

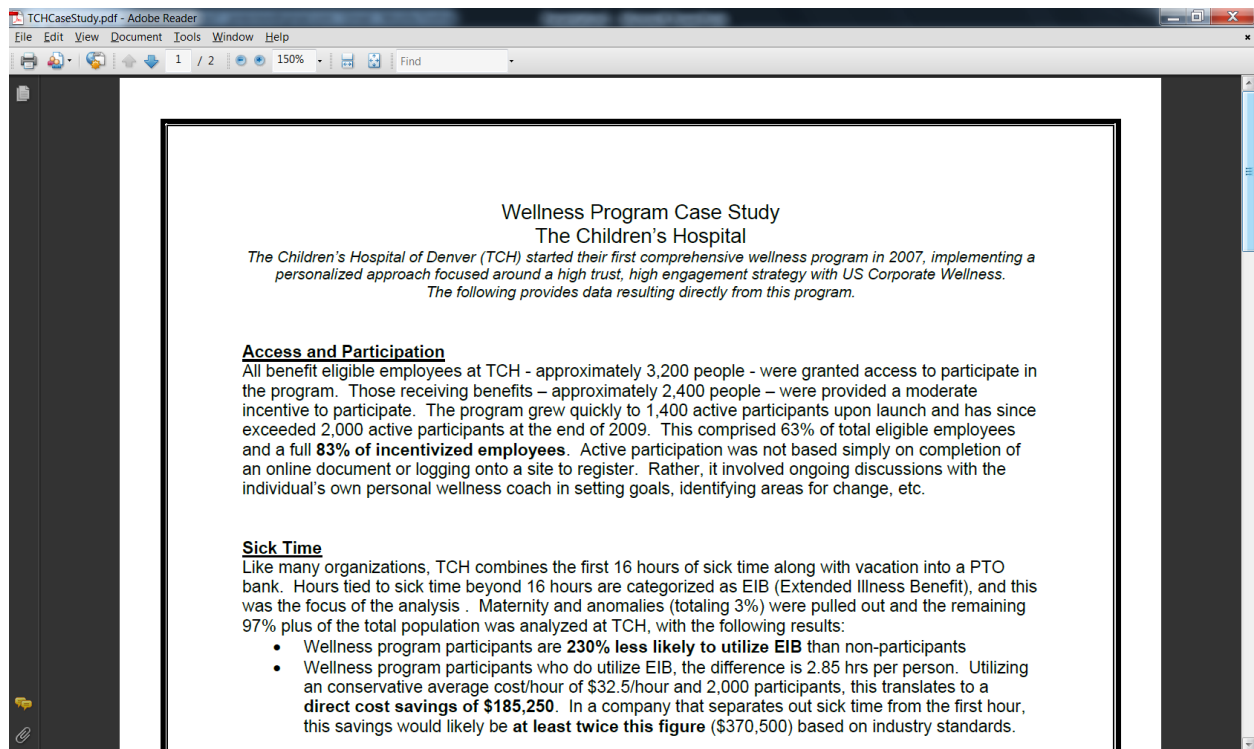
# Wellness Vendors Dream the Impossible Dream

Alice laughed: “*There’s no use trying,*” she said. “*One can’t believe impossible things.*”

“*I dare say you haven’t had much practice,*” said the Queen. “*When I was younger, I always did it for half an hour a day. Why, sometimes I’ve believed as many as six impossible things before breakfast.*”

Six impossible things before breakfast? The wellness industry would just be getting warmed up by believing six impossible things before breakfast. They believe enough impossible things all day long to support an entire restaurant chain:

