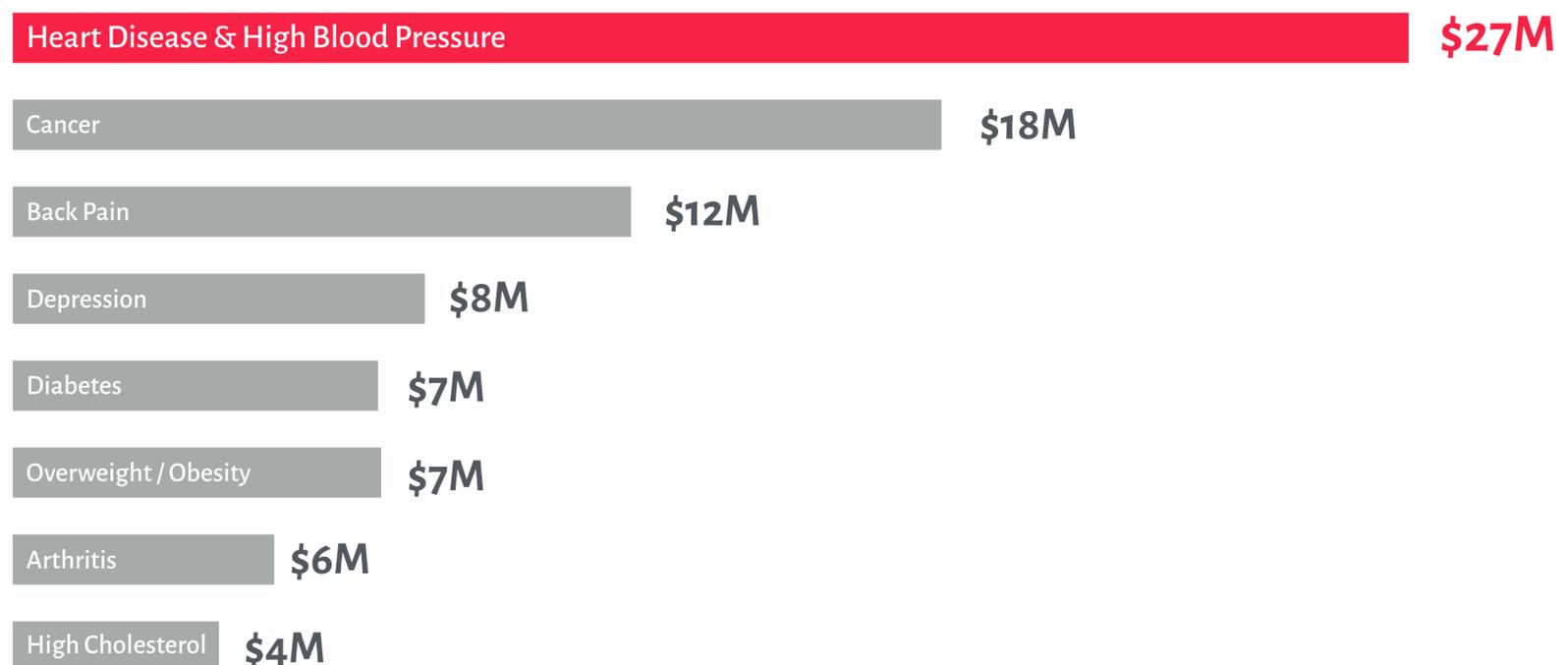


WHAT IS THE BIGGEST HEALTHCARE COST MOST EMPLOYERS AREN'T AWARE OF?

1 in 3 Americans suffer from Hypertension. It's the main cause of death every year.

Heart Disease is the biggest healthcare problem for employers. For a Fortune 500 company, it's over 27M of their health care cost per year. ⁶



The numbers are sobering. 30% of Americans have high blood pressure (a.k.a. hypertension) and are at risk of heart disease.¹ Uncontrolled hypertension results in end-organ damage and confers increasing risk of neurovascular and cardiovascular events over time. Heart disease is the leading cause of death in the U.S. with over 600,000 Americans dying just last year,² but with proper awareness and management it is almost completely preventable.

1 in 3 Americans suffer from hypertension.

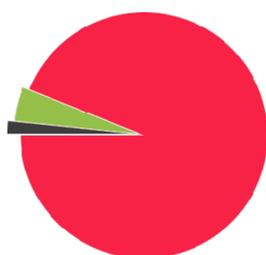


The cost of doing nothing to reduce heart risk is \$27M out of your benefits budget. Every year.

