



Investing in the Health of our Workers

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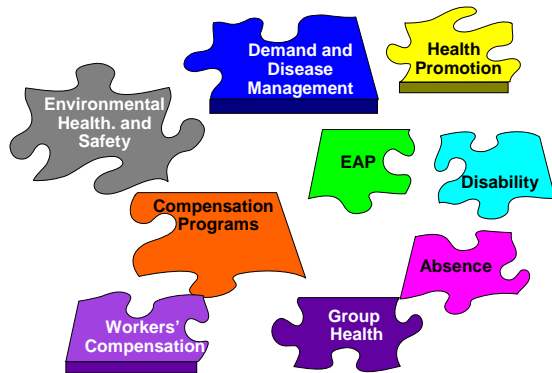
Core Messages

- There is a clear link between a workers' health, safety and productivity;
- Poor health is costing significantly more than most businesses realise;
- Investing in Employee health makes good business sense;
- Data capture is essential in implementing effective and sustainable wellness programmes.

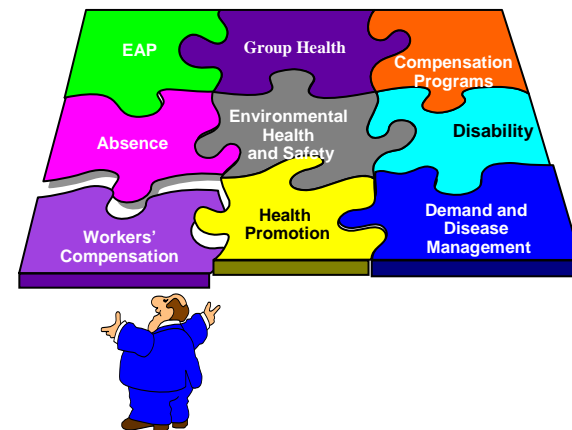
What is HPM?

- “The integrated management of health and injury risks, chronic illness, and disability to reduce employee’s total health-related costs including medical expenditure, unnecessary absence from work, and lost performance at work (i.e., presenteeism).”

Common Approach - Individual Program Management



HPM—Putting the Pieces Together



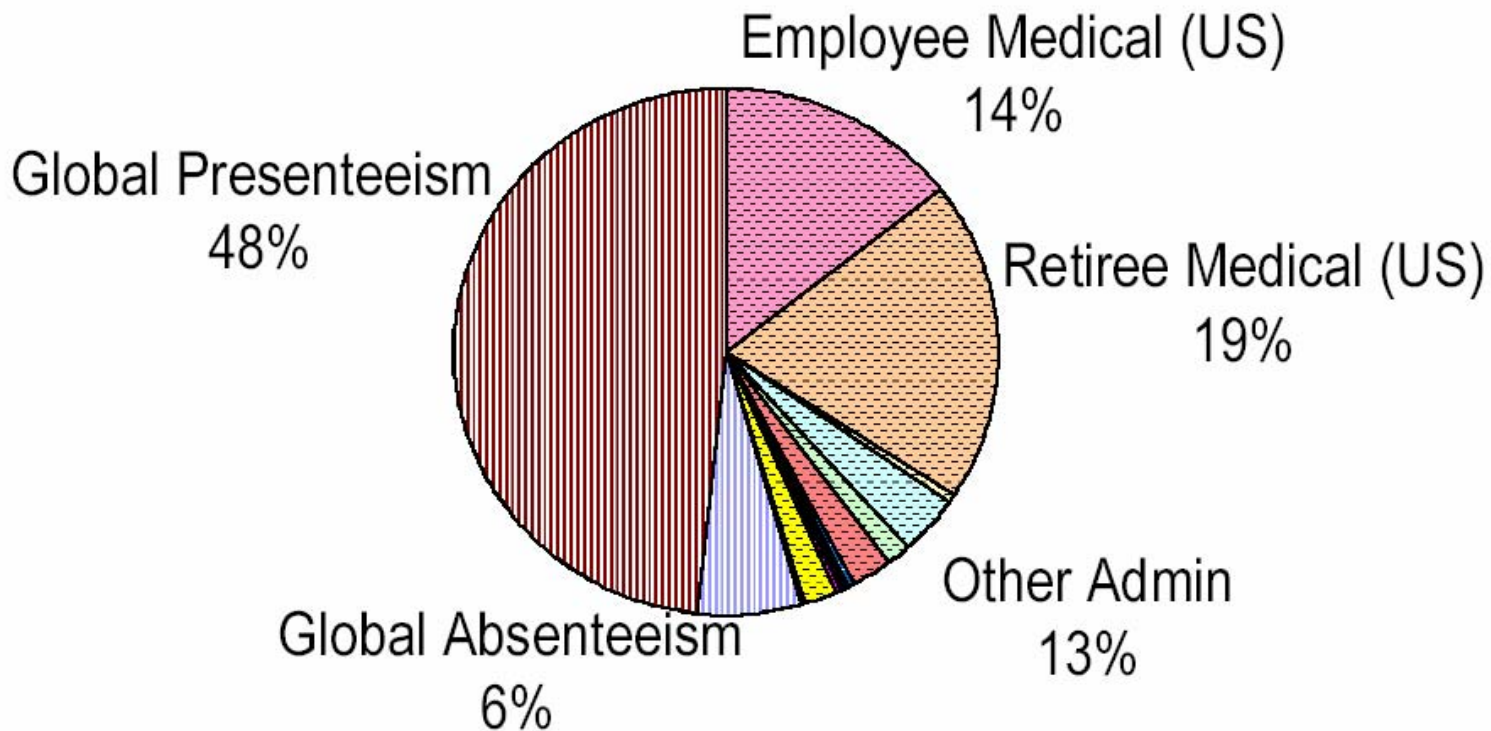


- **Presenteeism:** The problem of workers being on the job but, because of medical conditions, not fully functioning. The health problems that result in presenteeism include such chronic or episodic ailments as seasonal include: depression, back pain, arthritis, heart disease, high blood pressure, and gastrointestinal disorders.



