

MEDIA RELEASE

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Using the Workplace to Fight Chronic Disease

The Health and Productivity Institute of Australia (HAPIA), the peak body for employee health, has urged the Federal Government to make the workplace part of the primary care model for the early detection and prevention of chronic diseases such as diabetes, obesity, heart and lung disease and mental illness.

This is the key recommendation of HAPIA's submission to the National Health and Hospitals Reform Commission which was prepared by independent public policy experts Aegis Consulting Australia.

According to the Australian Institute of Health and Welfare (AIHW) 70% of all health care costs relate to chronic conditions, the majority of which are directly caused or exacerbated by poor lifestyle.

The HAPIA-Aegis Consulting submission identifies that high-risk employees (defined as having 5 or more risk factors such as obesity, smoking, inactivity, etc.) are at work but not productive 32.7% of the time compared to low-risk employees (0-2 Risks) who are not productive 14.5% of the time. Healthy employees average 1-2 sick days per annum versus 18 days for those in the lowest health and well-being category.

The Chairman of HAPIA, Dr John Lang said that "the workplace is a proven environment in which to detect and reduce chronic disease risks, potentially saving tens of billions of dollars annually. But surprisingly there is no significant Commonwealth funding or incentives for workplace health programs."

"Over 600 national and international studies demonstrate that on average, every \$1 spent on workplace health generates approximately \$5 in savings from reduced absenteeism, improved productivity and lower workers compensation costs", Dr Lang said.

"Improving the health of people through the workplace also reduces the burden on the health and hospital system", he said.

"Nationwide 1500 corporate and government employers offer health risk assessments and interventions for about 400 000 or 4% of employees, but there is an opportunity for all Australian workers to benefit from workplace screening programs with the right support from Government", Dr Lang said.

Vish Beri, Director of Aegis Consulting Australia, said that "Government, employers and private health insurers all benefit from economic and health system gains through chronic disease prevention and they should all contribute to the cost of health promotion through the workplace".

"The Commonwealth Government can increase the take up of workplace health programs through direct subsidies or tax incentives and changes to private health insurance rules", Mr Beri said.

The HAPIA – Aegis Consulting submission proposes that the Commonwealth fund and promote workplace health programs through:

- Medicare subsidies, Health Care Agreement funding, or direct grants to employers such as the Victorian Government has recently committed to; and/or
- Changes to the *Fringe Benefits Tax Assessment Act* and *Income Tax Assessment Act* to provide clear incentives for employers; and/or
- Changes to the *Private Health Insurance Act 2007* and *Private Health Insurance (Business Insurance) Rules 2007* to improve the capacity of employers and private health insurance firms.

Mr Beri said that the Commonwealth should establish a National Health Prevention body to develop standards to measure chronic disease risks and inform policy and market responses, as well as a National Well Being Index to collect data on population health and set national health benchmarks.

Dr Lang said that better data, including the development of the National Wellbeing Index, will allow the development of appropriate targeted interventions, an approach that has enabled the state of Colorado to defy the national trend for obesity in the United States at a time when that country is struggling with an obesity epidemic.

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