

Health Dynamics

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2014 April 23 – 24, 2014
Conrad Seoul, Korea

Opportunities to 'do well' by 'doing good'

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A story of change



Seoul, 1966

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Seoul, 2005

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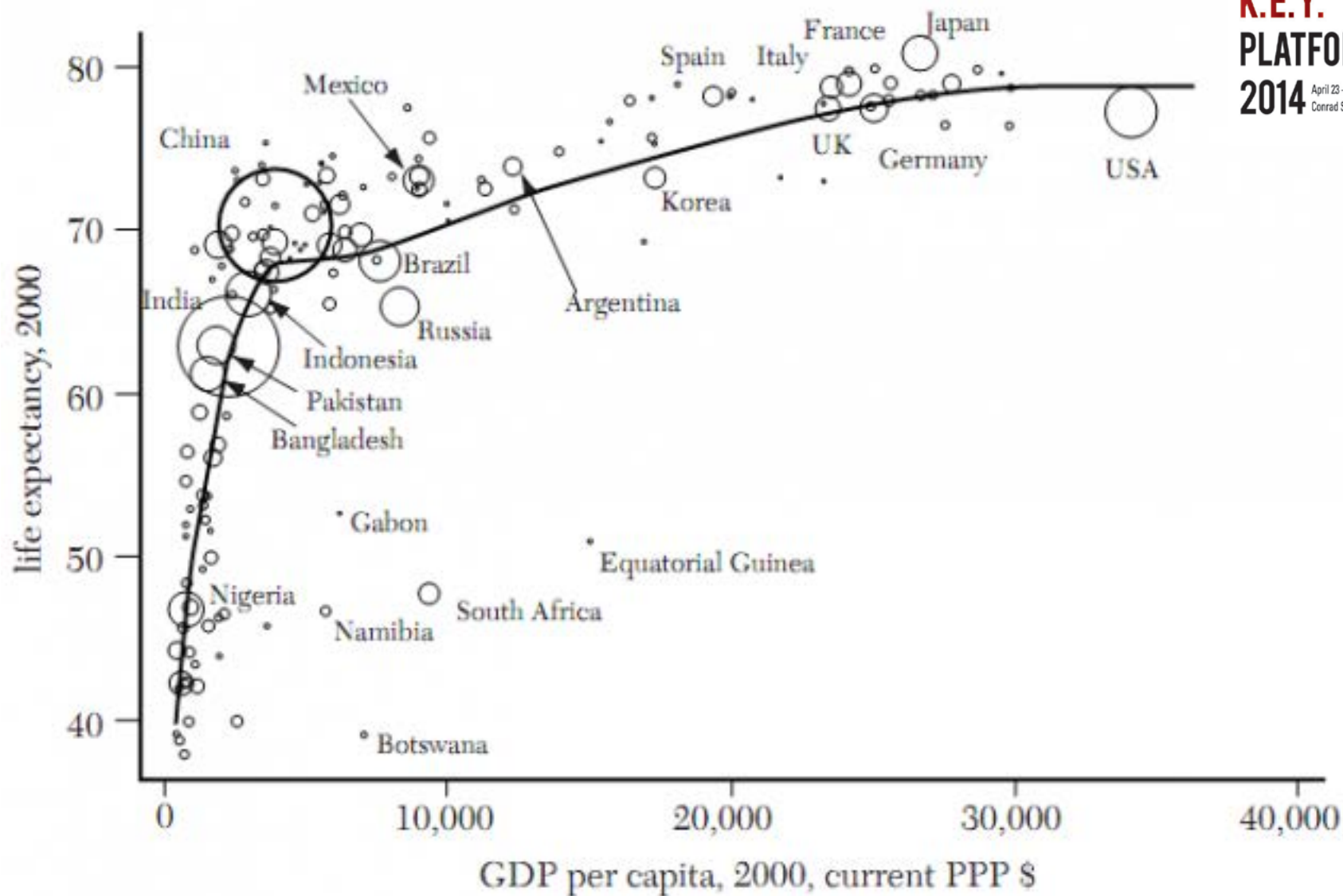
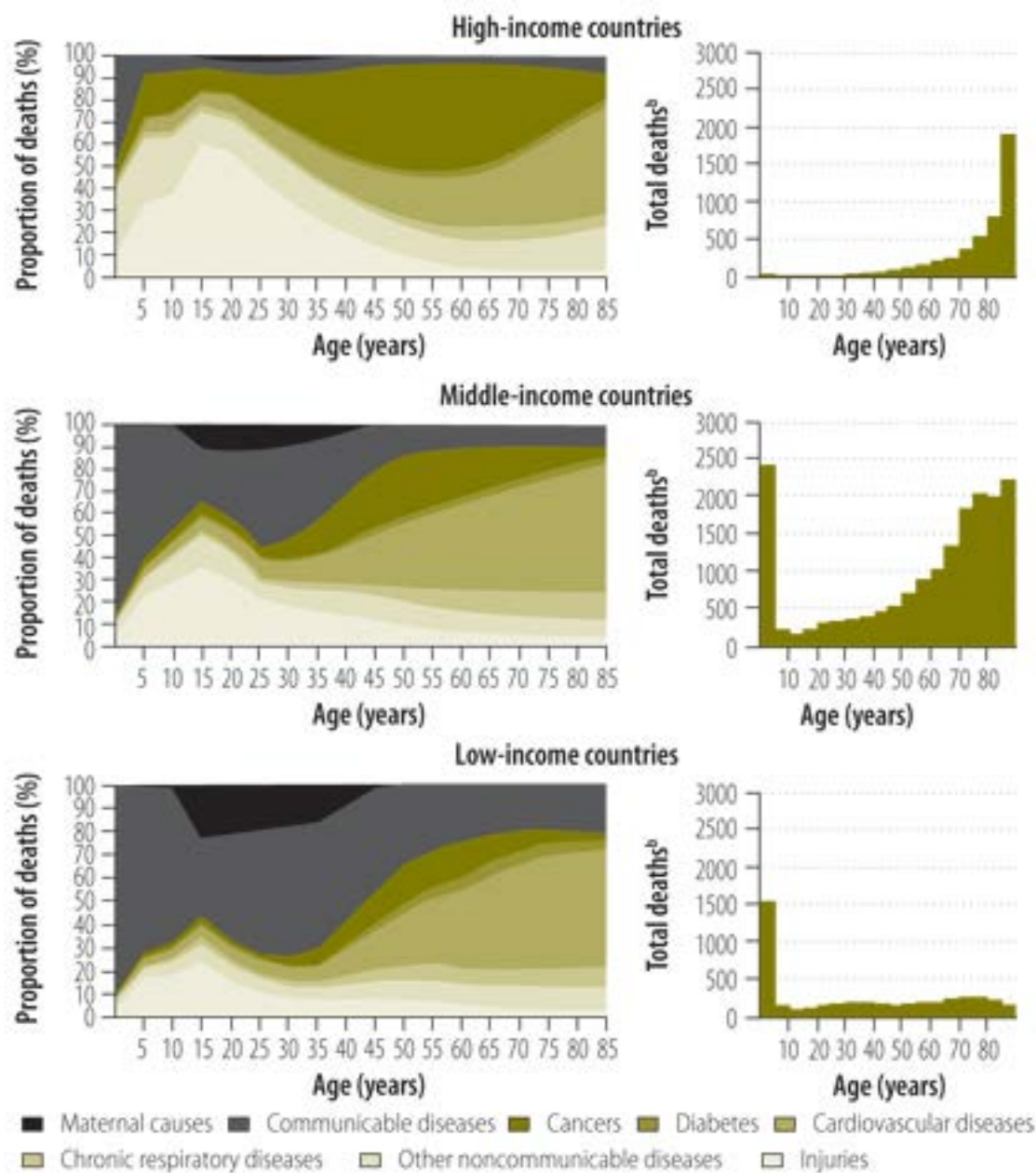