Total Economic Impact of Health

US\$ 750 million





WHY use HPM

- **Impairment at work (presenteeism) is the largest single component of productivity losses in the workplace;**
- **The extent and cost of productivity losses within a workplace are much larger than previously thought;**
- **The presence of modifiable Risk Factors is strongly correlated with reduced productivity;**
- **Productivity-improvement projects can be designed and implemented for success and have a positive ROI.**

Health Risks and Behaviour

Health Risk Measure

- Alcohol
- Blood pressure
- Body Mass Index
- Cholesterol
- Existing medical problem
- HDL
- Illness days
- Job satisfaction
- Life satisfaction
- Perception of health
- Physical activity
- Safety belt usage
- Smoking
- Stress
- Use of drugs for relaxation

High Risk Criteria

More than 14 drinks/week
 Systolic > 139 mmHg or diastolic > 89 mmHg
 > 27
 > 239 mg/dL
 Heart, cancer, diabetes, emphysema, stroke
 < 35 mg/dL
 >5 days per year
 Partly or not satisfied
 Partly or not satisfied
 Fair or poor
 < one time per week
 Using safety belt < 100% of time
 Present smoker
 High
 Few times per month or more

Overall Risk Levels

Low Risk

Medium Risk

High Risk

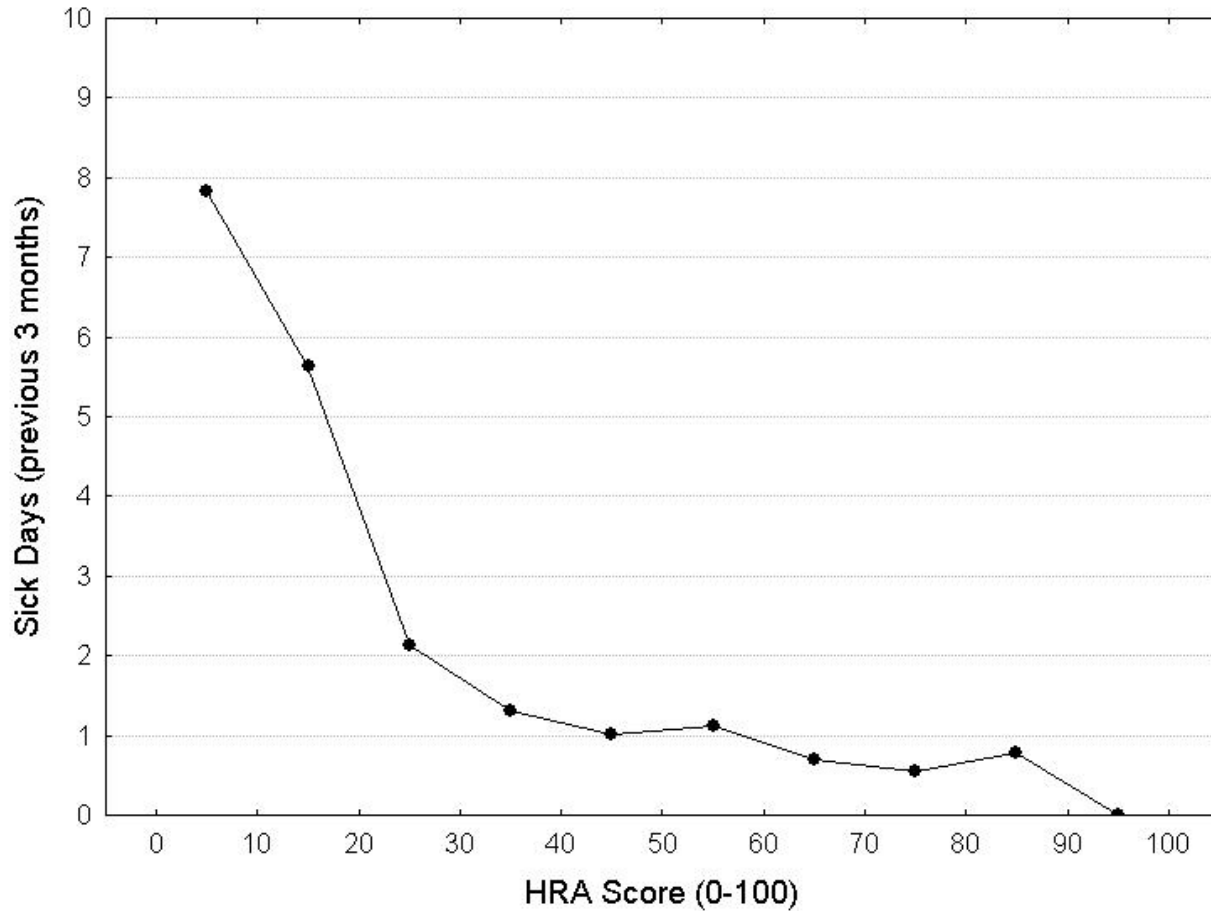
0 to 2 high risks

3-4 high risks

5 or more high risks

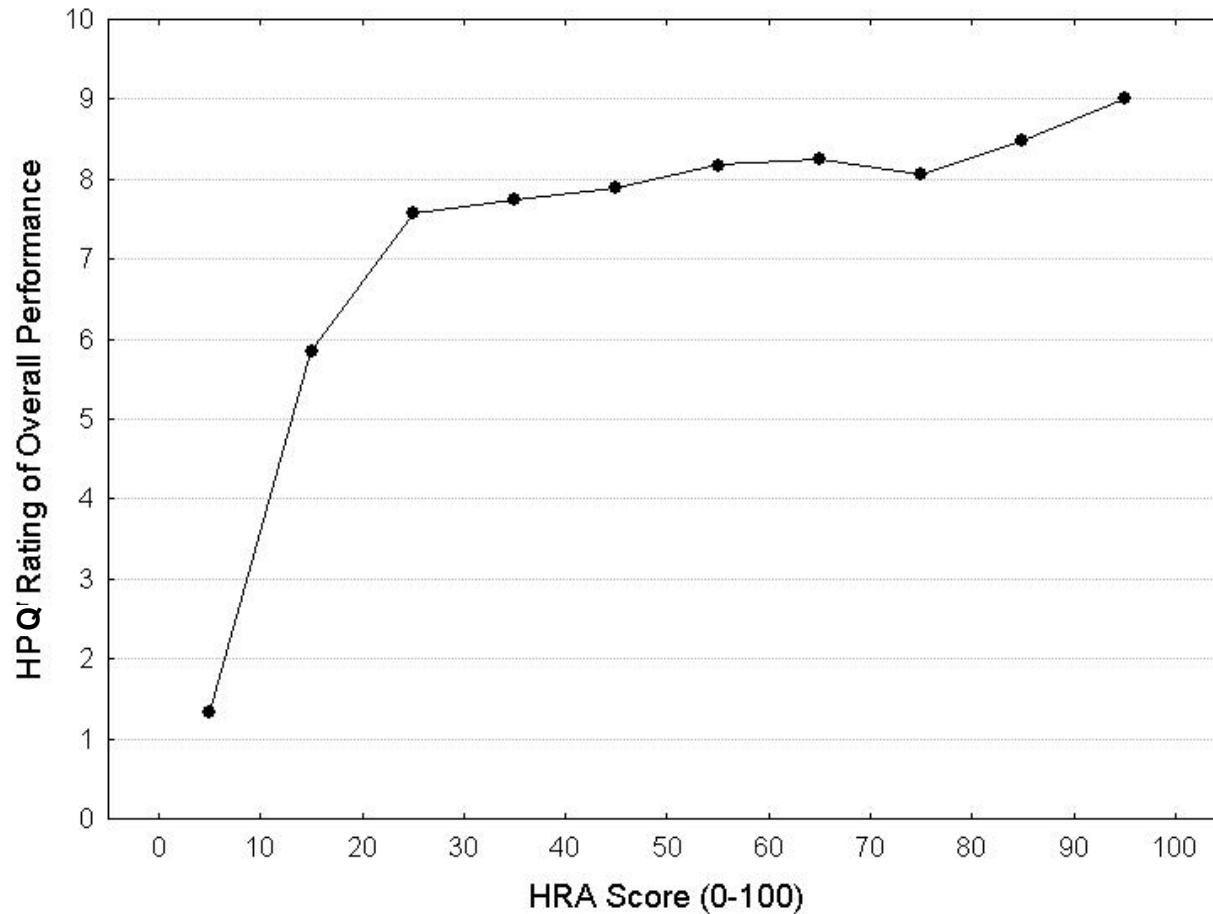


Relationship between health status and sickness absence*



*vielife presentation 2006

Relationship between health status and work performance*



*vielife presentation 2006



The Rio Tinto Health and Work Survey

- Over 1300 employees (60% response rate)
- Harvard Productivity Questionnaire + Risk Factors

Objective:

- Develop a health profile for the businesses
- Identify diseases and risk factors for poor health that result in maximal productivity loss
- Assist participating businesses to develop own wellness strategy
- Support business case for Group wellness Strategy

Key Results – Risk factors:

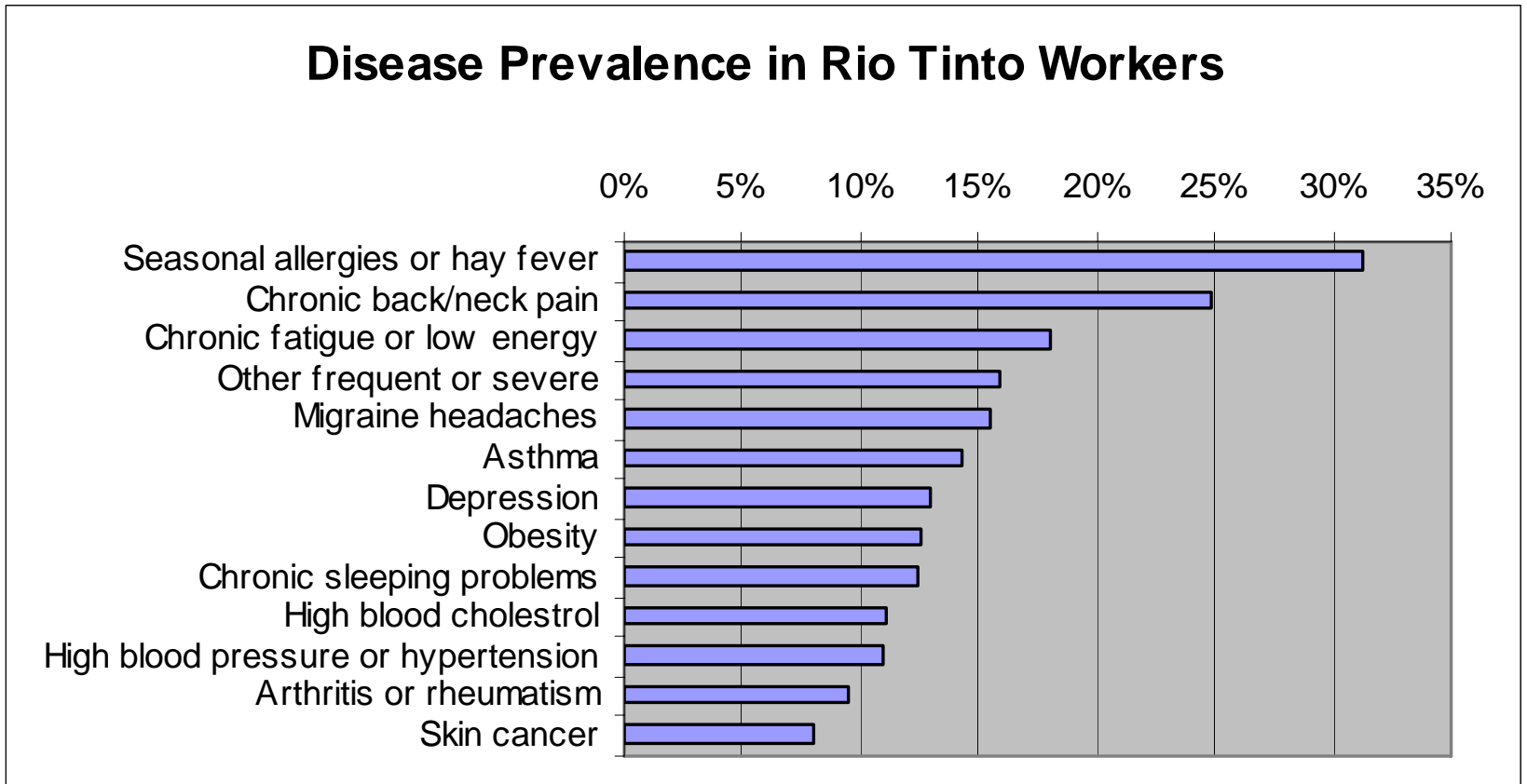
- 60% workers not active enough (↓ ↑)
- 55% were overweight or obese (↓ ↑)
- 20% at medium and 4% at high risk of significant psychologic distress(↓)
- 20% were at some risk from alcohol consumption patterns (NA)
- 18% reported fatigue or low energy (↓)
- 15% smoked (↓)
- 35%% males and 19% of females aged over 40 had not seen a doctor for a routine check up in the last 12 months (NA)

