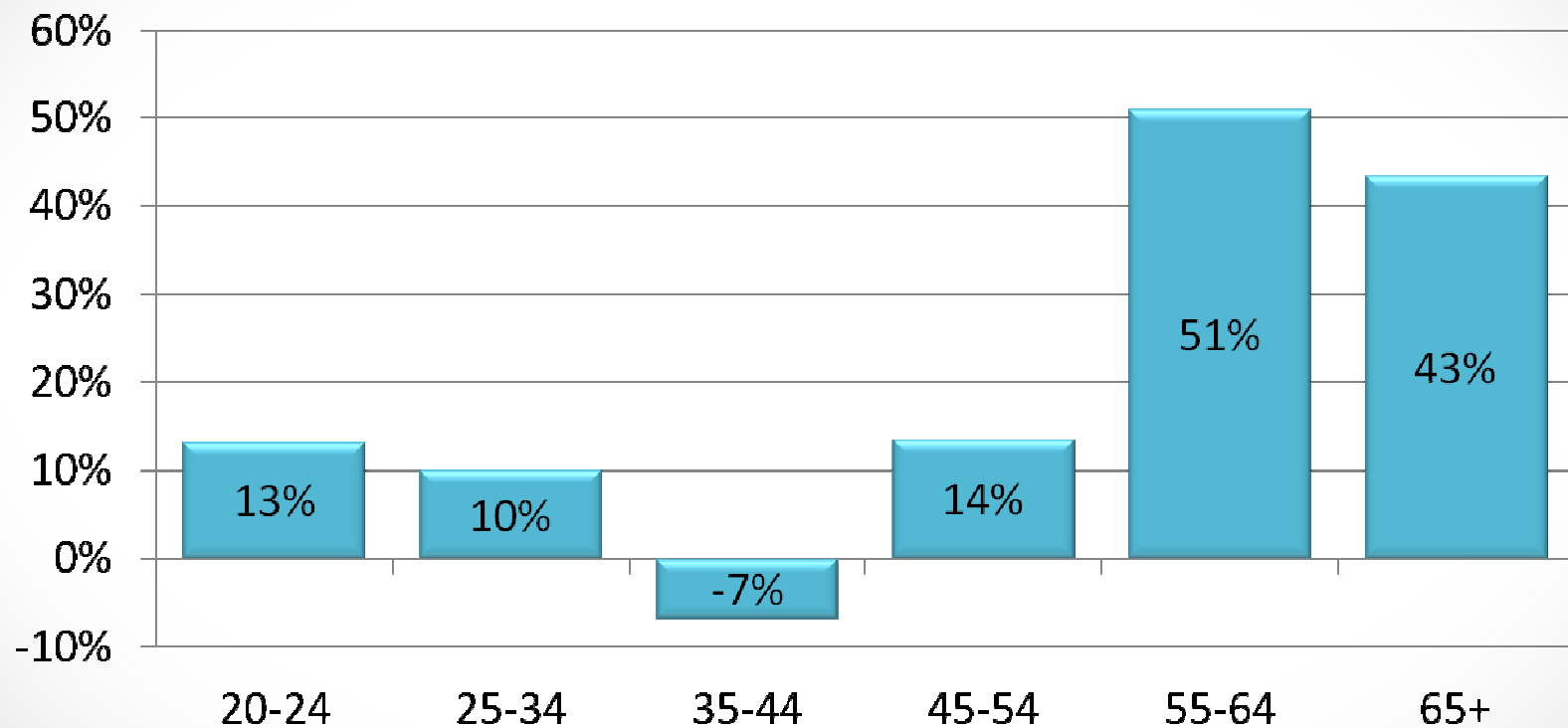
NOTE: Shaded area represents projection.

SOURCE: Mitra Toossi, "Labor force projections to 2018: older workers staying more active," *Monthly Labor Review*, November 2009, pp. 30-51



Older Workers Are Here to Stay

Projected % Change in Labor Force by Age Group, 2002-2012



Work/Life Balance is Important

- Older workers—particularly the boomers—are striving for work/life balance:
 - 31% of mature workers became responsible for a dependent parent
 - 23% had an adult child move back home
 - 16% were providing child care or day care for grandchild



Retirement Age is Flexible

- Boomers are much less likely to associate retirement with the traditional retirement age of 65.
- Nearly 70% of workers who have not retired report that they plan to work into their retirement years or never retire.
- Almost half of workers age 45-70 indicate that they envision working into their 70s or beyond



Financial Need is a Factor

- In an AARP Stock Market Survey (2002), 70% of 50 to 70-year-old investors reported that they had postponed retirement as a result of stock market losses
- Boomers are not financially prepared to retire because of high levels of debt and low levels of savings.
- A 2003 Retirement Confidence Survey (EBRI) reported that fewer than 4 in 10 workers (37%) said they have calculated how much money they will need to have by the time they retire



Many employers are not ready...



