

The Benefits of Wellness Programs on Workers' Compensation, Health Care Costs and Absenteeism

Wellness programs have a direct impact on **employee satisfaction, well-being, and productivity**. In fact, compared to workers who are not offered wellness programs, employees who are offered wellness programs and participate in them are more likely to have a **higher level of job satisfaction**, feel **happier** with their employer, and are more satisfied with their overall benefits. In addition, employers with wellness programs that are focused on prevention combined with risk management and a commitment to customized employee communication can garner **positive outcomes** impacting their Workers' Compensation program, safety results, and overall workplace environment.

Furthermore, there is a direct correlation between an effective wellness program and ROI. According to the Institute for Healthcare Consumerism (IHC), comprehensive analysis of numerous studies of worksite health promotion programs showed that firms that have implemented an effective wellness program realized **significant cost reductions** and financial gains, including:



- an average of **28%** reduction in sick days
- an average of **26%** reduction in health costs
- an average of **30%** reduction in workers' compensation and disability management claims

Moreover, the **International Foundation of Employee Benefits Plans (IFEPP)** reports for every **\$1** spent on wellness, employers can expect to save up to **\$3** in healthcare costs. **Harvard University** also concluded for every **\$1** invested in wellness, employers could expect to save approximately **\$3** in absenteeism costs. Wellness programs that help employees with healthy eating and gaining control over weight issues **will have a direct impact** on providing a safer work environment and help influence the success of transitional duty and return-to-work programs.