



*IOM Report Dissemination Workshop*

# For the Public's Health: Investing in a Healthier Future – A Business Perspective

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*April 25, 2012*





# Comment on the Report

- Applause
- Great summary of the nature of the problem
  - ...society's fixation on clinical care, its delivery, and its financing overshadows population-based activities that can more effectively improve the nation's health...The health system's failure to develop and deliver effective preventive strategies continues to take a growing toll on the economy and society.
  - To improve health outcomes in the United States, we will need to transform the way the nation invests in health to pay more attention to population-based prevention efforts...
- Importance, value and enormity of the need



# The Business Case

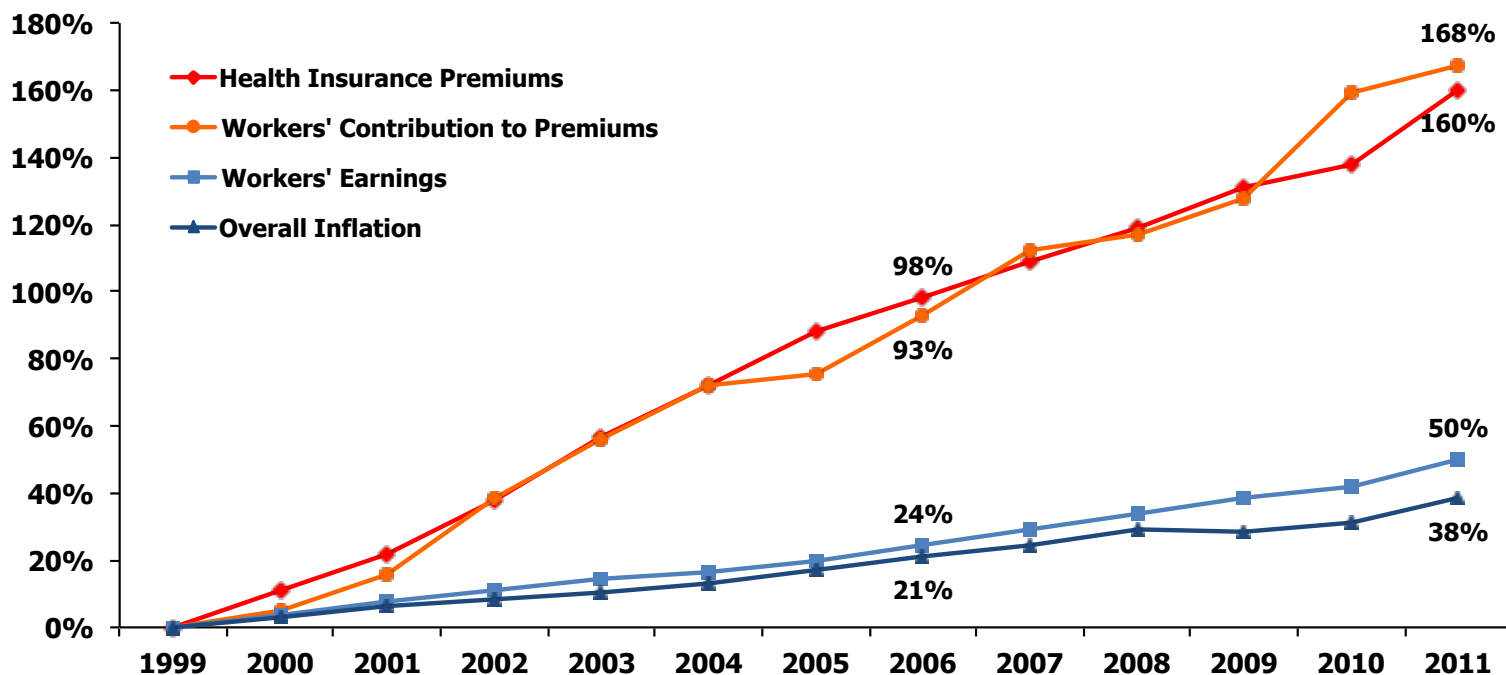
*“Poor health and disease impairs business performance by hampering individuals, communities and markets. Research shows that companies that invest in health benefits form increased productivity and morale, as well as lower absenteeism and healthcare costs. Corporate engagement in health initiatives in the marketplace and community can also improve reputation and help companies find business opportunities.”*



World Business Council on Sustainable Development “The Business of Health, The Health of Business” White Paper, 2006



# 1999-2011 Cumulative Increases in: Health Insurance Premiums, Workers' Contributions to Premiums, Inflation and Workers' Earnings



Source: Kaiser/HRET Survey of Employer-Sponsored Health Benefits, 1999-2011. Bureau of Labor Statistics, Consumer Price Index, U.S. City Average of Annual Inflation (April to April), 1999-2011; Bureau of Labor Statistics, Seasonally Adjusted Data from the Current Employment Statistics Survey, 1999-2011 (April to April).