Not ready for My Generation

- 80% of employers do not offer any special provisions (i.e. flexible work arrangements) to appeal to the concerns of mature workers.
- 60% of CEOs indicate their companies do not account for workforce aging in their long-term business plans.
- Most employers are not yet facing labor shortages or other economic pressures requiring them to recruit and retain mature workers.



Negative Perceptions of 50+ Workers

- Averse to change
- Lack experience with new technologies
- Out-of-date job skills
- Difficulty reporting to younger bosses
- Too Expensive



It will cost you...

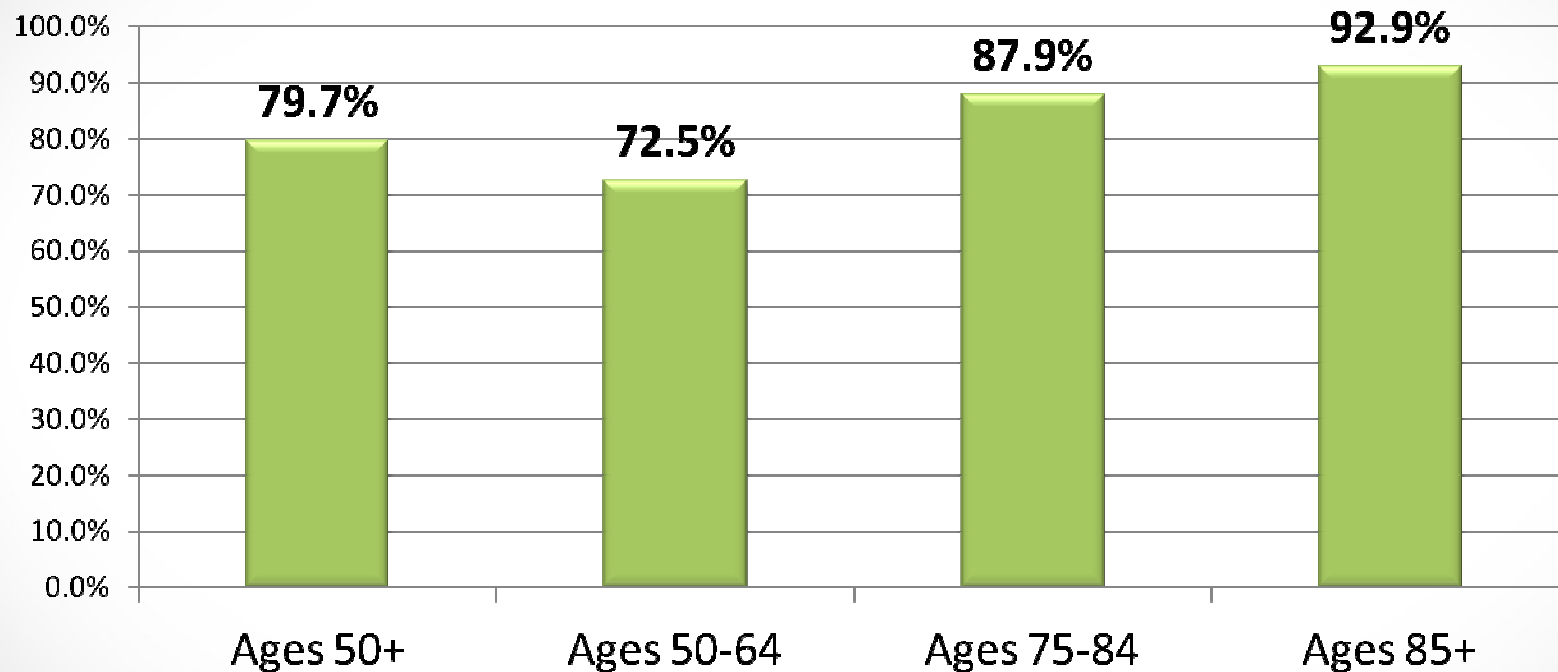
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To Experience

More Older Americans Have Chronic Disease

Share of Older Americans with 1 or More Chronic Conditions



Source: Johns Hopkins Bloomberg School of Public Health analysis of Medical Expenditure Panel, 2005.

