

WORKPLACE WELLNESS

A Portland startup aims to boost its bottom line by helping employers tame soaring insurance costs.

Kadalyst Inc., a five-person firm funded by a former real estate investor, helps motivate workers to get healthy by providing on-going human contact in the workplace.



Kadalyst founder Benjamin Prinzing, top, and company backer Scott Fauser.



The result is healthier employees, which in turn helps employers stave off, or at least reduce, insurance premium increases. The Health Care Financing Administration said health-related costs doubled between 1990 and 2001, and will double again by 2012 with little end in sight.

Chronic disease accounts for three-quarters of the nation's annual health costs. Health benefits consume nearly 60 percent of employers' after-tax profits, according to figures cited by the American Heart Association in connection with National Workplace Wellness Week, held each year in April.

Benjamin Prinzing founded Kadalyst; Scott Fauser, a onetime Portland real estate executive, funded the venture.

Now in its second year, Kadalyst partners with employers and broad range of health care providers to provide the human contact. The goal is to better link workers with existing health plans and give them the cheerleaders they need to tackle health issues ranging from smoking and weight management to high blood pressure and cholesterol.

Prinzing and Fauser hope their approach will appeal to employers nationwide, not just in Oregon; an alliance with an East Coast firm is in the offing.

Pacific Seafood Inc., a Clackamas seafood distributor with more than 1,500 employees, is one of Kadalyst's biggest customers. Kerwynn Leigh, a Kadalyst program manager who is married to Prinzing, has worked out of a cubicle in Pacific Seafood's headquarters since early August.

She meets with employees, helps set up doctors' appointments and coordinates pro-health activities with help from a 14-member employee committee. She follows up to ensure "her" patients have followed through with appointments, filled their prescriptions and are keeping their promises to get more active.

The results have been striking. Seventy percent of Pacific Seafood's 250 corporate employees meet regularly with Leigh; 15 to 20 percent is a typical participation rate for wellness plans that lack the personal touch.

Pacific Seafood is taking several steps to create a healthier work force.

Junk-filled vending machines in the company break room are being replaced with ones stocked with healthier fare. Staffers often take lunchtime hikes to nearby Mount Talbert Nature Park.

Pacific Seafood executives say they hope to extend the healthy outreach program to all of its work sites in the future.

Prinzing and Fauser aren't surprised. Prior to rolling out the model, they piloted the concept at another company with 100 employees. The number of workers with two or more chronic conditions dropped by 69 percent, and the number of obese workers fell 9 percent.

Leigh goes about her work equipped with an iPad that links wirelessly to a secure database containing employee health information.