(↓ ↑) equivalent to Australian Data

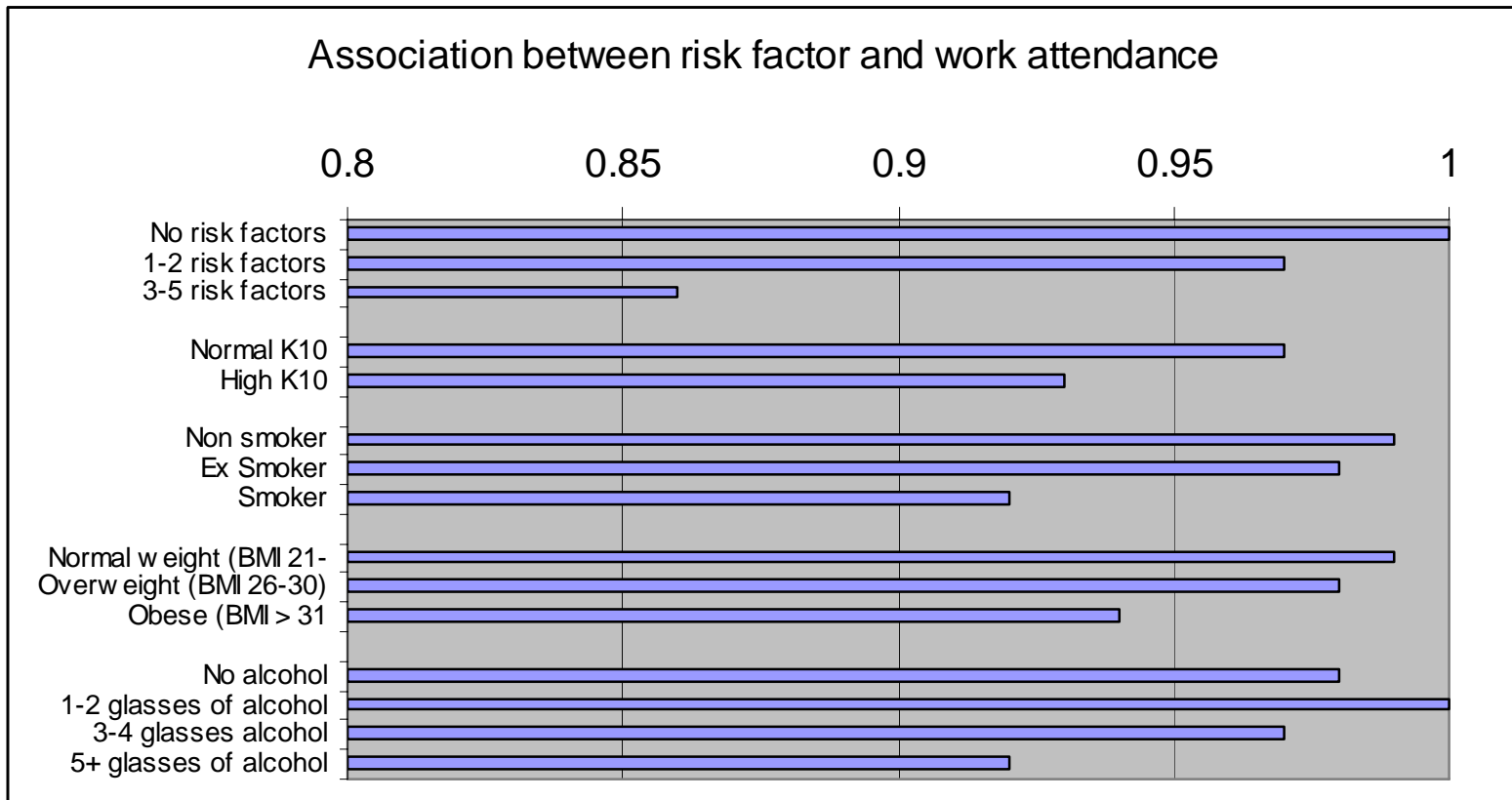
(↓) lower than Australian Data

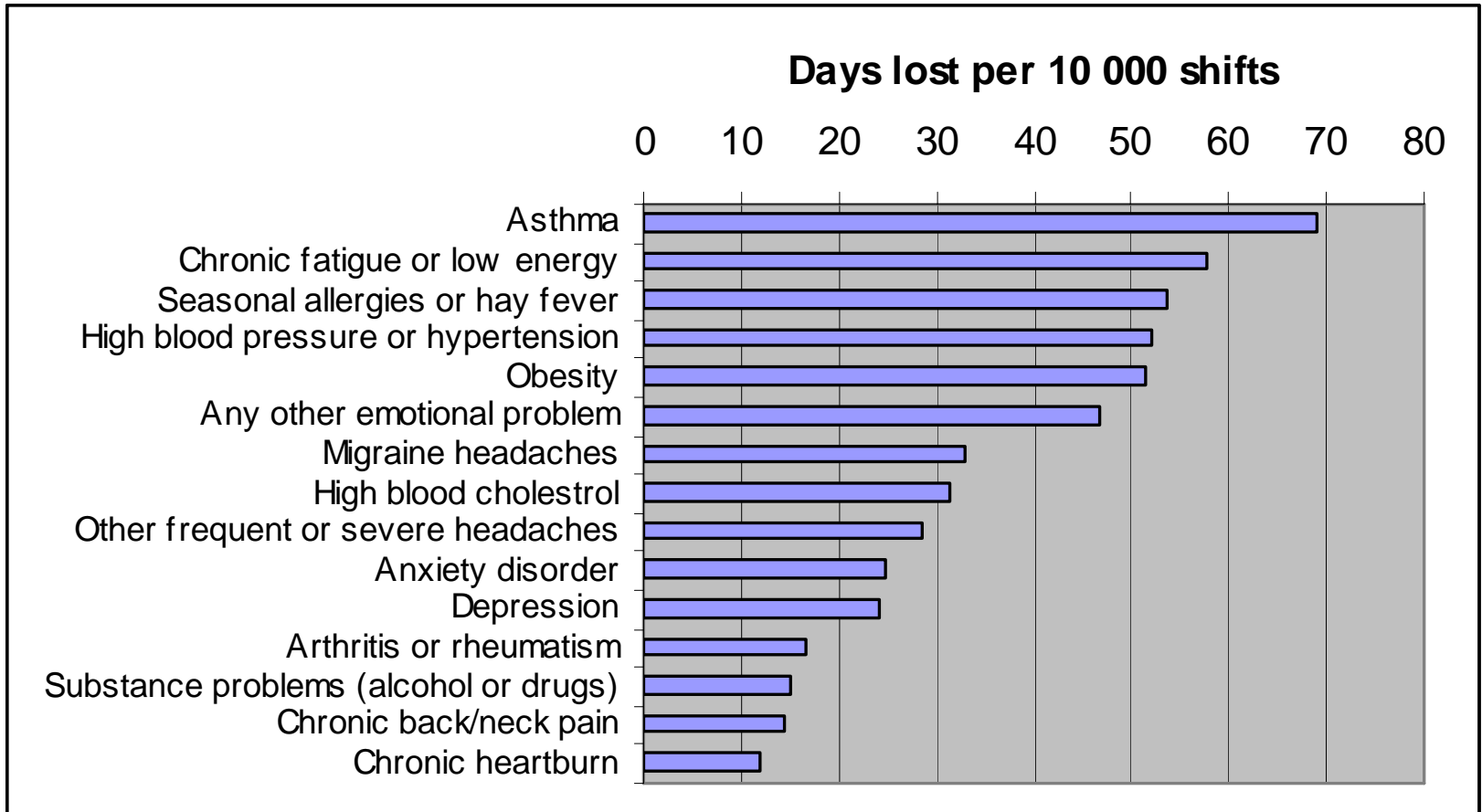
(NA) comparative data not available

Key findings (diseases) continued:



Risk factor-related absenteeism

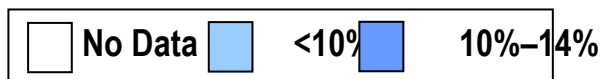
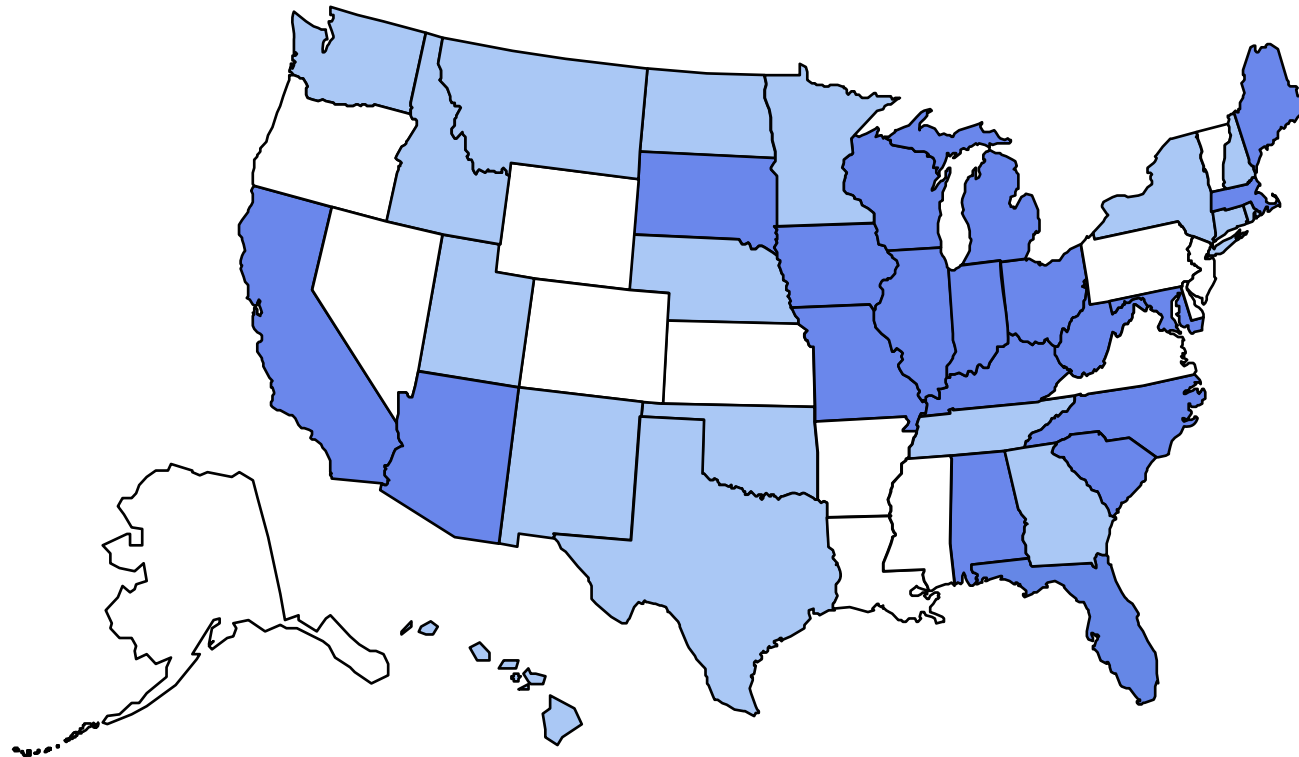




Obesity Trends* Among U.S. Adults

BRFSS, 1988

(*BMI ≥ 30 , or ~ 30 lbs overweight for 5' 4" person)



December 13, 2006

Presentation title

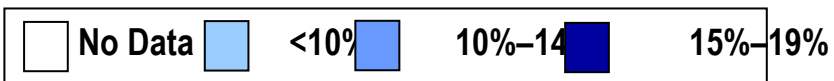
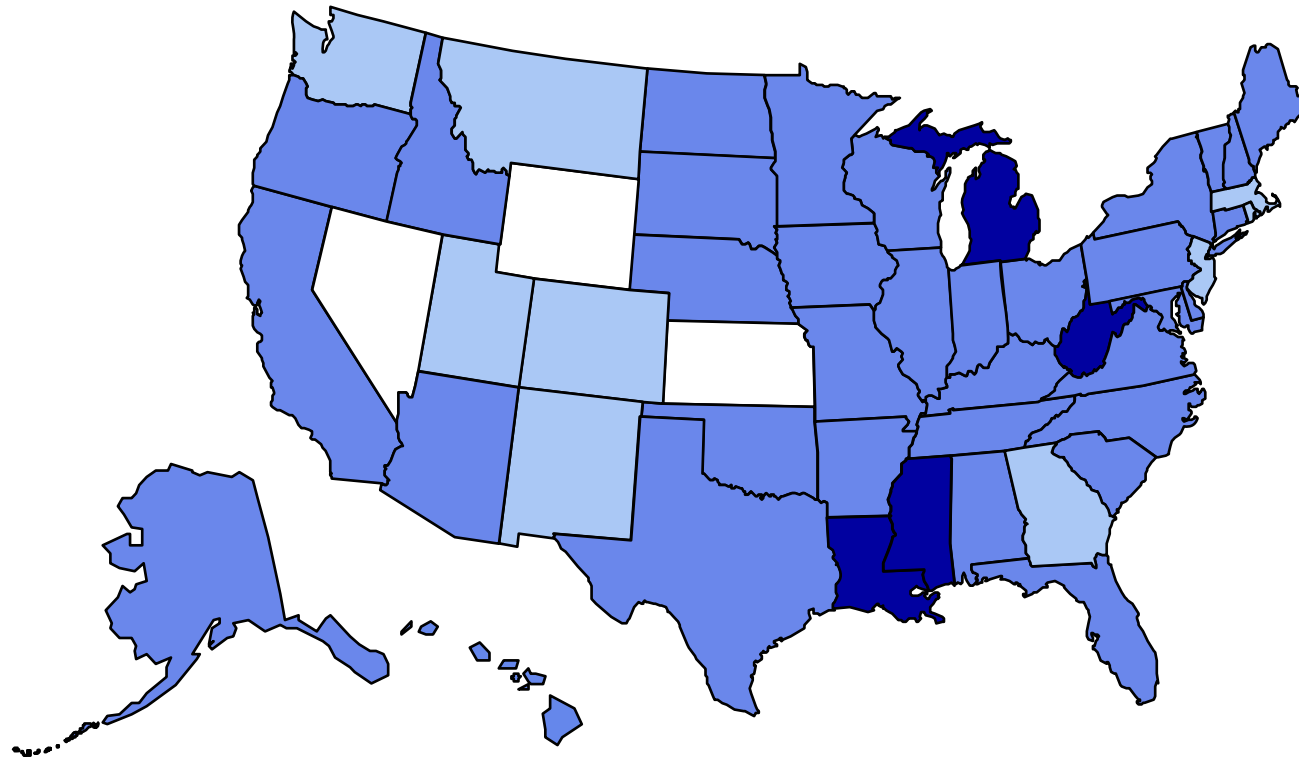
Source: Behavioral Risk Factor Surveillance System, CDC.