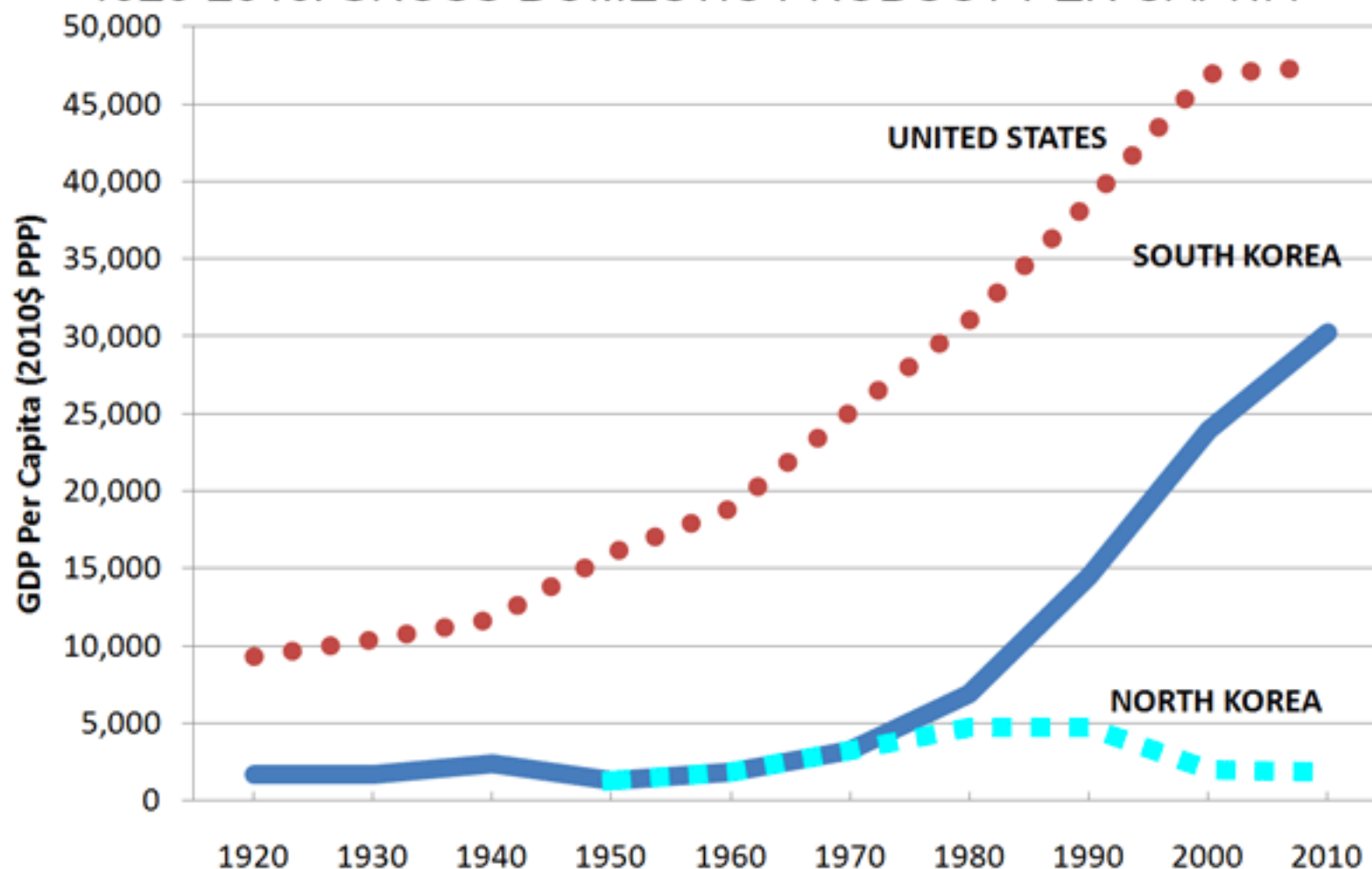
Figure 1. The Preston Curve: Life Expectancy versus GDP Per Capita

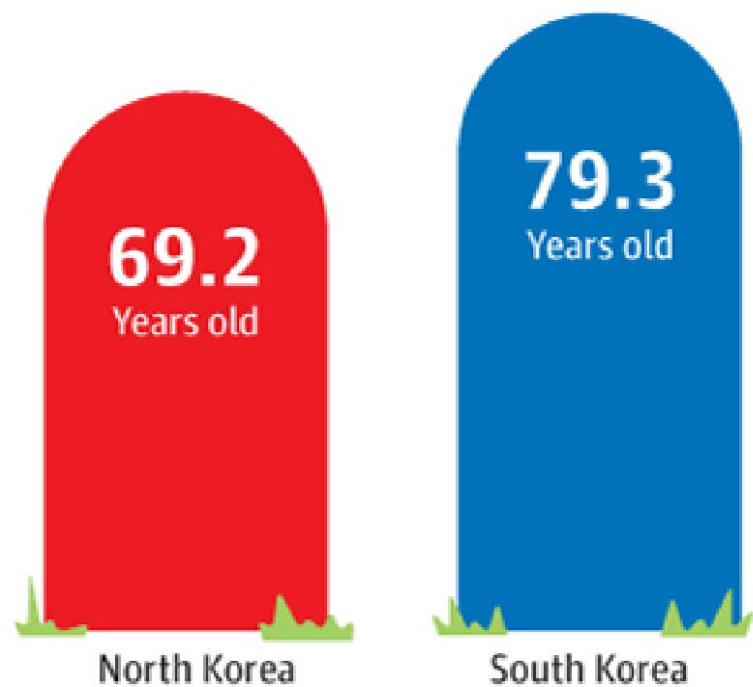


Does the pattern hold within Korea?

Economic Growth: Korea & US

1920-2010: GROSS DOMESTIC PRODUCT PER CAPITA





Life expectancy at birth, total population

Top 10 Causes of Death

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South

1. Stroke
2. Coronary Heart Disease
3. Lung Cancer
4. Diabetes Mellitus
5. Stomach Cancer
6. Suicide
7. Liver Cancer
8. Road Traffic Accidents
9. Colon Cancer
10. Liver Disease

North

1. Coronary Heart Disease
2. Influenza & Pneumonia
3. Stroke
4. Hypertension
5. Tuberculosis
6. Lung Cancers
7. Lung Infections
8. Diabetes Mellitus
9. Kidney Disease
10. Violence

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A focus on South Korea...