Annual Cost of Heart Disease and High Blood Pressure per industry according to recent studies.^{3 4}

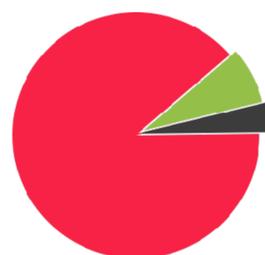
\$22M/year for a Banking company

- Absenteeism 4%
- Presenteeism 2%
- Medical Care 94%



\$26M/year for a food & beverage company

- 7% Absenteeism
- 4% Presenteeism
- 89% Medical Care



Medical Care and Increased Claims – Large corporations that provide health coverage spend approximately \$11,716 per employee each year.² For an average large employer, this works out to around \$585M per year. While this high cost may not be surprising, the source of the expenses may be. The American Heart Association estimates that 17% of the U.S. Health spending is directed to heart diseases.⁶

Absenteeism – Employees with high blood pressure are likely to experience health issues that will keep them away from work. These paid sick days add to employers' costs. It costs in other ways too. Project deadlines are missed and other staff are pulled away from their work to cover for missing employees.

Presenteeism – Employees with high blood pressure are more subject to fatigue. Blood flow is restricted and their heart prioritizes supplying blood to critical organs such as the brain. Muscles in the limbs are a lower priority. The result is that employees still make it to the office, but are not 100% fully present (a.k.a. presenteeism).

The actual financial cost of these factors has been documented by Goetzel R. in his study “The Relationship Between Modifiable Health Risk Factors and Medical Expenditures, Absenteeism, Short-Term Disability, and Presenteeism Among Employees at Novartis”. This study documents how reducing high blood pressure could represent more than \$25 Million savings for big companies.⁷

Wellness programs to the rescue?

A growing number of U.S. employers have implemented wellness programs with the goal of improving employee health and productivity and reducing healthcare costs. Cost reduction has gained special prominence, driven by employers' desire to lower the cost of their health plans and avoid the 40% excise tax starting in 2018 on high-cost plans under the health care reform law.

In 2014 employers spent about \$594 per employee on wellness incentives.

The typical wellness program offers a health-risk assessment and provides nutrition education, fitness trackers and weight management support. Many companies try to increase employer participation in these programs by offering discounted health insurance premiums and cash bonuses.

What's the evidence that wellness programs are effective at improving health and reducing costs?

The very best lifestyle wellness programs may be reasonably effective in helping employees with smoking and weight reduction. What they don't do, at least based on validated data, is reduce healthcare costs. ⁹

A recent RAND Corp. study found that wellness programs that try to get employees to become healthier and reduce medical costs have no statistically significant effect overall. Lifestyle management programs that focused on tobacco cessation, weight loss and lowering stress, the most widely offered, were found to save only about \$0.50 for every dollar spent. Similar conclusions have been reached in other studies. ⁹

In other words, despite employers' growing investment in wellness programs, the evidence does not support reduced healthcare costs or short-term return-on-investment.

The exception was for programs that manage chronic health conditions like heart disease. The Rand study reported a saving \$3.80 for every dollar spent. Therefore, not all wellness programs are created equal. ⁹

RAND study found that wellness programs are only cost-effective when they focus on helping employees manage chronic health conditions.

Best practices in crafting workplace wellness programs that deliver ROI

Based on what we know from existing data on wellness programs health outcomes and positive ROI, what are best practices for employers who seek to attain measurable results?

- Focus on populations with chronic but preventable diseases, such as heart disease, diabetes and COPD.
- Make programs voluntary and positive to avoid employees losing trust.

- Make the program easy to incorporate into an individual's daily routine. The number one self-reported reason for not signing up for wellness programs is lack of free time.
- Define a clear way to measure and calculate ROI along with a time horizon for success.
- Best practices in crafting workplace wellness programs that deliver ROI

Types of wellness approaches that can move the needle for preventable, chronic diseases

Self-Monitoring of Blood Pressure with Regular Doctor Visits

Studies have been conducted to evaluate the improvements of patients that start monitoring their blood pressure without any additional support other than regular doctor visits. These studies found that patients that start self monitoring their blood pressure on a routinely basis decreased their blood pressure in 2mmHG in a six month period.¹⁰