Obesity Trends* Among U.S. Adults

BRFSS, 1991

(*BMI ≥ 30 , or ~ 30 lbs overweight for 5' 4" person)



December 13, 2006

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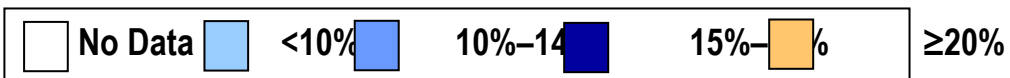
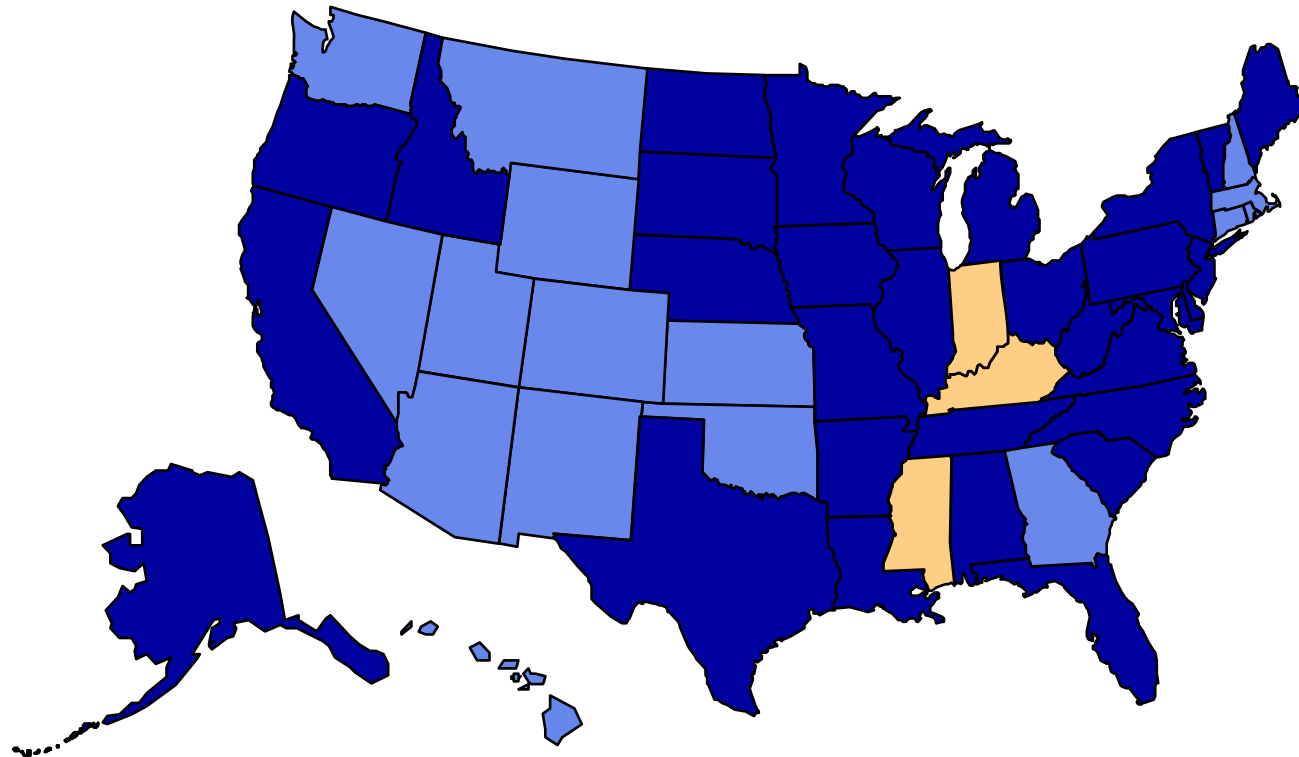
Source: Behavioral Risk Factor Surveillance System, CDC.



Obesity Trends* Among U.S. Adults

BRFSS, 1997

(*BMI ≥ 30 , or ~ 30 lbs overweight for 5' 4" person)