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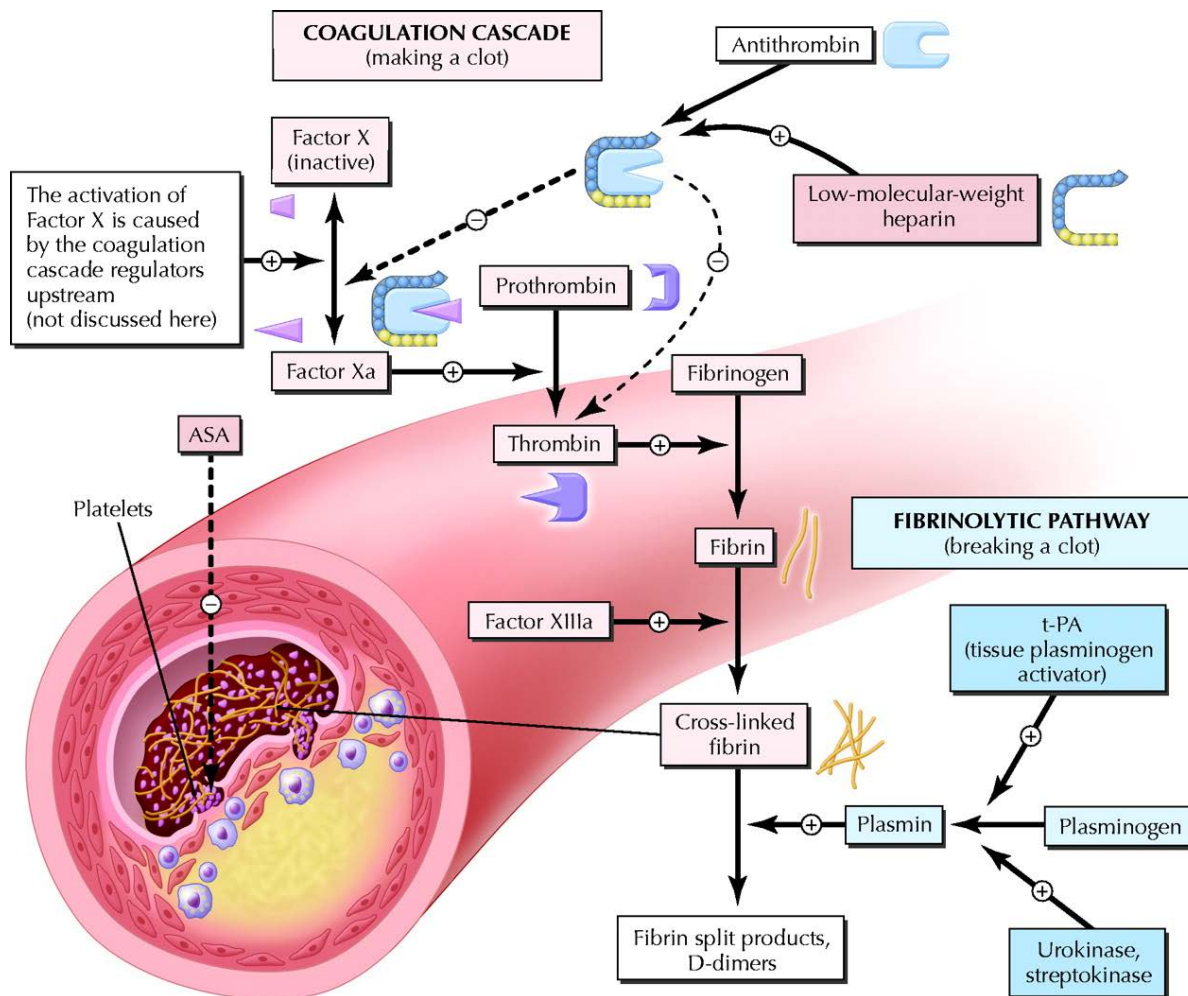
Top 10 Causes of Death

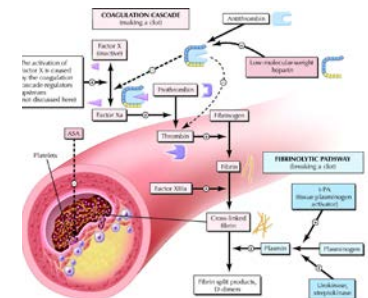
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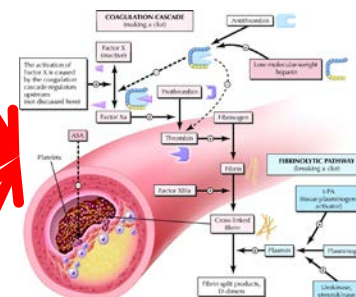
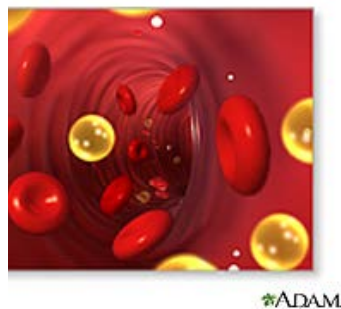
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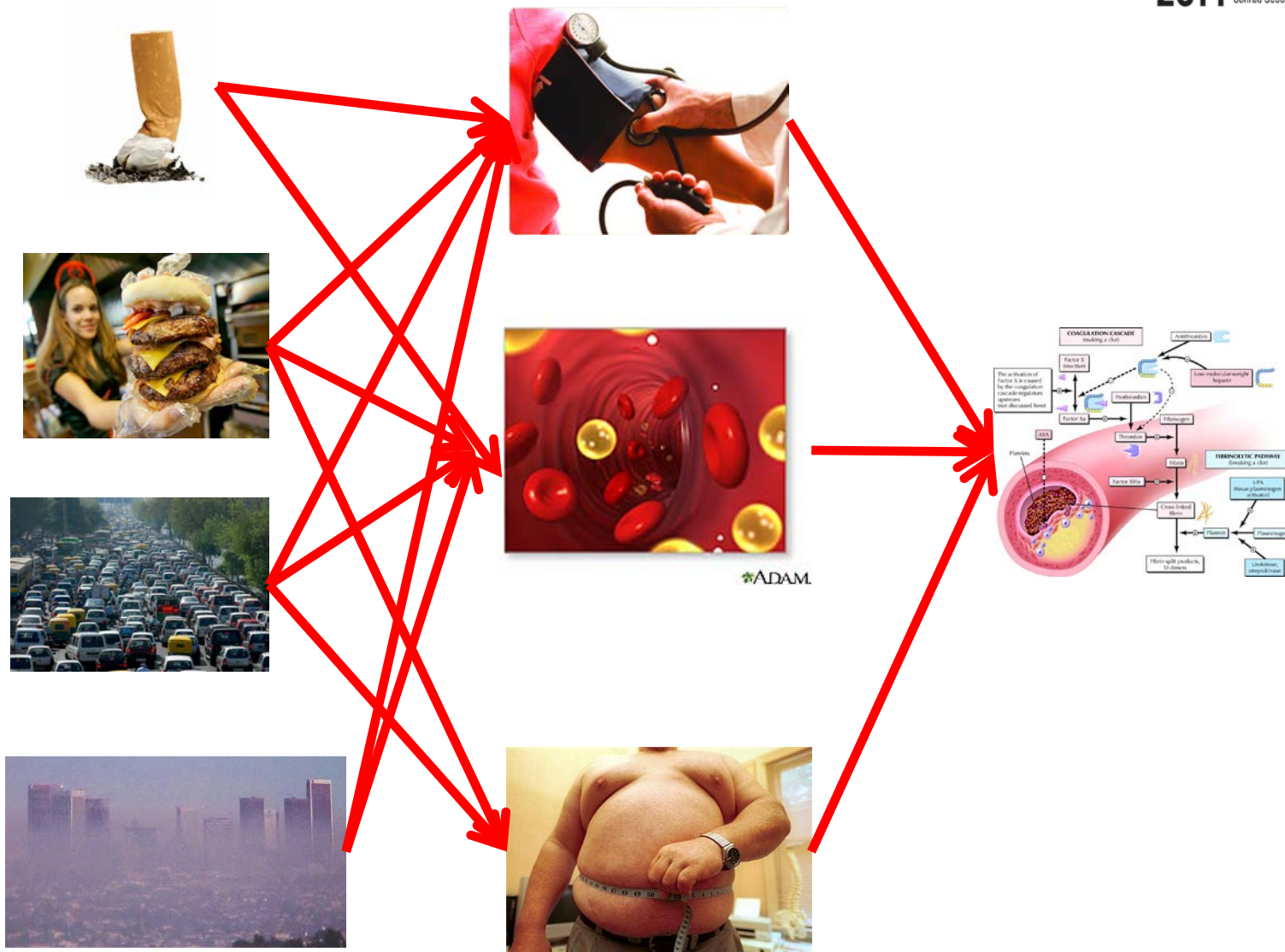
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What causes strokes and heart attacks?