Self-Management of Blood Pressure with Clinician Supervision

The same research examined the impact of telemonitoring, nurse video conferencing and behavioral management, on the effectiveness of self-monitoring. Patients with this level of clinical supervision and managed care decreased their blood pressure by an average of 4.4mmHG in a six-month period.¹¹

Digital Lifestyle Intervention Programs For Obesity-Related Chronic Diseases

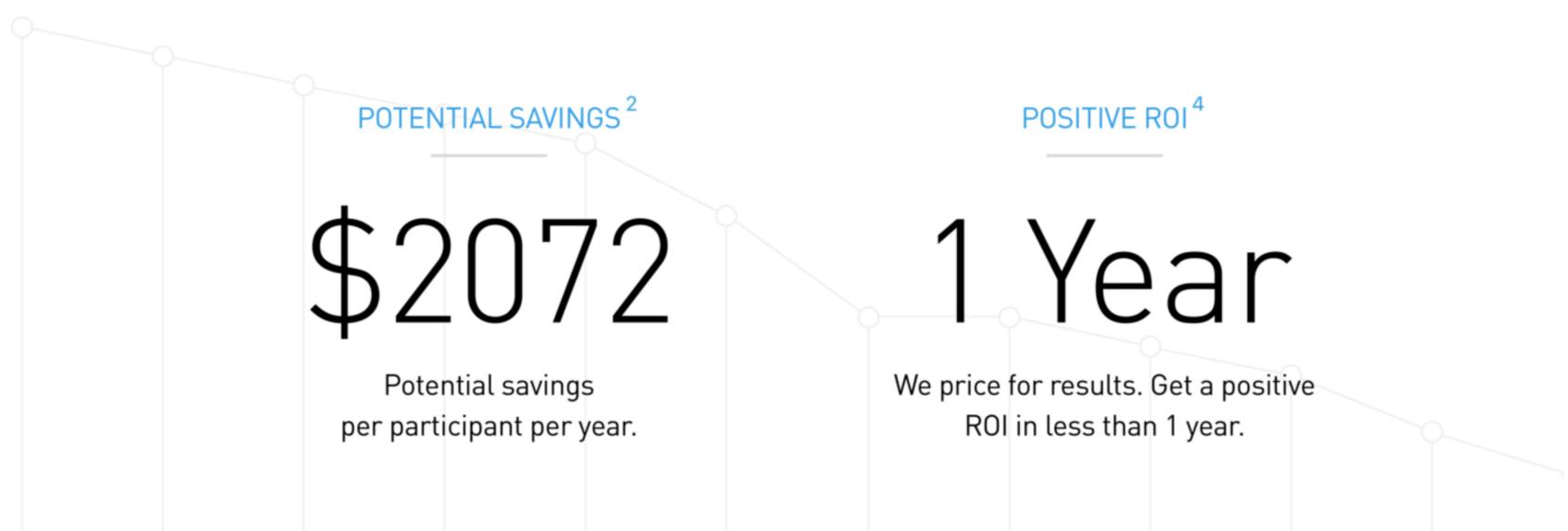
Several programs combine smart scales, virtual coaches, social networks and educational curriculum to help obese individuals at the tipping point of diabetes. Participants establish new habits around weight management and diet. Omada has reported a study of 187 prediabetic individuals who completed a 16-week intensive 9-month plus maintenance lifestyle program. Participants averaged a 5% weight loss and an average 12-mo A1c reduction of .4%. Although the program is demanding and complex, positive ROI is projected within 4 years. The program has not been validated for heart disease risk reduction.

Mobile Solution for Blood Pressure Management

Mobile solutions use mobile technology, a clinical behavioral framework, and UX design to support patient engagement and self-monitoring of blood pressure.

In December 2015, Hello Heart completed a retrospective study with doctors from UCLA and Harvard. The initial study is highly encouraging, ROI for an employer solution is projected under 1 year.

Mobile solutions use mobile technology, a clinical behavioral framework, and UX design to support patient engagement and self-monitoring of blood pressure.



It's time to adopt new technologies to deal with heart risk management. Implementing mobile solutions could save you millions of dollars a year.

Mobile solutions such as Hello Heart are proving to deliver quick ROI. Studies show they have the potential to save millions in healthcare cost for employers. Mobile solutions also offer significant improvement in the general health and well-being of employees. ⁹

Questions? Comments? Contact Jesus@helloheart.com for more information.

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