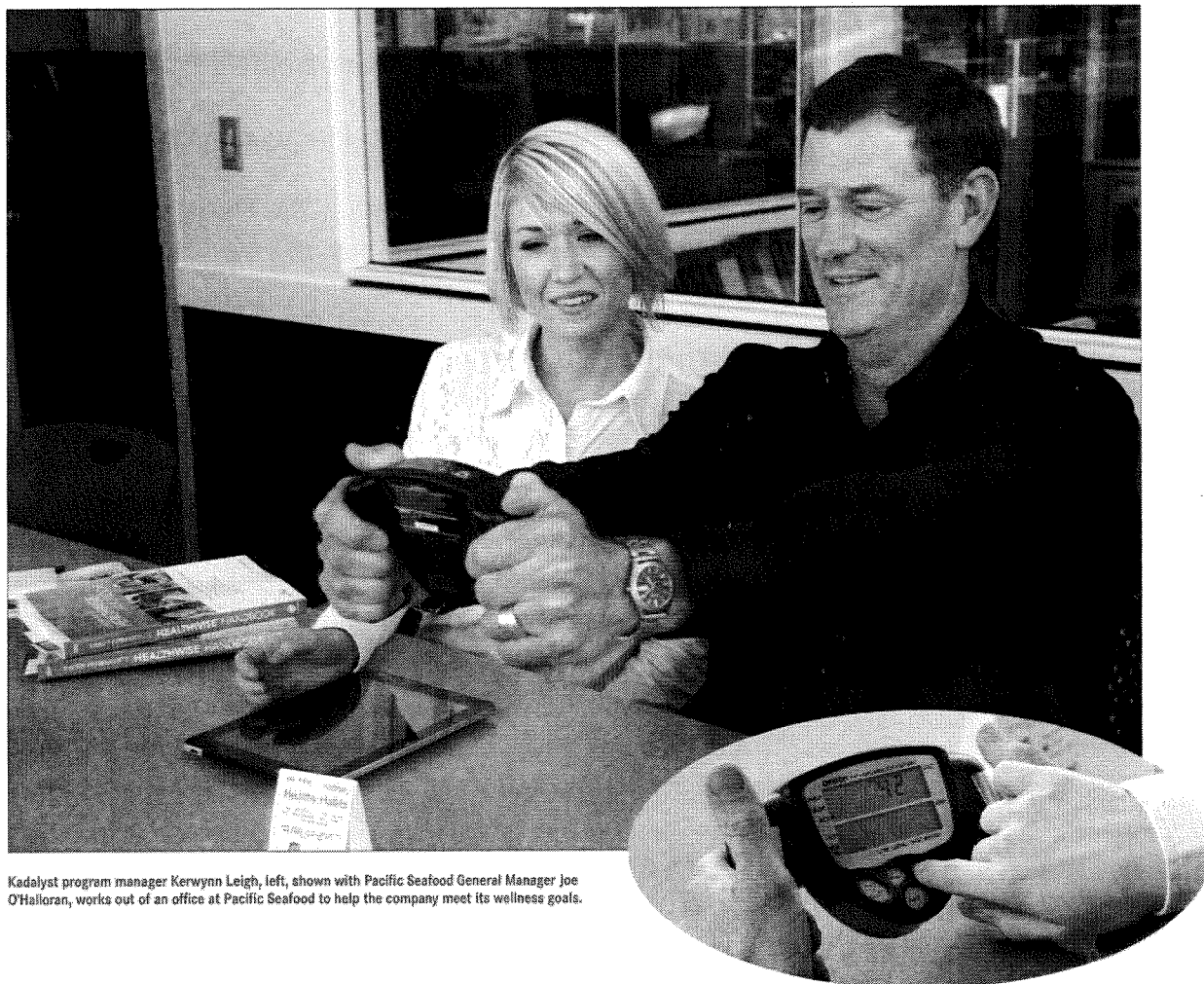
The information can't be stored on the iPad, ensuring the program complies with federal health privacy rules.

The commitment to workplace health isn't just about reducing health insurance costs. Katie Slick, director of human resources, said it is part of the company's strategy for attracting and retaining employees.

"That is going to give us a competitive edge," said Joe O'Halloran, general manager for procurement. ☺

Story by WENDY CULVERWELL

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Kadalyst program manager Kerwynn Leigh, left, shown with Pacific Seafood General Manager Joe O'Halloran, works out of an office at Pacific Seafood to help the company meet its wellness goals.

The next evolution

Bringing health care to the work place is the next evolution of wellness plans, said Tammy Kepple, a wellness consultant with Kaiser Permanente, which offers on-site coaching to all its employer groups.

At the work site, coaches and program managers conduct mini physicals, arrange appointments with doctors and even order laboratory work. Critically, they also follow up to help make sure employees stick with their goals.

"When you bring that service to men who wouldn't go to a doctor to find this information, when you talk about following up with them, they're more likely to go," she said.

Evrax North America Inc., formerly Oregon Steel, is a "poster child" for a well-rounded wellness program, said Kepple.

Evrax employees earn \$300 toward their health care costs by participating in six of 12 monthly seminars.

In recent years, Evrax and Kaiser have identified smoking as a health issue. About half the company's employees smoke, a much-higher-than-average rate that

Kaiser and the firm identified it as a key issue two years ago.

Curbing it offers significant returns to employers — for every person who stops smoking, employers save \$1,000 to \$2,000 in the first year on better attendance, fewer breaks and lowered medical costs.

Two years ago, Kaiser workers brought tobacco patches with them during the annual outreach to the company to help people who wanted to start the process of quitting.

Initial participation wasn't as strong as they had hoped — which is actually normal with wellness plans, according to Kepple.

This year, it is taking a longer view. Tobacco remains key to its outreach efforts, but not central in a bid to keep workers interested in addressing their overall health.

"If we can get our members engaged, then we know they're going to stay healthy," Kepple said.

It's a solid strategy. A study published in the American Journal of Health Promotion concluded that programs to promote health and prevent chronic disease return \$3 to \$15 for every dollar invested, starting within 12 to 18 months. ●

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