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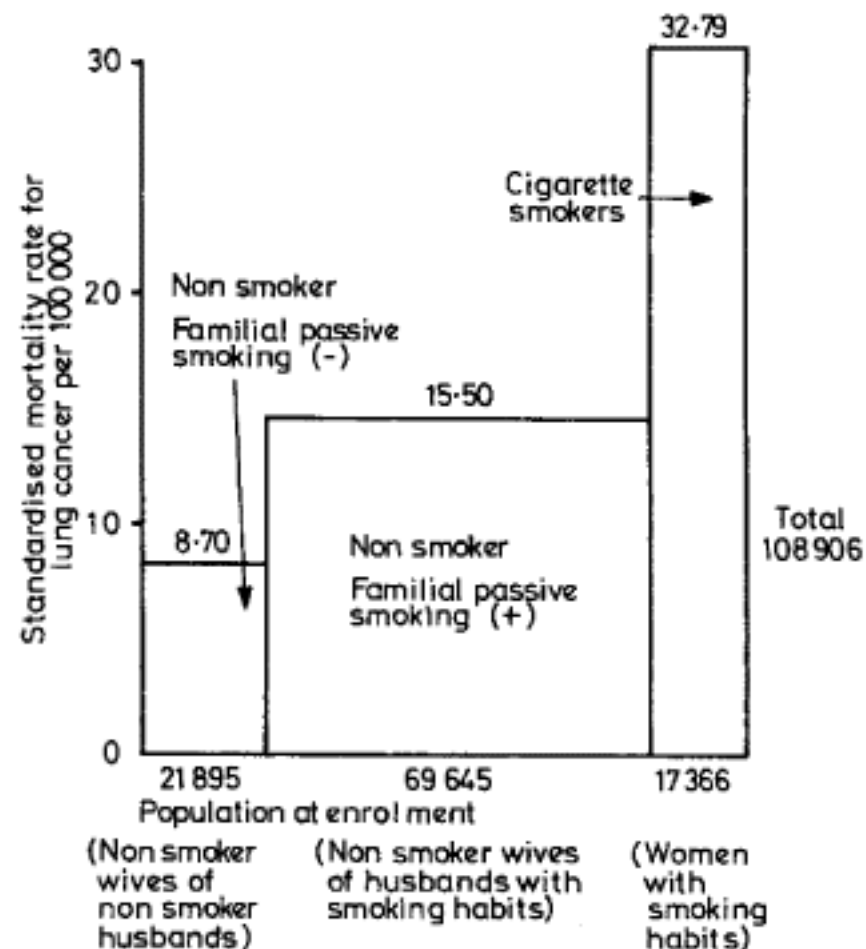


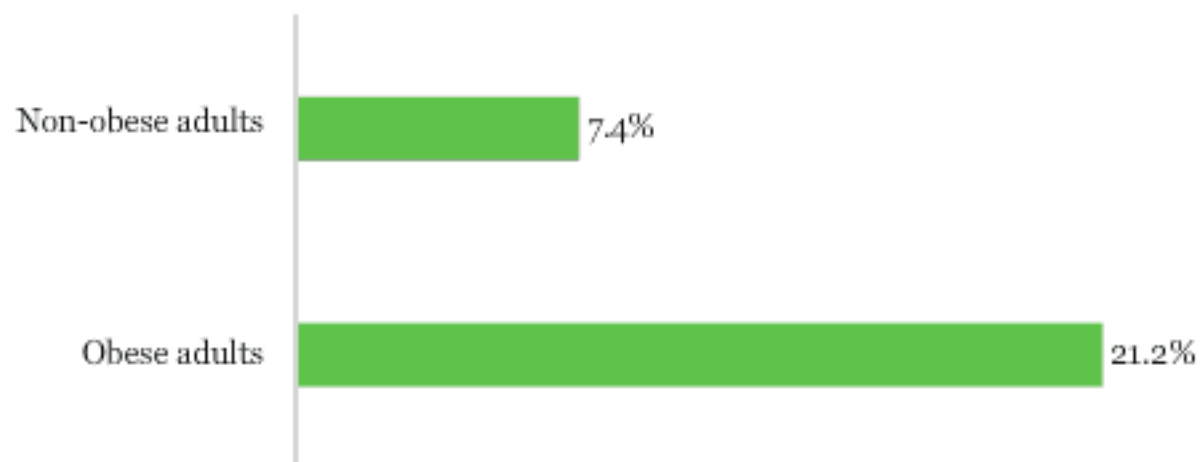
FIG 1—Lung cancer mortality in women according to the presence or absence of direct and familial indirect smoking.

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Likelihood of Having Been Diagnosed With Diabetes: Obese vs. Non-Obese

January-September 2009 results



Gallup-Healthways Well-Being Index

GALLUP®

1. Stroke
2. Heart Disease
3. Lung Cancer
4. Diabetes





- 1. Stroke
- 2. Heart Disease
- 3. Lung Cancer
- 4. Diabetes





1. Stroke
2. Heart Disease
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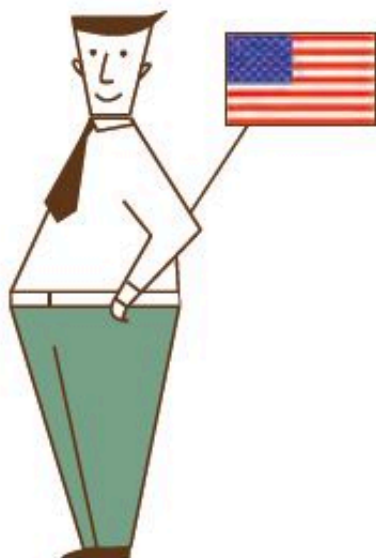


Tobacco prices and smoking rates in OECD countries

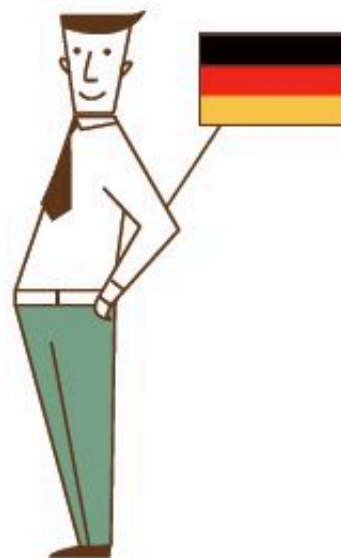
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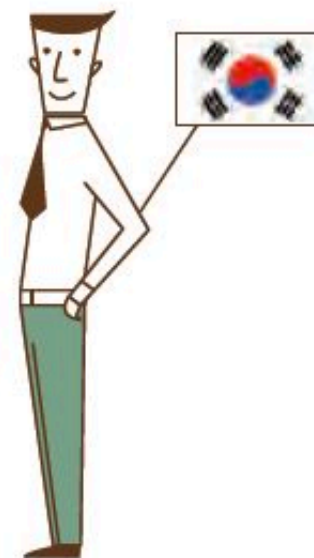