More Older Workers Have Chronic Disease

- Four out of five older adults—more than 70 million Americans over 50—suffer from at least one chronic condition
- More than half have more than one chronic condition, and 11 million live with five or more
- Over 40% have high blood pressure
- Over 25% have high cholesterol
- Almost 15% have diabetes

SOURCE: Beyond 50.09 Chronic Care: A Call to Action for Health Reform, AARP March 2009



Chronic Disease is:

- Common
- Costly
- Deadly
- Disabling



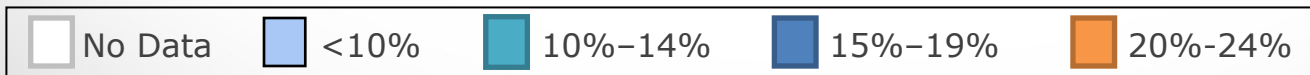
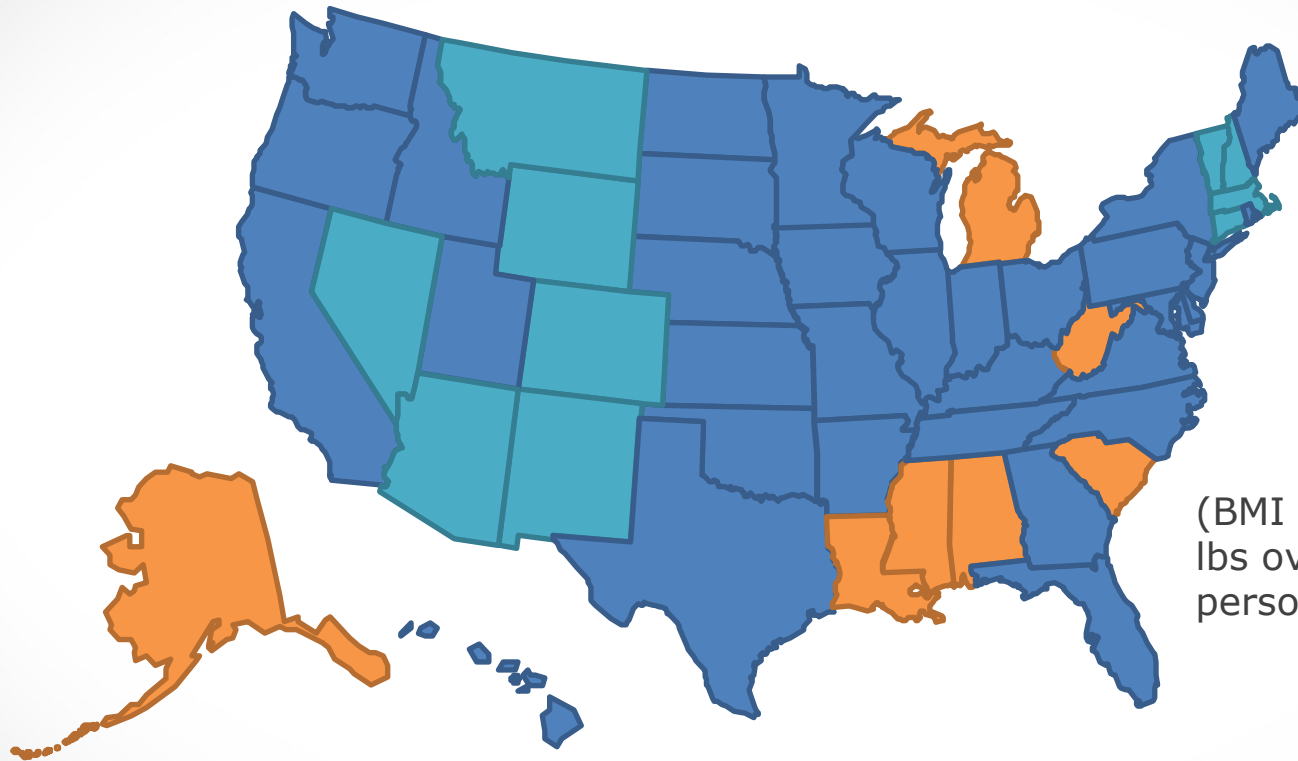
Chronic Disease is Common

- 70 million Cardiovascular Disease
- 46 million Arthritis
- 41 million Pre-diabetes
- 21 million Diabetes
- 9.6 million Cancer
- 60 million Obese