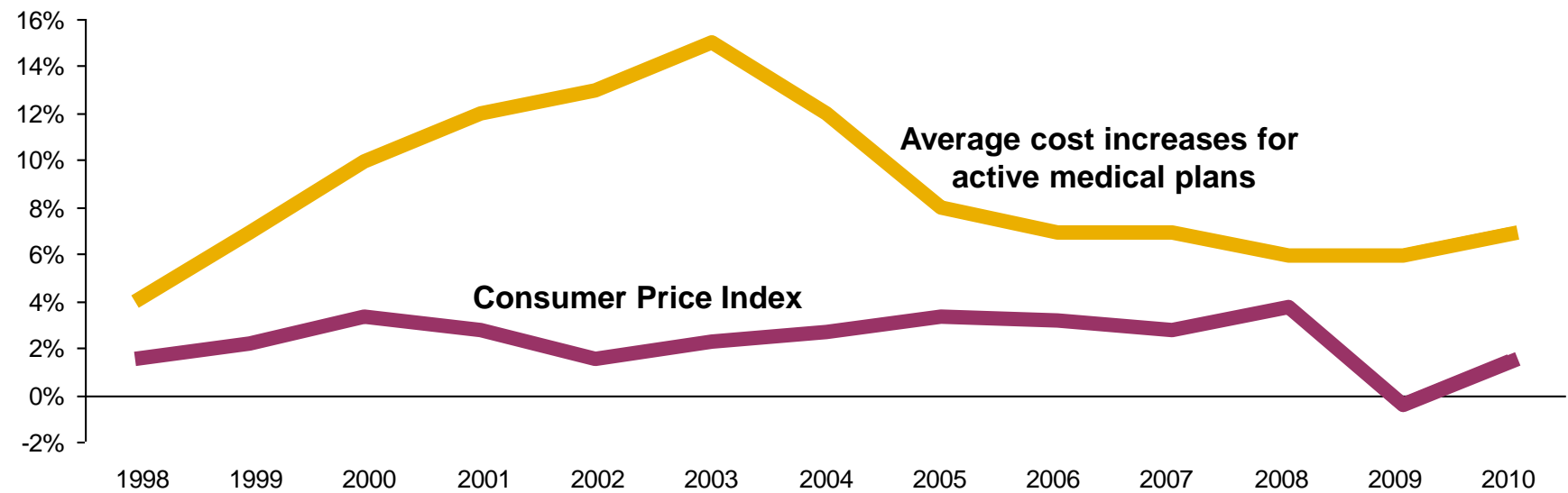
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# Healthcare Costs Threaten Ability of U.S. Companies to Compete

*Costs Outpacing Consumer Price Index*



Sources: Towers Watson *Health Care Cost and Trend Surveys*, Bureau of Labor Statistics, U.S. Consumer Price Index, Percent change from Annual Average to Annual Average



# The Risk for Business

- 50% of people who die from chronic diseases are in their productive years
- Social costs and economic consequences in terms of lost productivity are considerable
- This, plus rising costs, has made the private sector aware – many of these costs are preventable
- In the U.S., the avoidable indirect impact of chronic diseases is four times as high as the direct costs of healthcare coverage





# World Economic Forum 2010

- The losses in productivity associated with chronic diseases are as much as 400% more than the cost of treatment
- Workable solutions exist to prevent 40-50% of these diseases – and their negative impact on business and the economy at large – in both developed and developing countries