USA
31%



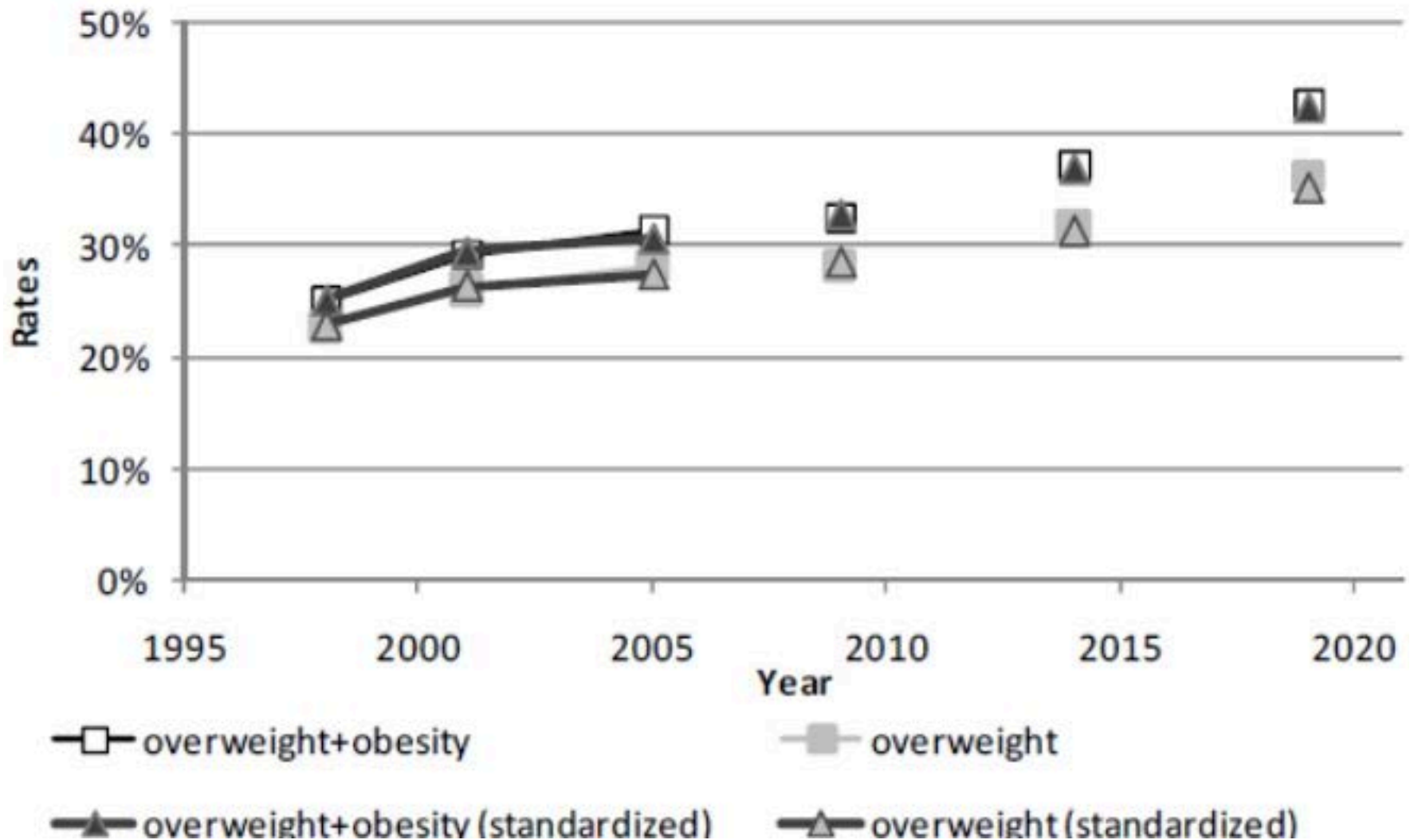
GERMANY
13%



KOREA
3%

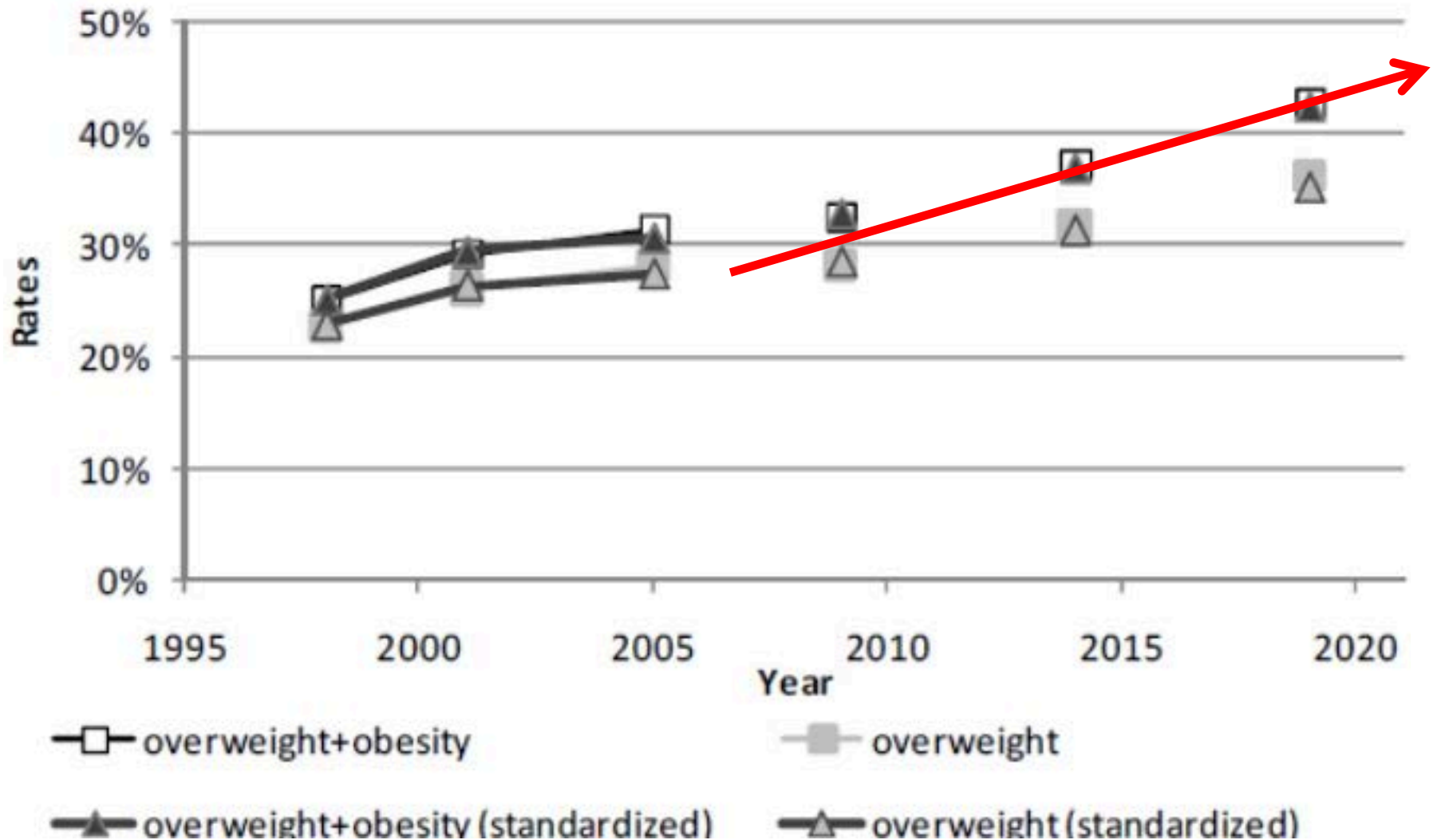
Obesity projections, South Korea

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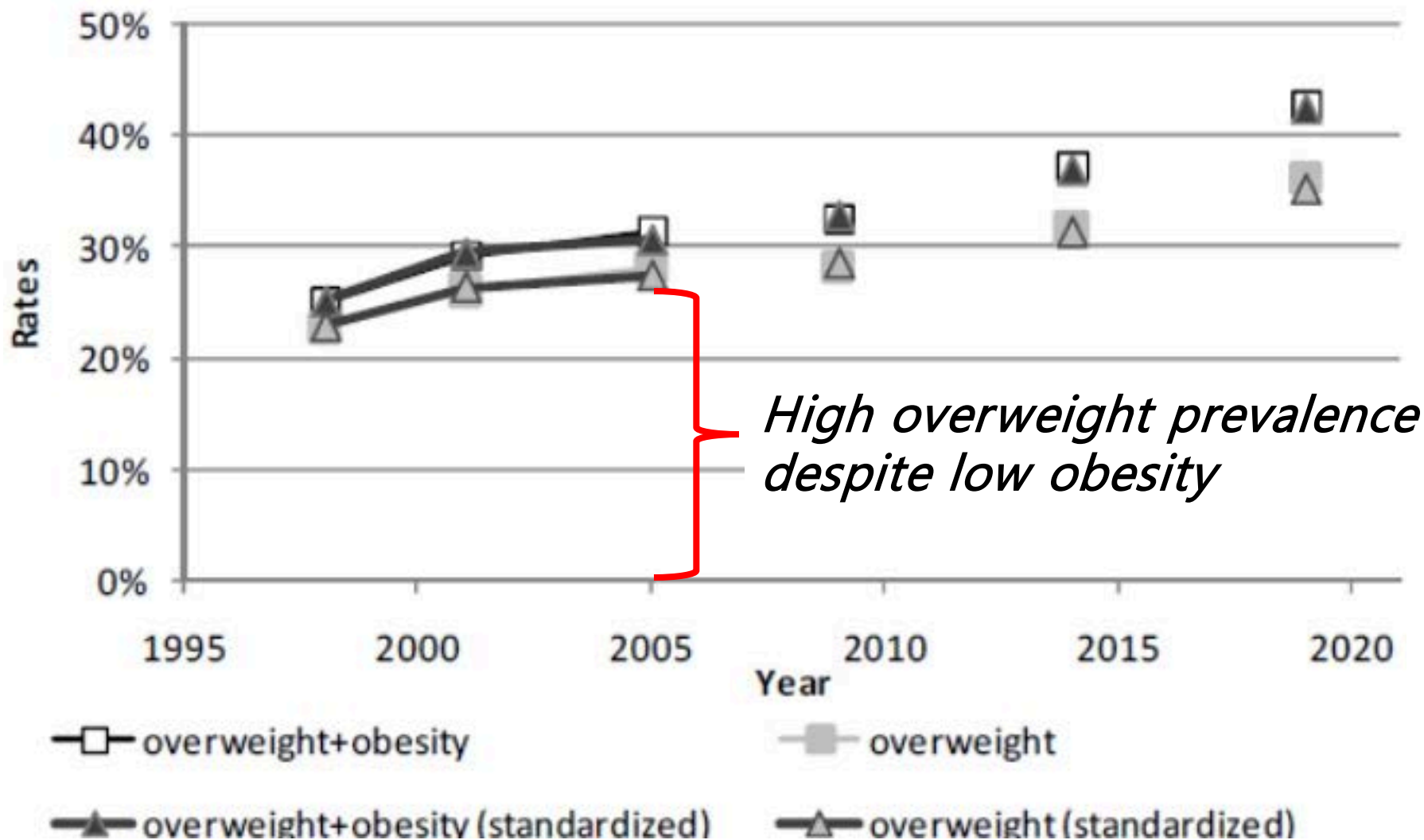
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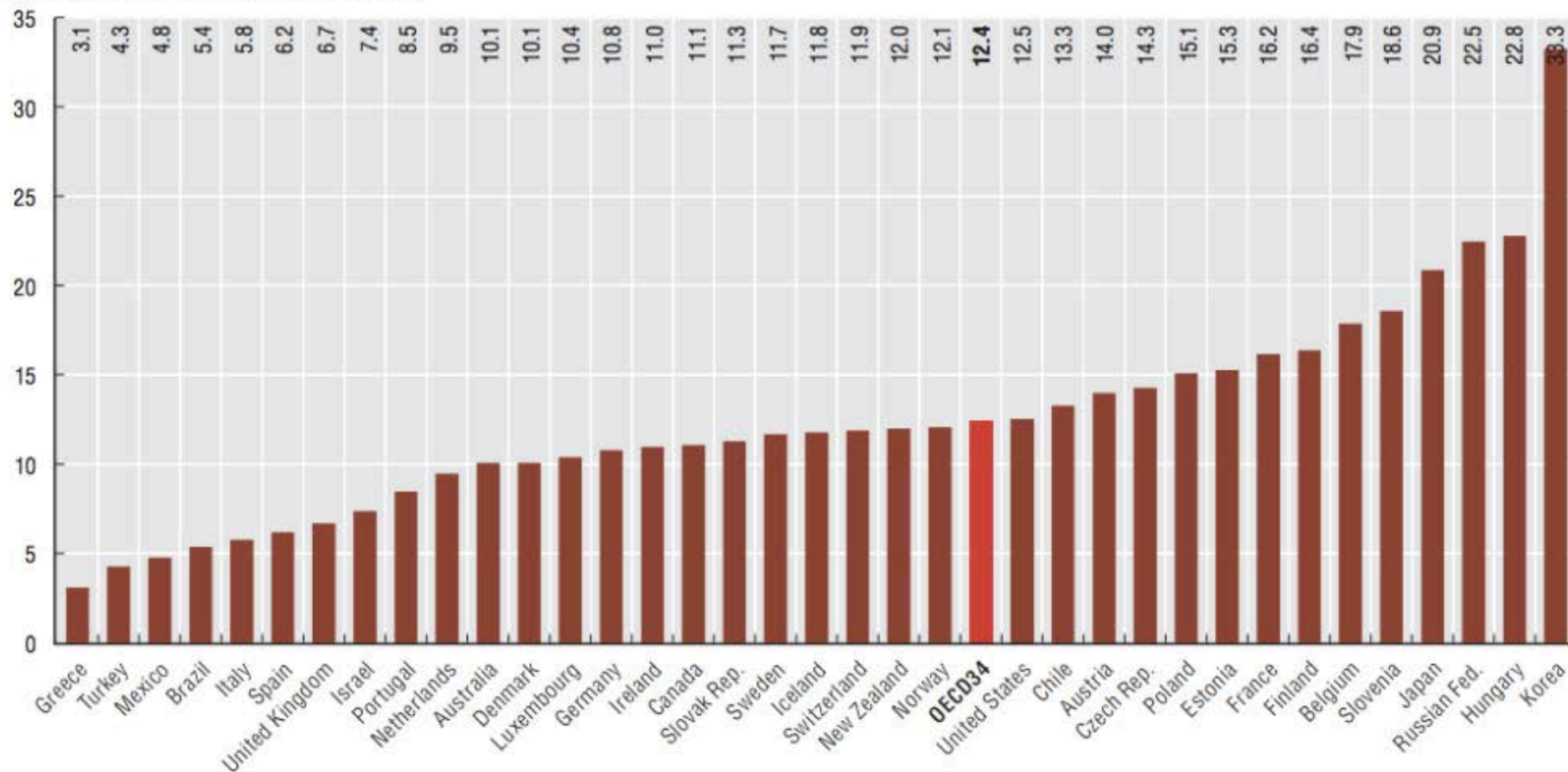


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1.6.1. Suicide mortality rates, 2011 (or nearest year)

Age-standardised rates per 100 000 population



“ Public health is what we, as a society,
do collectively to assure the conditions
for people to be healthy ”

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But there remains an opportunity for business...

Business offers...