Example: Obesity

Obesity Trends Among U.S. Adults, 1998



Source: Behavioral Risk Factor Surveillance System, CDC

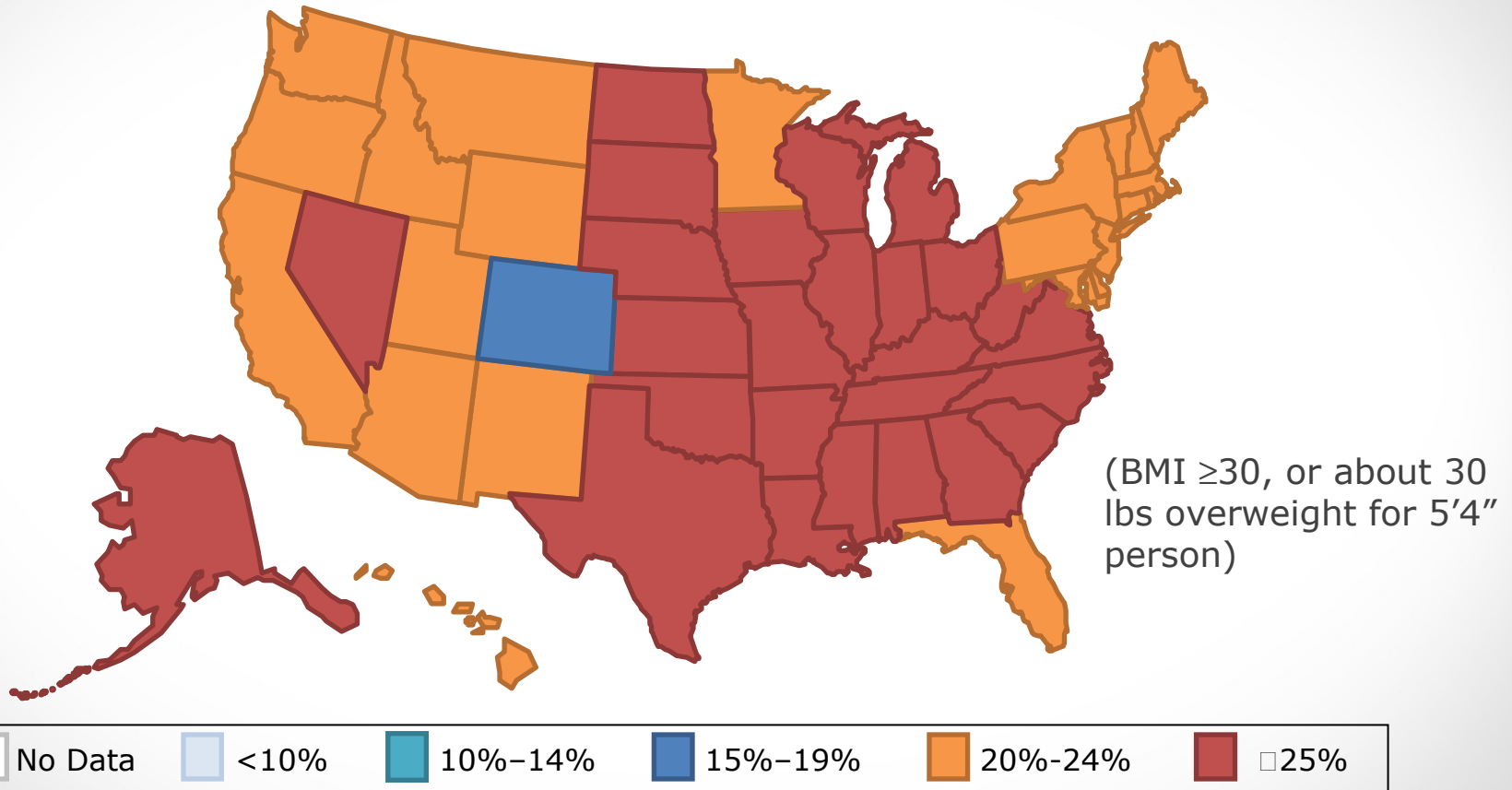
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Example: Obesity