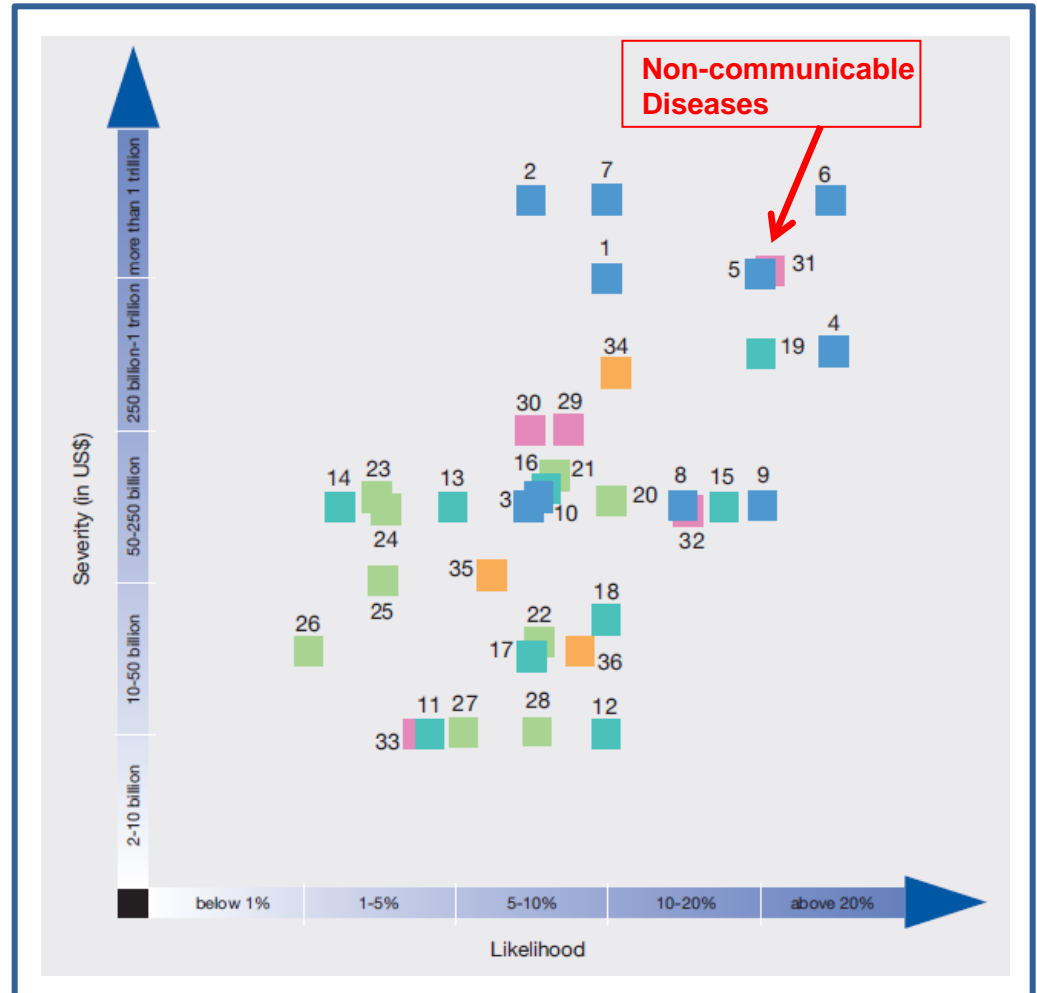




# World Economic Forum 2010

## Global Risks Landscape 2010: Likelihood with Severity by Economic Loss

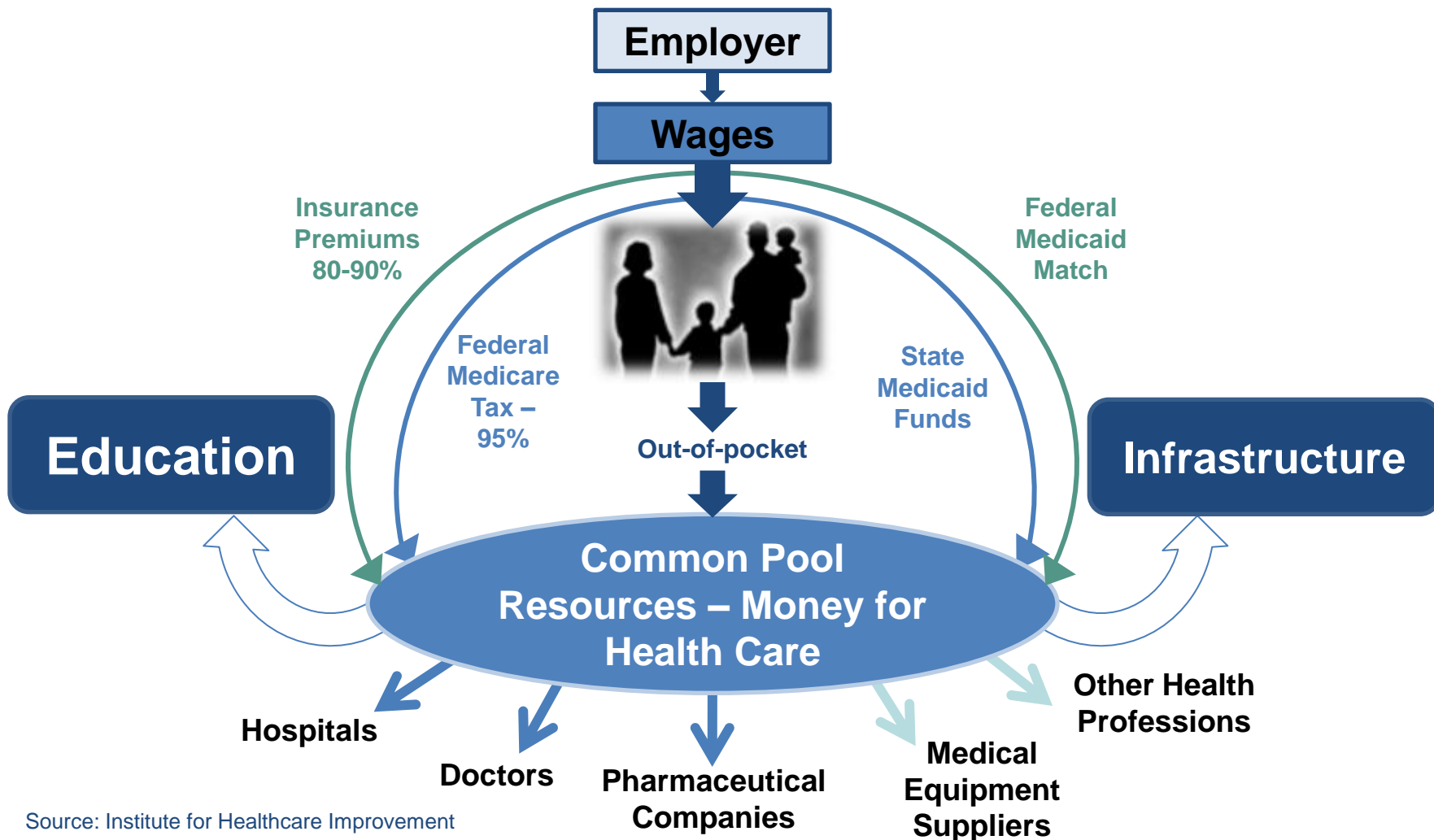
Non-communicable diseases are strongly connected to other global risks: fiscal crises; underinvestment in infrastructure; food, water and energy security