1) Agility

2) Innovation

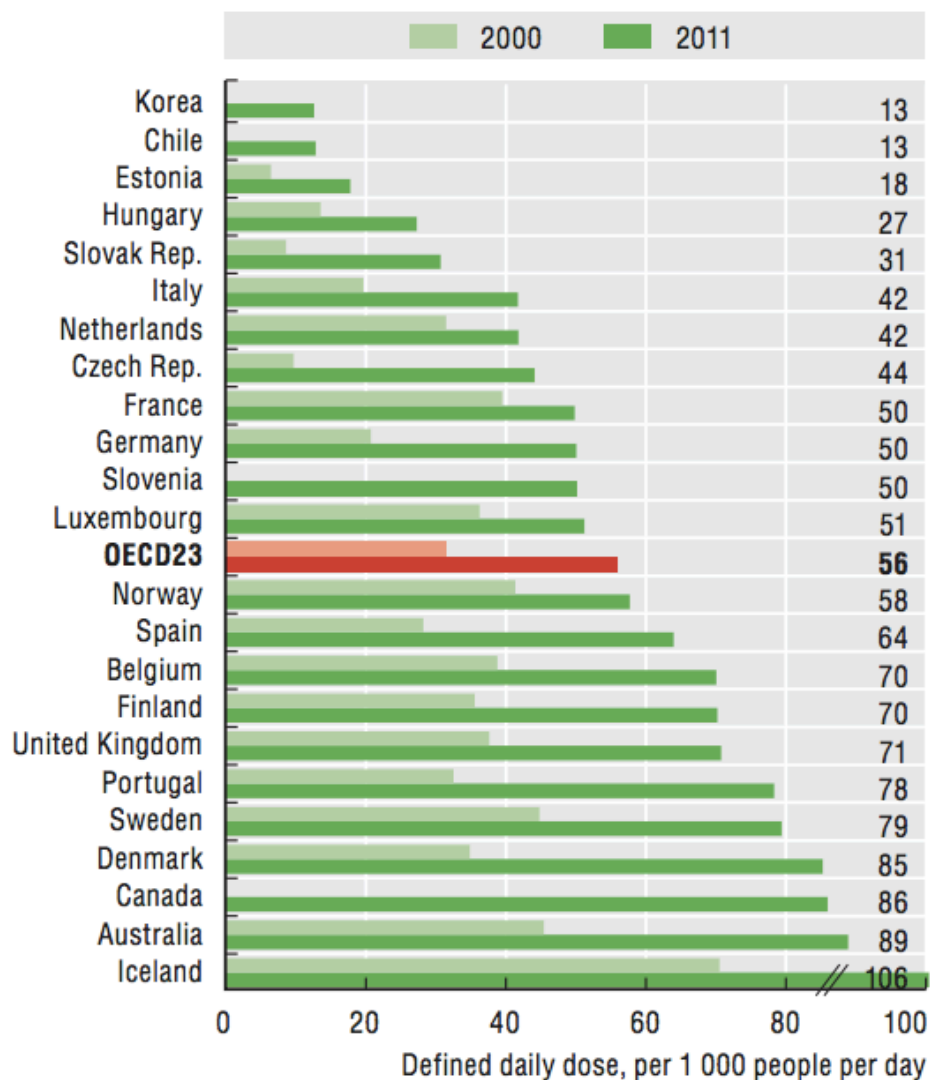
3) Efficiency

Opportunities to do 'well' and do 'good'