Obesity Trends Among U.S. Adults, 2006



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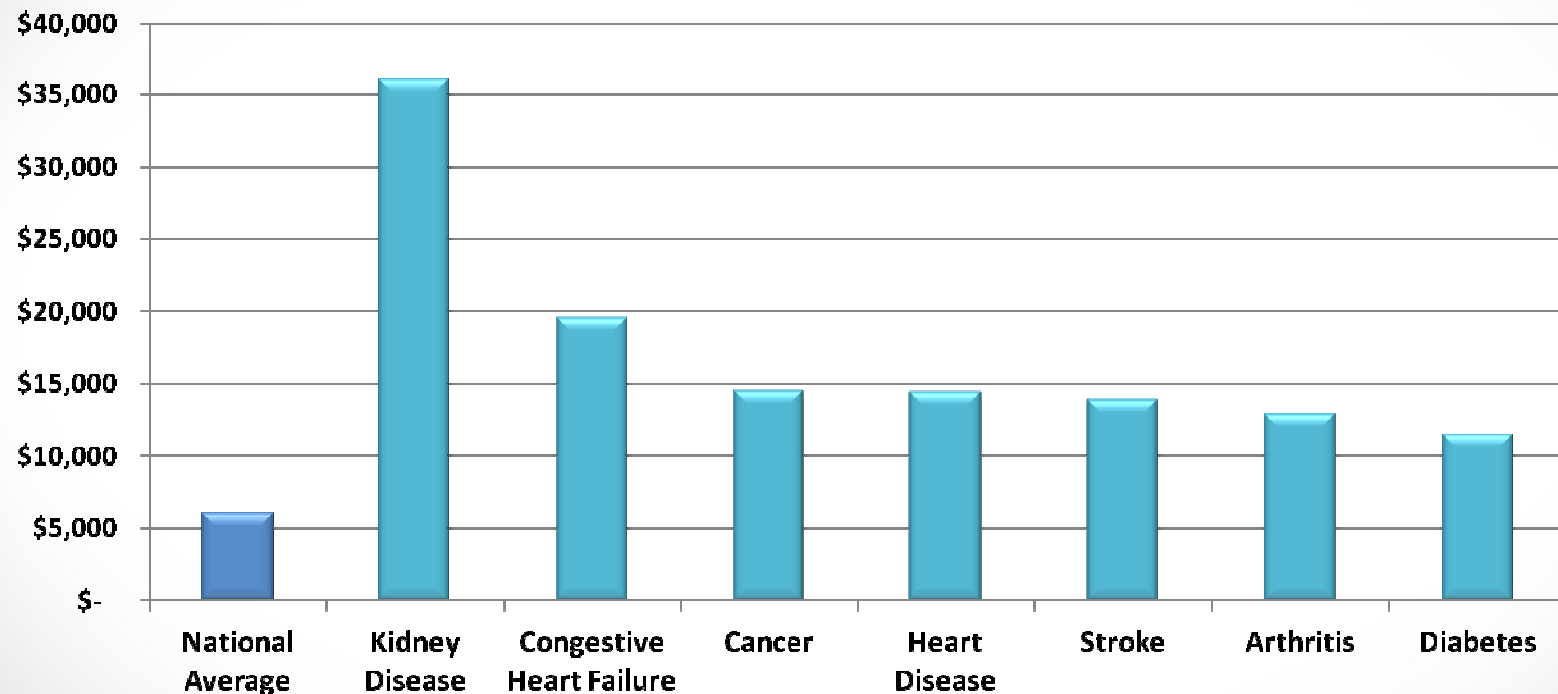
Chronic Disease is Costly

- Health care Costs
- Lost Productivity
- Other Societal Costs



The Cost of Chronic Disease

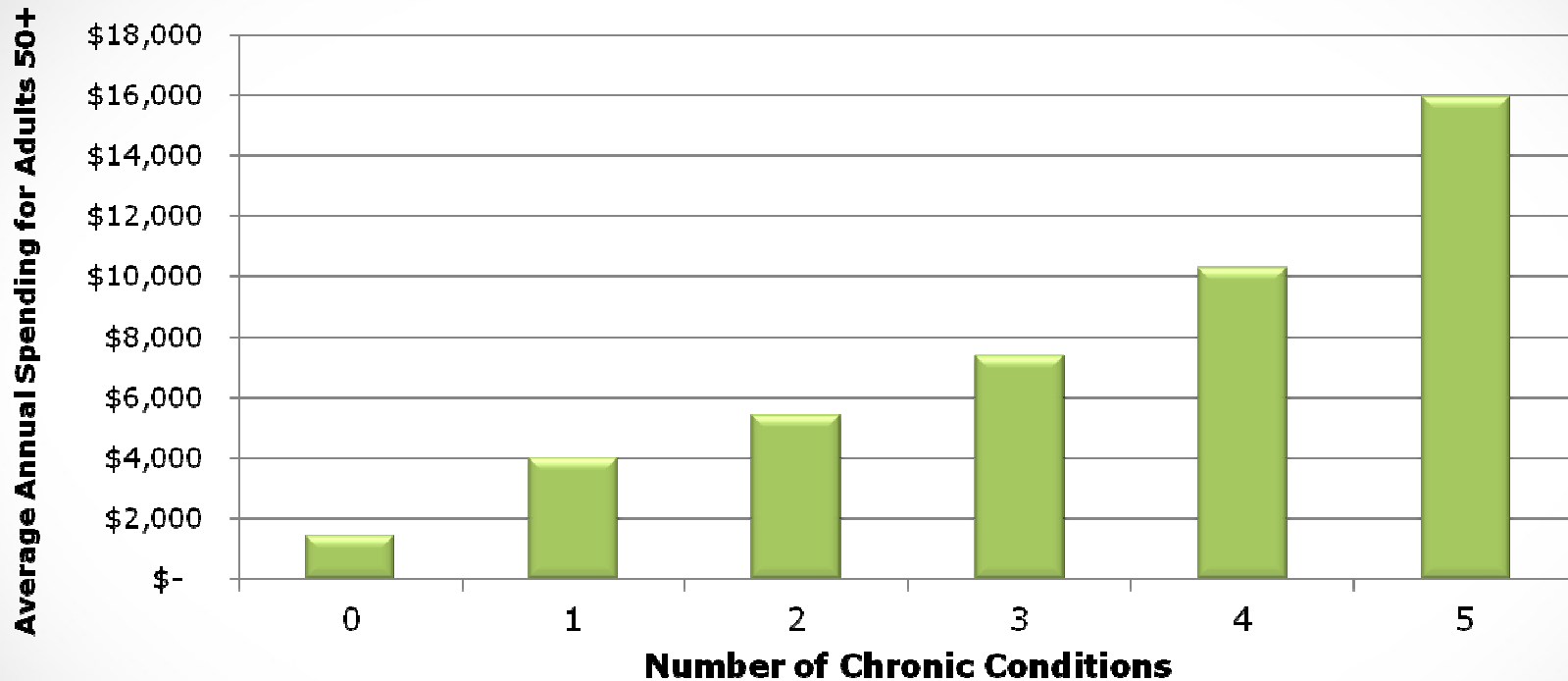
Health Care Spending for Older Americans with Selected Chronic Conditions Is Higher Than Average.