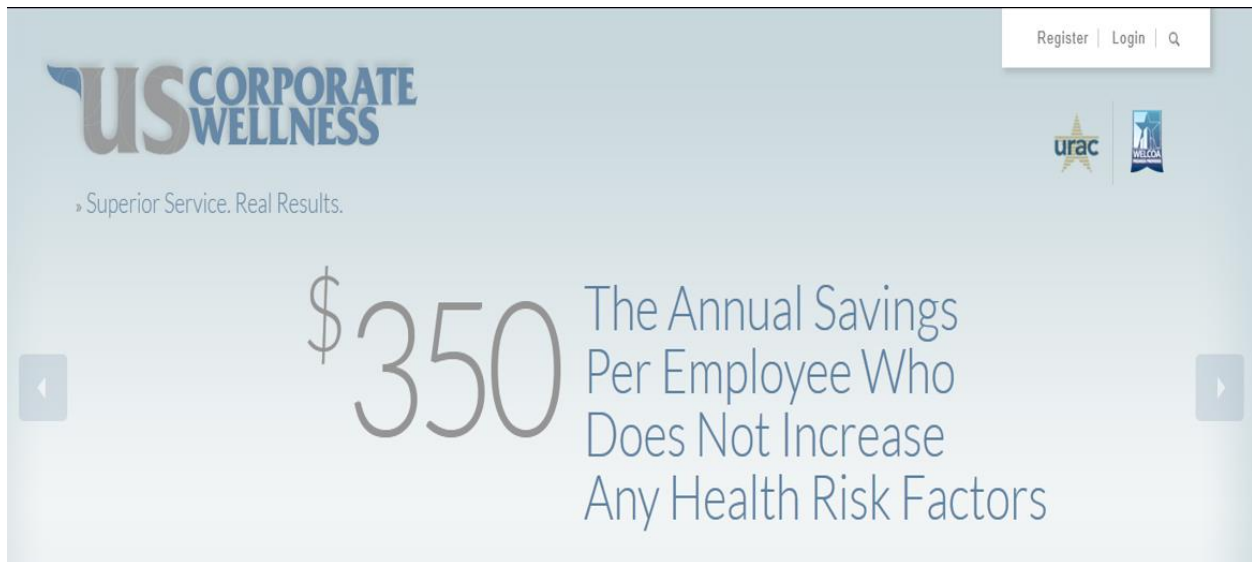
Consider the article in the current issue of Benefits Pro - forwarded to me by many members of the Welligentsia - entitled: “*Can the Wellness Industry Live Up to Its Promises?*” BenefitsPro rounded up some of the leaders of the wellness industry alt-stupid segment. Specifically, they interviewed US Corporate Wellness, Fitbit, Staywell, and HERO. Each is a perennial candidate for the Deplorables Awards — except US Corporate Wellness, which already secured its place in the Deplorables Hall of Fame (and *Why Nobody Believes the Numbers*) several years ago with these three paeans to the gods of impossibility.



In case you can't read the key statistic — the first bullet point — it says: “*Wellness program participants are 230% less likely to utilize EIB (extended illness benefit) than non-*

participants.” Here is some news for the Einstein’s at US Corporate Wellness: You can’t be 230% less likely to do anything than anybody. For instance, even you, despite your best efforts in these three examples, can’t be 230% less likely to have a triple-digit IQ than the rest of us. Here’s a rule of math for you: a number can only be reduced by 100%. Rules of math tend to be strictly enforced, even in wellness. So, the good news is, even in the worst-case scenario, you’re only 100% less likely to have a triple-digit IQ than the rest of us.

And yet, if it were possible to be 230% dumber than the rest of us, you might be. For instance, US Corporate Wellness also brought us this estimate of the massive annual savings that can be obtained just by, *Seinfeld*-style, doing nothing:

A banner advertisement for US Corporate Wellness. The top left features the US Corporate Wellness logo with the tagline "Superior Service. Real Results." below it. The top right has links for "Register", "Login", and a search icon. Below the logo is the URAC logo. The main text in the center reads "\$350 The Annual Savings Per Employee Who Does Not Increase Any Health Risk Factors". There are navigation arrows on the left and right sides of the banner.

So, assume I spent about \$3500/year in healthcare 12 years ago, which is probably accurate. My modifiable risk factors were zero then and they are still zero — no increase. So, my healthcare spending should have fallen by \$350/year for 12 years, or \$4200 since then. But that would be impossible, since I could only reduce my spending by \$3500. Do you see how that works now?

To his credit, US Corporate Wellness’s CEO, Brad Cooper, is quoted in this article as saying: “Unfortunately some in the industry have exaggerated the savings numbers.” You think?

I’m pretty sure this next one is impossible too. I say, “pretty sure” because I’ve never been able to quite decipher it, English being right up there with math as two subjects which apparently frustrated many a wellness vendor’s fifth grade teacher:

# 400%

## The Cost of Productivity Losses to Employers Associated with Chronic Disease

400% of what? Is US Corporate Wellness saying that, as compared to employees with a chronic disease like hypertension, employees who take their blood pressure pills are 400% more productive? Meaning that if they controlled their blood pressure, waiters could serve 400% more tables, doctors could see 400% more patients, pilots could fly planes 400% faster? Teachers could teach 400% more kids? Customer service recordings could tell us our calls are 400% more important to them?

Or maybe wellness vendors could make 400% more impossible claims. That would explain this BenefitsPro article.

We have been completely unable to get Fitbit to speak, but BenefitsPro couldn't get them to shut up. Here is Fitbit's Amy McDonough: "*Measurement of a wellness program is an important part of the planning process.*" Indeed, it is! It's vitally important to plan on how to fabricate impossible outcomes to measure, when in reality your product may even lead to weight gain. Here is one thing we know is impossible: you can't achieve a 58% reduction in healthcare expenses through behavior change — especially if (as in the 133 patients they tracked in one of their studies) behavior didn't actually change.