December 13, 2006

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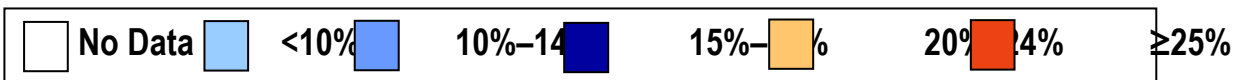
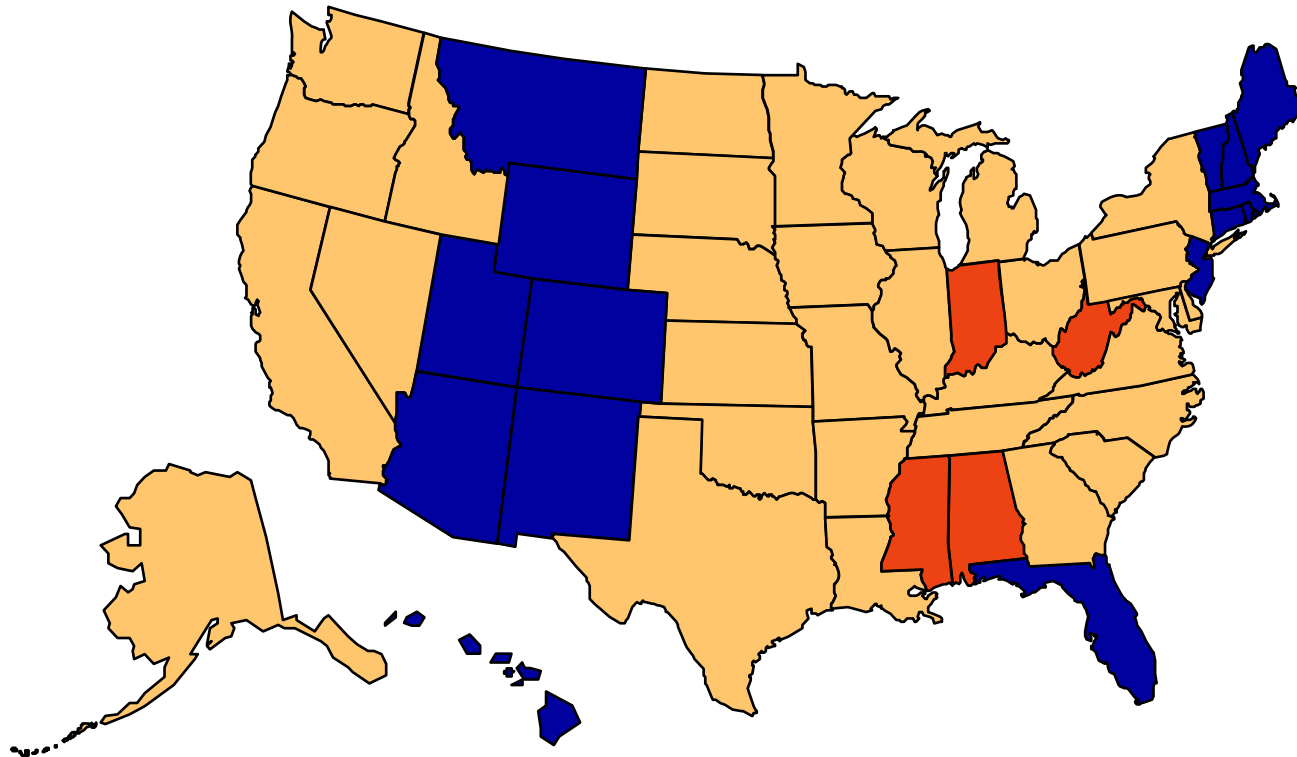
Source: Behavioral Risk Factor Surveillance System, CDC.



Obesity Trends* Among U.S. Adults

BRFSS, 2003

(*BMI ≥ 30 , or ~ 30 lbs overweight for 5' 4" person)



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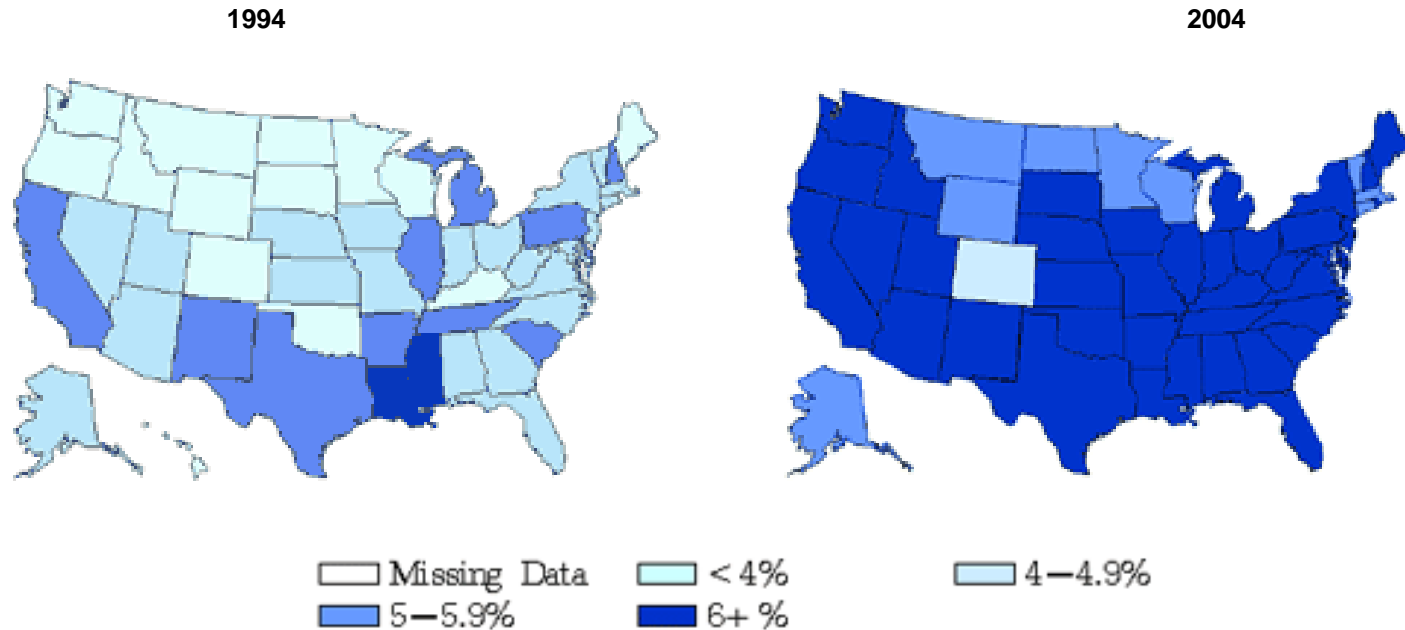
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Source: Behavioral Risk Factor Surveillance System, CDC.