Source: Johns Hopkins Bloomberg School of Public Health analysis of Medical Expenditure Panel, 2005.

The Cost of Chronic Disease

Health Spending Increases with the Number of Chronic Illnesses



Source: Johns Hopkins Bloomberg School of Public Health analysis of Medical Expenditure Panel, 2005.

Chronic Disease Causes Lost Productivity

- An estimated 200 million work days are lost to depression per year
- An estimated 39 million work days are lost to obesity-related illness per year
- Men who smoke use 4 more sick days and women who smoke use 2 more sick days than nonsmoking men and women, respectively



Chronic Disease Has Societal Costs

- 63% of families who reported problems paying medical bills also had problems paying for other household necessities such as food, clothing, and rent.*
- As many as 54.5% of people who file for bankruptcy cite medical expenses as a reason for filing. There has been an estimated 30-fold increase in medical expense-related bankruptcies since 1981.†

*May, J.H. and P.J. Cunningham, "Tough Trade-offs: Medical Bills, Family Finance and Access to Care," Center for Studying Health System Change, Issue Brief No. 85, June 2004.

†David U. Himmelstein, Elizabeth Warren, Deborah Thorne, Steffie Woolhandler. "Market Watch: Illness and Injury as Contributors to Bankruptcy." *Health Affairs*, Web Exclusive. February 2, 2005.



But there's some good news...



Chronic Disease is Preventable

- The vast majority of cases of chronic disease could be prevented:
 - 80% of heart disease and stroke
 - 80% of type 2 diabetes
 - 40% of cancers

SOURCE: World Health Organization (WHO), Preventing Chronic Diseases: A Vital Investment (Geneva: WHO, 2005).



Chronic Disease is Preventable

- The chronic diseases just mentioned could be prevented if people did four things:
 - Stop tobacco use
 - Eat a healthy diet
 - Be physically active
 - Maintain a healthy weight

SOURCE: World Health Organization (WHO), Preventing Chronic Diseases: A Vital Investment (Geneva: WHO, 2005).



Chronic Disease is Preventable

- People who meet recommended levels of physical activity (2.5 hours of moderate-intensity activity each week) have a lower risk of heart disease, high blood pressure, stroke, diabetes, obesity, and some types of cancer.
- Physical activity helps to control weight; reduces the symptoms of anxiety and depression; and is associated with fewer hospitalizations, doctor visits, and medications.



Chronic Disease is Preventable

Predicted likelihood of developing coronary heart disease, stroke, or diabetes by age 65

Men, Age 50	
Non-Smoker	Smoker
Normal Weight	Overweight
Active	Inactive
11%	58%



Chronic Disease is Manageable

- Management of chronic disease could also be significantly improved:
 - Chronically ill patients receive only 56% of the clinically recommended preventive healthcare services
 - Among industrialized nations, the U.S. has the smallest proportion of people who keep their primary care provider for five years or more

SOURCE: McGlynn EA, Asch SM, Adams J, et al. The quality of health care delivered to adults in the United States. *New England Journal of Medicine* 2003;348:2635-264; Shoen C et al, "Taking the Pulse of Health Care Systems: Experience of Patients with Health Problems in Six Countries," *Health Affairs Web Exclusive*, 11/05.



