

## Spotlight: Health and Wellness

### Executive roundtable

# Health care debate causes uncertainty for employers

By DOUG SHERWIN  
The Daily Transcript

With uncertainty looming over the nation's new health care law, many company executives find themselves fielding plenty of questions from their employees.

Congress passed a health care bill last year, but the new Republican-controlled House passed a provision repealing the bill in January. And similar legislation was recently introduced in the Senate, but failed to win a majority vote.

Diana Dewalt, senior vice president, human resources for Gen-Probe Inc. (Nasdaq: GPRO), said company employees are really concerned their health care premiums are going to skyrocket. She also finds herself trying to dispel other myths about the bill.

"We really don't know what the financial impact is going to be in the long term," Dewalt said during a recent Daily Transcript executive roundtable discussion. "I don't want people scared about it or spending their time being concerned. We're trying to keep a lid on anxiety that doesn't necessarily need to be there."

Making sure the work force is well informed is the best way to stop rumors and put everybody at ease, according to Mark Gray, director of corporate benefits for SAIC (NYSE: SAIC).

"We think that dialogue is very important with the employees because we think over the next three years (the health care bill) is going to significantly change," he said. SAIC officials continually update their employees on

what the bill looks like and how it's changing. Gray said the company also lets its workers know how it is trying to influence the outcome of the bill.

Another challenge for companies is keeping their health care costs down. One of the ways to accomplish this, according to the roundtable panelists, is by offering wellness programs that focus on preventative health measures.

Getting employees to participate can be tough, however, especially at blue-collar companies like Hawthorne CAT and General Dynamics NASSCO.

"One of our big challenges is getting the people to use the benefits before they have a catastrophic event like a heart attack," said Tom Fawcett, director of labor relations for NASSCO.

He said officials feel they can bring down costs by getting certain medical conditions identified early and treated in an inexpensive manner. To get people to participate, the company offers financial incentives and drawings for employees to take physicals.

Fawcett said by encouraging them to go to the doctor, some NASSCO employees found out they had cancer and are now in remission. Others, he said, discovered they had high blood pressure or diabetes, allowing them to get affordable treatments.

"The basic premise is, know what's wrong with you, and if you know what's wrong with you, get it treated," Fawcett said. "It's going to be cheaper than waiting until you have some type of event."



All photos by Laura Hansen  
Tom Fawcett (left), director of labor relations for NASSCO, and Michael Jenike, CEO of roundtable sponsor GM&A Health Care.



Mark Gray (left), director of corporate benefits for SAIC, and Diana Dewalt, senior VP of human resources for Gen-Probe Inc.



Andrea Ceglia is human resources benefits manager for Hawthorne CAT.



David Herbert is president of roundtable sponsor GM&A Corporate Health Care.



Linda Kavanagh is Cox Communications' director of people services.



Steven Anderson is Northrop Grumman's manager of human resources.

Cox Communications offers a fitness program for its employees, which includes yoga. Linda Kavanagh, Cox's director of people services, said the broadcaster thinks the pro-

grams ultimately will reduce costs for employees.

Northrop Grumman (NYSE: NOC) has a couple of fitness centers at its two campuses, and the company presents additional health and

wellness fairs.

Gen-Probe features a robust wellness program as well, Dewalt said, with an on-site gym and a Weight Watchers program.

"What is interesting is it's the already healthy people that tend toward participating in the wellness program and going to the gyms," Dewalt said.

Gen-Probe, like many companies, struggles to get a majority of participation.

Andrea Ceglia, the human resources benefits manager for Hawthorne CAT, said it's tough to get upper management to embrace a wellness program when few people participate, making officials wonder if the program is worth the cost to offer it.

"We don't know how to quantify it," Ceglia said. David Herbert, president of roundtable sponsor GM&A Corporate Health Care, agreed that it is difficult to measure the financial returns on a wellness program.

"There are a lot of companies that say we just don't want to do this because we can't show on the bottom line how this affects us," he said. "We think this idea of wellness is still an evolution. We don't think that there are any really good answers out there on how to do this. How do you motivate people to be healthy? No one's really figured that out. That's a tough nut to crack."

In addition, a company's health care costs will increase by implementing a wellness



Kevin Ward is executive director of human resources for Barona.

program before they decrease, according to Michael Jenike, CEO of GM&A Health Care, especially those companies with long-term employees.

And those businesses with a high turnover rate might never see the financial benefit of a wellness program.

Northrop Grumman has focused on mental wellness in recent years, according to Steven Anderson, the defense contractor's manager of human resources. And it's seen an increase in utilization.

"I think it's one area that often gets overlooked compared to the physical wellness," he said.

SAIC's Gray said integrating all the various components of health care, including disease management and wellness, can be beneficial.

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### Roundtable participants

Steven Anderson, Manager of HR  
Northrop Grumman  
Andrea Ceglia, HR Benefits Manager  
Hawthorne CAT  
Diana Dewalt, Senior VP of HR  
Gen-Probe Inc.  
Tom Fawcett, Director of Labor Relations  
General Dynamics NASSCO  
Mark Gray, VP, Director of Corporate Benefits  
SAIC  
David Herbert, M.D., President  
GM&A Corporate Health Care Consultants (sponsor)  
Michael Jenike, CEO  
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Linda Kavanagh, Director of People Services  
Cox Communications  
Kevin Ward, Executive Director of HR  
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