### **Health Enhancement Research Organization (HERO) and Staywell**

I'll consider these two outfits together because people seem to bounce back and forth between them. Jessica Grossmeier is one such person. Jessica became the Neil Armstrong of impossible wellness outcomes way back in 2013. Not just any old impossible wellness outcomes — those have been around for decades. She and Staywell pioneered the concept of claiming outcomes *they already knew* were impossible. While at Staywell, she and her co-conspirators told British Petroleum they had saved about \$17,000 per risk factor reduced. So, yes, according to Staywell, anyone who temporarily lost a little weight saved BP \$17,000 — enough to clean up about 1000 gallons of oil spilled from Deepwater Horizon.

Leave aside both the obvious impossibility of this claim, and also the mathematical impossibility of this claim given that employers only actually spend about \$6000/person on healthcare. Jessica's breakthrough was to also ignore the fact that this \$17,000/risk factor savings figure exceeds by 100 times what her very own article claims in savings. Not by 100 percent. By 100 *times*.

Fast-forward to her new role at HERO. In this article, she says:

*The conversation has thus shifted from a focus on ROI alone to a broader value proposition that includes both the tangible and intangible benefits of improved worker health and well-being.*

Her memory may have failed her here too because HERO — in addition to admitting that wellness loses money (which explains its “*shift*” from the “*focus on ROI alone*”) — also listed the “*broader value proposition*” elements of their pry-poke-and-prod wellness programs. The problem is the elements of the broader value proposition of screening the stuffing out of employees aren’t “*benefits*.” They’re costs, and lots of them:

## I. DIRECT COSTS

- A. Program fees (which may include case management; medication adherence; biometric screening; employee assistance programs; health risk assessment; lifestyle coaching; on-site fitness facility or club discounts; decision assistance; triage/nurse line; injury prevention program; concierge services; on-site clinics; ergonomic/back health program; cost transparency programs; Provider support programs, etc.)
- B. Incentive costs (to the extent they are incremental costs to the purchaser)

## II. INDIRECT COSTS

- A. Employee time (biometric screening, etc.)
- B. Communications/Print materials
- C. Data systems and reporting
- D. Contract personnel
- E. Legal review
- F. Facility space

## III. TANGENTIAL COSTS

- A. Employee morale
- B. Company reputation
- C. Legal challenges
- D. Selection effects (on employee population)

When she says: “*The conversation has shifted from a focus on ROI alone,*” she means: “*We all got caught making up ROIs so we need to make up a new metric.*” RAND’s Soeren Mattke predicted this new spin three years ago, observing that every time the wellness industry makes claims and they get debunked, they simply make a new set of claims, and then they get

debunked, and then the whole process repeats with new claims, whack-a-mole fashion, *ad infinitum*. Here is his specific quote:

*“The industry went in with promises of 3 to 1 and 6 to 1 based on health care savings alone – then research came out that said that’s not true. Then they said: “OK, we are cost neutral.” Now, research says maybe not even cost neutral. So now they say: “But is really about productivity, which we can’t really measure but it’s an enormous return.”*

### **Interactive Health**

While other vendors, such as Wellsteps, harm plenty of employees, Interactive Health holds the distinction of being the only wellness vendor to actually harm me. I went to a screening of theirs. In order to increase my productivity, they stretched out my calves. Indeed, I could feel my productivity soaring — until one of them went into spasm. I doubt anyone has missed this story but in case anyone has...

They also hold the distinction of being the first vendor (actually their consultant) to try to bribe me to stop pointing out how impossible their outcomes were. They were upset because I profiled them in the Wall Street Journal. The article is behind a paywall, so you probably can’t see it. Here’s the spoiler: they allegedly saved a whopping \$53,000 for every risk factor reduced. In your face, Staywell!

Here is the BenefitsPro article’s quote from Interactive Health’s Jared Smith:

*“There are many wellness vendors out there that claim to show ROI,” he says. “However, many of their models and methodologies are complex, based upon assumptions that do not provide sufficient quantitative evidence to substantiate their claims.”*

You think?



Finally, here is a news flash for Interactive Health: sitting is not the new smoking. If anything is the “*new smoking*,” it’s opioid addiction, which has reached epidemic proportions in the workforce while being totally, utterly, completely, negligently, mind-blowingly, Sergeant Shultz-ily, ignored by Interactive Health and the rest of the wellness industry.

There is nothing funny about opioid addiction and the wellness industry's failure to address it, a topic for a future blog post. The only impossibility is that it is impossible to believe that an entire industry charged with what Jessica Grossmeier calls "*worker health and well-being*" could have allowed this to happen. Alas, happen it did.

And, as you can see from the time-stamp on this post, except at establishments favored by the Wellness Ignorati, breakfast hasn't even been served yet.