The Workplace is the Right Place for Wellness...

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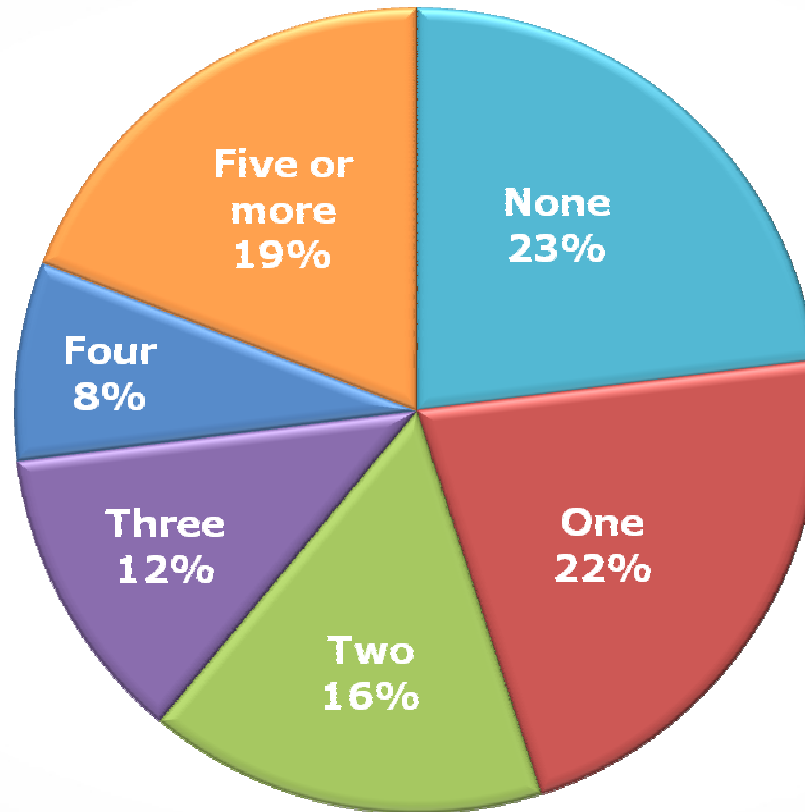
Workplace as a Setting for Health Promotion

- 145 million full and part-time workers
- Employees spend more than 1/3 of their day at the workplace
- Employer-based health insurance provided coverage to 159 million Americans (63.4% of those under age 65) in 2003
- Employers pay for 36% of the nation's health care expenditures
- The environment is a powerful influence



Chronic Disease in the Workplace

Chronic Disease Prevalence Among American Workers, 2007



Source: Newsweek Web Exclusive. August 15, 2008.
Accessed at: <http://www.newsweek.com/id/153309>

Preventing or Managing Chronic Disease

- How you think about the problem drives what you do about it
 - Improve employees' health
 - Save money on health care
 - Increase productivity
 - Increase morale, improve recruitment and retention



So, wouldn't it be easier to hire more young people?



No! Because older workers add value...



50+ Workers are a Valuable Asset

- Mature workers offer businesses a unique combination of experience, loyalty, enthusiasm, and a strong work ethic
- As the workforce ages, businesses that know how to recruit and retain mature workers will gain a competitive edge.

Source: The Business Case for Workers Age 50+: Planning for Tomorrow's Talent Needs in Today's Competitive Environment, A Report for AARP Prepared by Towers Perrin, December 2005.



50+ Workers Are Engaged and Motivated

- 50+ workers are **more** engaged as they age.
- 50+ workers are **more** motivated to exceed expectations than their younger counterparts.
- 50+ workers are **highly receptive** to training opportunities, particularly those aimed at improving specific business and technical skills.

Source: The Business Case for Workers Age 50+: Planning for Tomorrow's Talent Needs in Today's Competitive Environment, A Report for AARP Prepared by Towers Perrin, December 2005.



50+ Workers Have Low Turnover

- The average tenure among workers is 3.7 years.
- Median job tenure of 55+ worker is 3.3 times that of 25 to 34-year-olds.
- 58% of HR managers report it is more difficult today than it was 5 years ago to find qualified job applicants.
- The benefits of a stable workforce can exceed the incremental compensation and benefit cost for a 50+ worker.

Source: The Business Case for Workers Age 50+: Planning for Tomorrow's Talent Needs in Today's Competitive Environment, A Report for AARP Prepared by Towers Perrin, December 2005.



Some employers get it...