# Provision of the Common Pool



Source: Institute for Healthcare Improvement

4/26/2012



# Collective Ownership

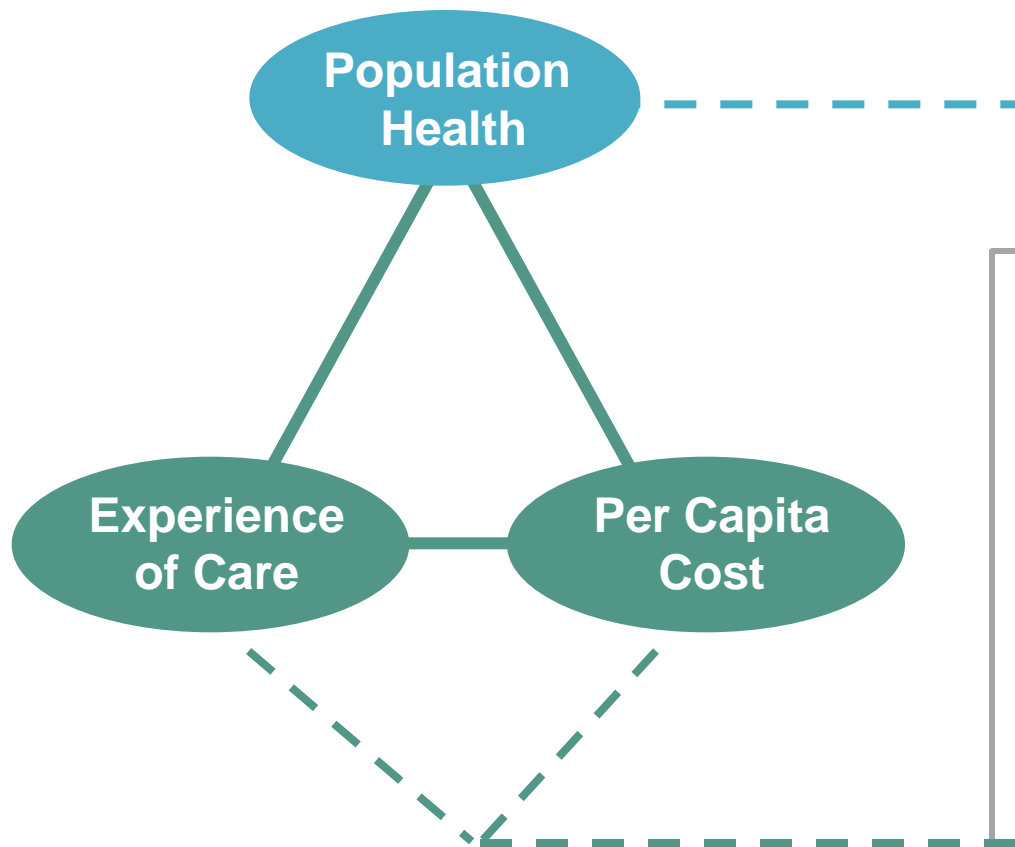
*Mobilization of social forces and people outside of health systems is critical. It is clear that chronic diseases are affecting social and economical capital globally.*



Source: World Economic Forum; 2010 report

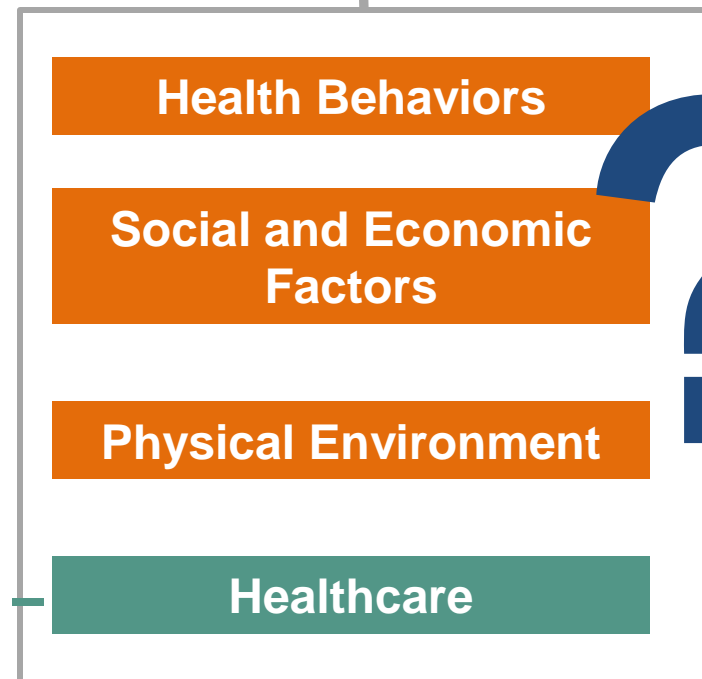


## Triple Aim Model



## MATCH Model

Population Level  
Mortality and Morbidity  
Outcomes





# Broadened Alignment of Health/Business

- Health and safety
- Health and engagement, attract & retain
- Health and sustainability
- Health and corporate social responsibility
- Health and healthcare costs
- Health and human performance



Source: Catherine Baase, The Dow Chemical Company, 2010



# Going Forward





# State of Insight and Engagement

- Varies
- More opportunity to engage business
- Consider policies and actions broadly





# The National and Local Level

- Find win-win for public health & healthcare
- Convene the social forces
- A social movement can help
  - TEDMED
- Policies
  - Tax treatment for public health / population health
- Information
  - Wisconsin MATCH, county health rankings
  - Commonwealth Report
- Additive focus
  - Community needs assessment and community benefit obligations for health system (IRS)





# Summary

- Tremendous report
- Enormous challenge
- Business is a key stakeholder
- Think broadly about solutions
- Current situation is not sustainable
  - Need for progress and action is undeniable