Age-Adjusted Prevalence of Diagnosed Diabetes per 100 Adult Population, by State, United States, 1994 and 2004





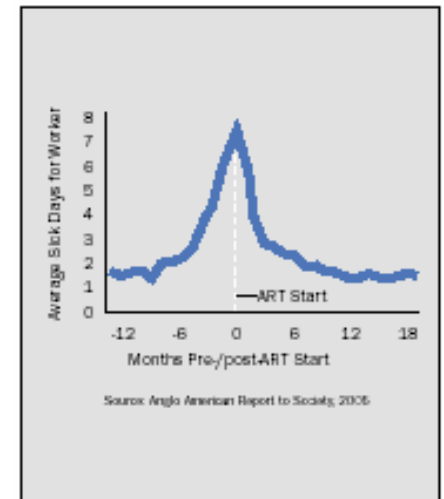
Business Impact of HIV/AIDS

GBC “The State of Business and HIV/AIDS (2006):

- More than 28 million workers lives lost due to HIV/AIDS (74 million by 2015)
- 15 years of working life lost if infected (ILO)
- Mining Company calculated total cost of HIV/AIDS epidemic will be 8-17% total payroll by 2009
- SA Automobile Manufacturer present cost HIV/AIDS at 4% Wage Bill

Cost Effectiveness of Intervention:

- Cost of ART more than covered by savings in absenteeism, reduction in healthcare costs, retention of skilled employees and improved productivity”
- Sick leave fell 69% in the 12 months following introduction of ARV’s (Anglo America)

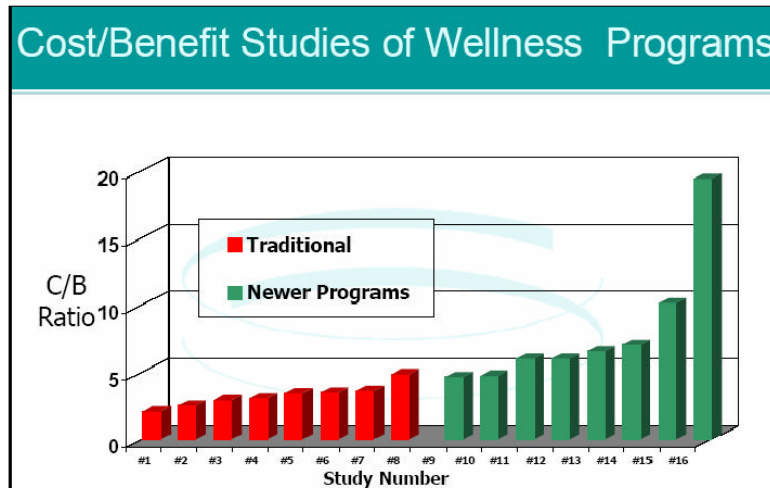


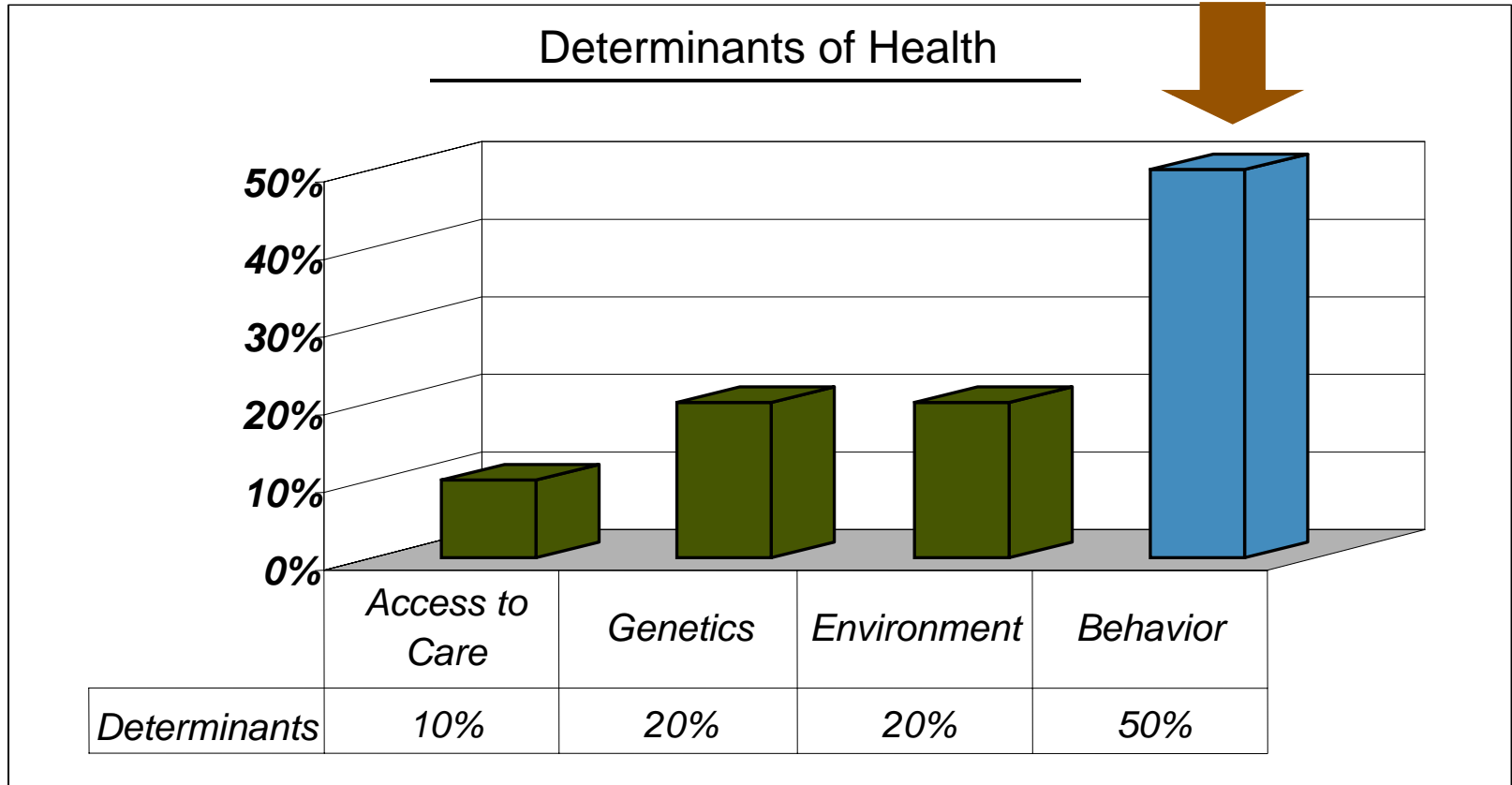


The Business Case for HPM

Return on Investment

- Operating in the top quartile for HPM saves \$2562 per employee, when compared to the median (1998)
- ROI for HSPM \$1.40 - \$13 / \$1 spent
- ROI traditional health promotion \$1.00 - \$3.14 / \$1 spent





Source: US Department of Health and Human Services (1980) Ten Leading Causes of Death in the United States. Atlanta: Center for Disease Control.

Mercer Human Resource Consulting

HPM: Common Themes of Best practice

- **Management Commitment**
- **Alignment between health, safety, production, HR and benefits, and overall business strategy of organisation**
- **Data, measurement, reporting, evaluation and ROI studies crucial**
- **Role of incentives**
- **Sharing and learning from best practice (internal and external benchmarking)**





Questions?