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Wellness at Work: AARP's Best Employers for Workers over 50

Scripps Health

- Scripps' Wellness Program provides wellness resources, education, screenings, and interactive programs.
- Wellness Program is one of Scripps' most popular new benefits.
- Biometric screenings are also available, with more than 55% of employees taking part—30% of whom were age 50 or older.
- Using the findings from the screenings, employees can adjust their lifestyles to improve their health, which in turn may lead Scripps to save millions in direct and indirect costs.



Wellness at Work: AARP's Best Employers for Workers over 50

Cornell University:

- Retirees Exercise Program brings retired employees into Cornell's employee wellness program for \$175 a year, which includes membership to the Cornell Fitness Centers.
- Retirees have access to all other Cornell wellness benefits, including exercise testing and health screenings.
- Cornell works with a vendor that offers programs which target the promotion of wellness in later life through recreation, education, advocacy, and volunteering.



Wellness at Work: AARP's Best Employers for Workers over 50

S.C. Johnson:

- Provides wellness-related benefits for all employees including flu shots, health screenings, health risk appraisals, smoking cessation programs, fitness facility and exercise program discounts, weight loss programs, and stress management programs. 80% of all employees used at least one of these wellness benefits in the past year.
- A recreation and fitness center is accessible to all employees, retirees, and their families, which includes fitness programs and events.
- An on-staff physician is accessible to both employees and retirees for medical care, counsel, and emergencies.



Reasons Employers Are Not Taking Action

- Lack of:
 - Resources
 - Capacity
 - Understanding of health risks/conditions and effective interventions
 - Publicly available tools



How can you take action?



AARP is here to help!

- We partnered with CDC to develop the Workplace Health Promotion Toolkit.
- It is designed to educate business managers, human resource staff, corporate wellness managers, and public health professionals on approaches to improving employee health.
- It pulls together the best CDC science and resources to provide timely and relevant information to employers.



Workplace Health Promotion Toolkit

www.cdc.gov/workplacehealthpromotion

CDC Home
CDC Centers for Disease Control and Prevention
Your Online Source for Credible Health Information

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Workplace Health Promotion

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The workplace and the health of the workers within it are inextricably linked. Ideally, workplaces should not only protect the safety and wellbeing of employees but also provide them opportunities for better long-term health and enhanced quality of life. Effective workplace programs, policies, and environments which are health-focused and worker-centered have the potential to significantly benefit employers, employees, their families, and communities. This site is a toolkit for workplace health protection and promotion. It provides information, tools, resources, and guidance to practitioners interested in establishing or enhancing workplace health and safety programs.

Recommendations and Guidelines

A Purchaser's Guide to Clinical Preventive Services: Moving Science into Coverage
Developed in collaboration with the Centers for Disease Control and Prevention (CDC), the Purchaser's Guide translates clinical guidelines and medical evidence, providing large employers with the information they need to select, define, and implement preventive medical benefits such as colorectal cancer screening and tobacco use treatment.

Workplace Health Toolkit Model
A coordinated approach to workplace health promotion results in a organized and comprehensive set of programs, policies, benefits, and environmental supports designed to meet the health and safety needs of all employees. This toolkit involves a stepwise process that includes assessment, planning, implementation, and evaluation of workplace health activities.

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Contact Us:
 Centers for Disease Control and Prevention
1600 Clifton Rd
Atlanta, GA 30333
 800-CDC-INFO (800-232-4636)
TTY: (888) 232-6348
24 Hours/Every Day
 cdcinfo@cdc.gov



Key Features of the Toolkit Include:

- Stepwise Approach to create or improve a workplace health program with modules on:
 - Assessment
 - Planning
 - Implementation
 - Evaluation



It has everything you need

- Links to Tools and Resources including:
 - Turnkey programs
 - Cost calculators for obesity, depression, and physical inactivity
 - Public Health guidelines such as the Dietary Guidelines for Americans
 - Assessment tools and templates
 - Fact sheets and education materials for employees



The Toolkit also includes:

- Recommendations based on the best available science and proven best practices that have demonstrated an ability to improve both employee health and the employer's bottom line



The Toolkit Can Help You

- **Take** a hard look at the relationship of your employees' health to your business situation
- **Consider** how the health of your employees may be making you less competitive and what you can do about it
- **Challenge** the conventional solutions of cutting benefits or shifting costs, and explore longer term investments in the sustainability of your workforce



The Moral of the Story

- With an aging workforce and increased chronic disease rates, employee wellness is not a “nice-to-have” but a “need-to-have”
- You need healthier employees
- AARP is here to help!



Thank You

If you'd like to speak with a HealthMedia® representative today to find out how we can help you achieve measurable outcomes that demonstrate improved productivity, reduced health care costs, and drive your business forward, please contact us by calling 734-623-0000, ext. 300 or email sales@healthmedia.com.

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