1) Traditional medical interventions

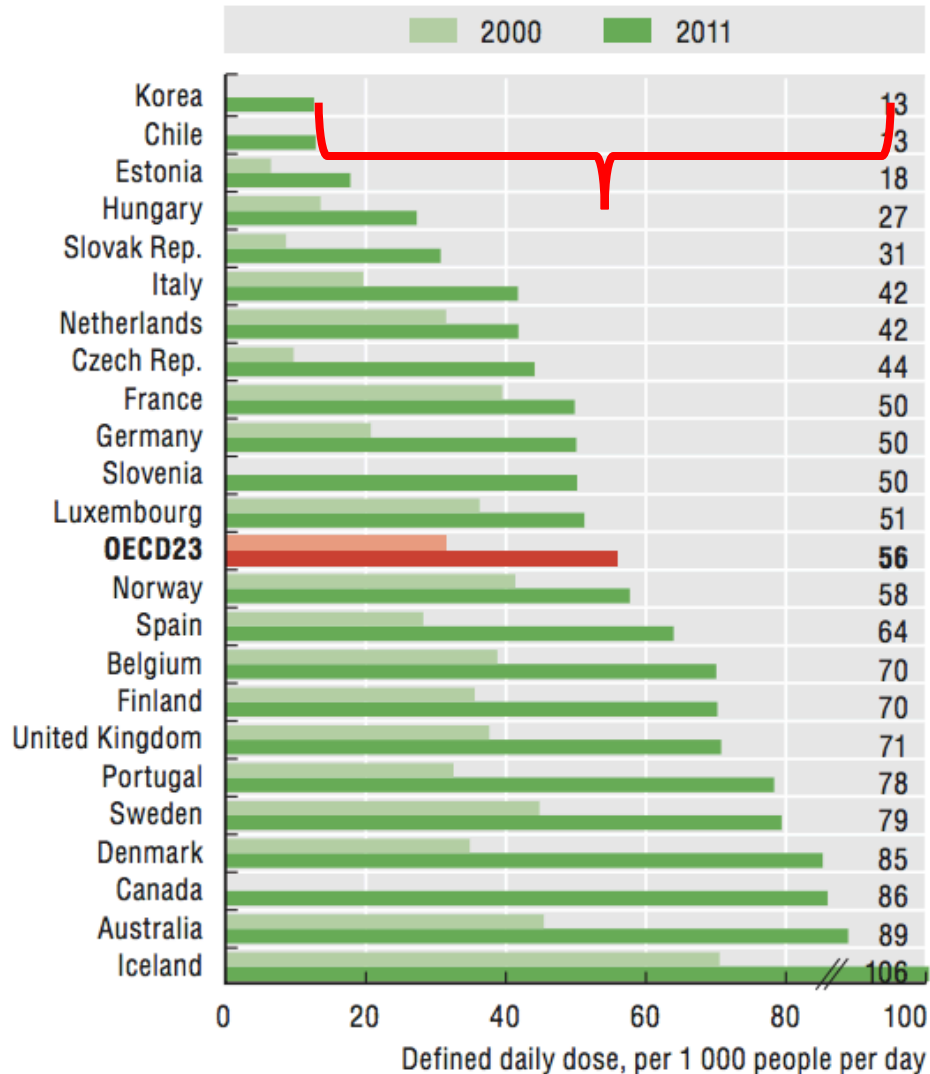
1) *Traditional medical interventions*

**Antidepressants consumption, 2000 and 2011
(or nearest year)**

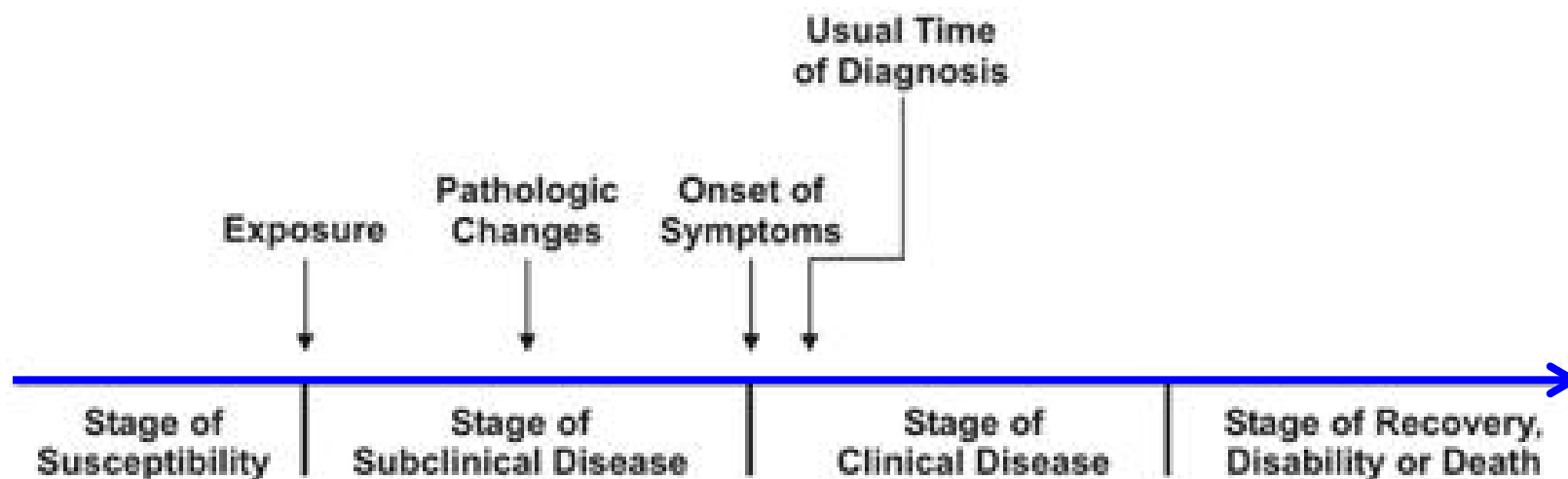


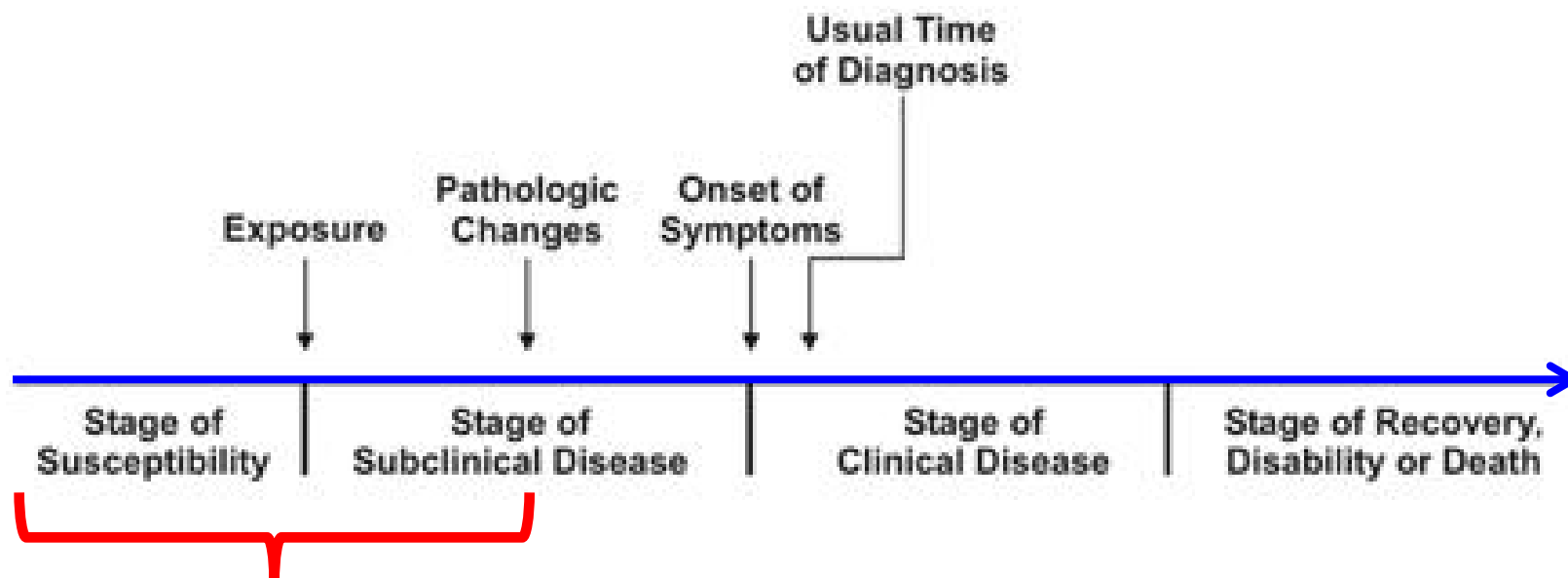
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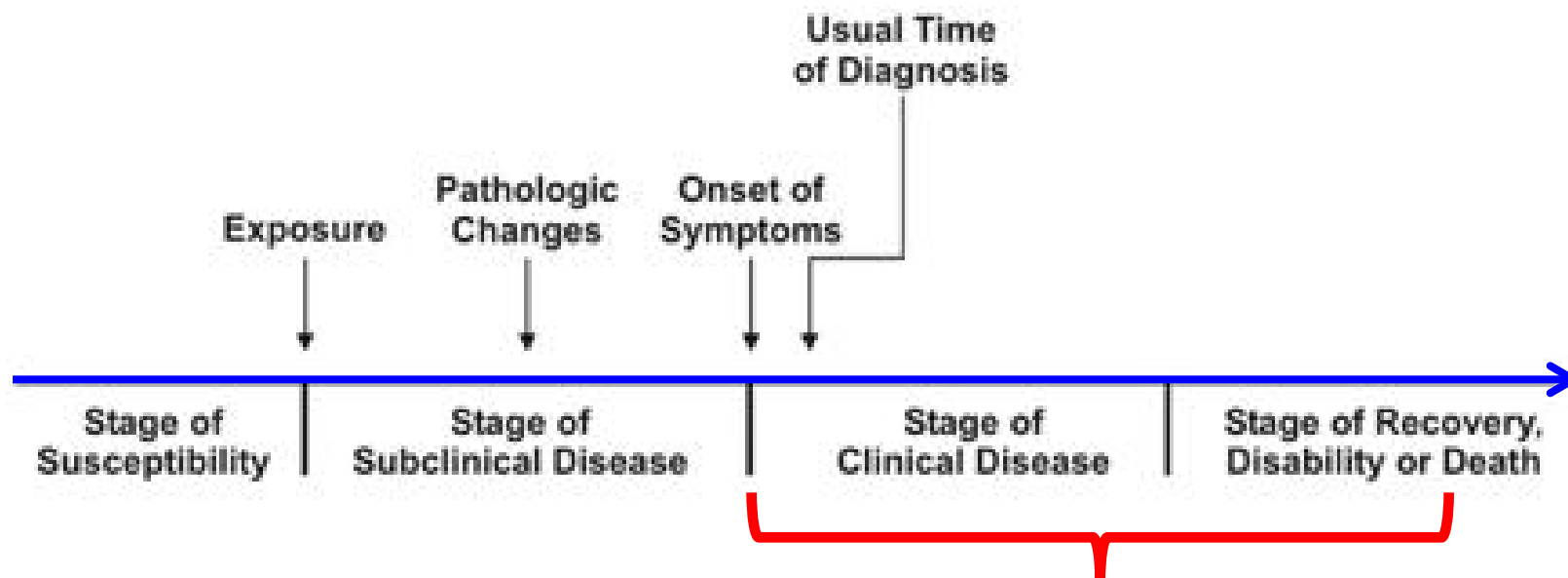


Medicine: A double-edged sword

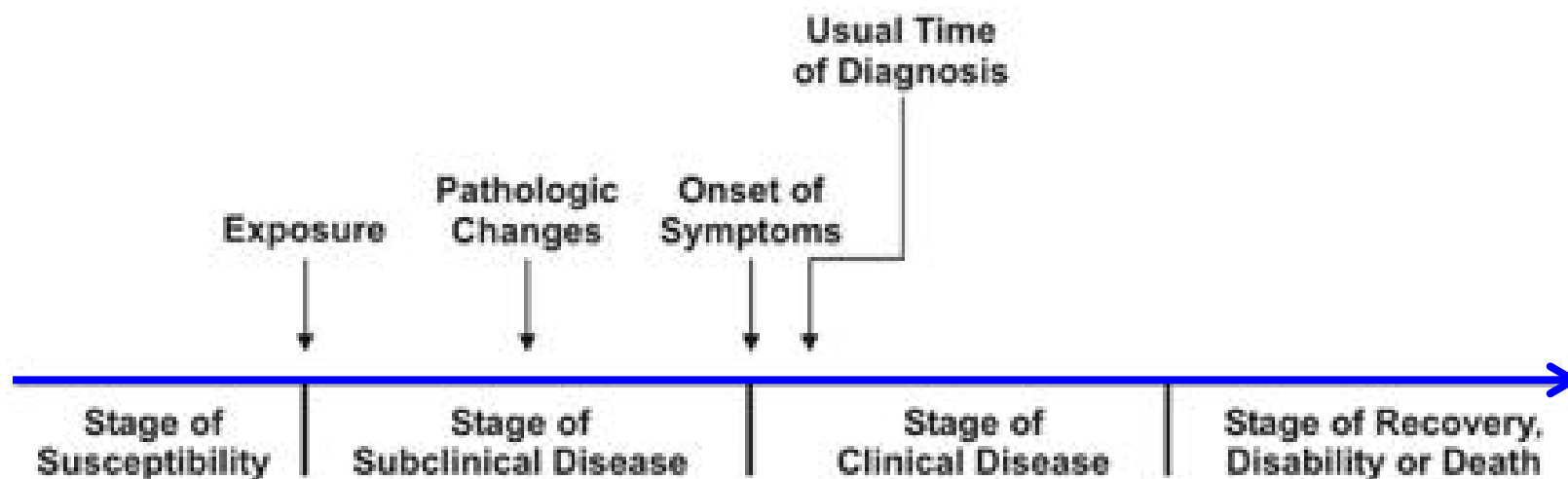




We want to
be here



But medical interventions make \$\$\$ when people are here



Incentivizes disease

2) Innovative investment models

2) *Innovative investment models*

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A case study

The Facts:

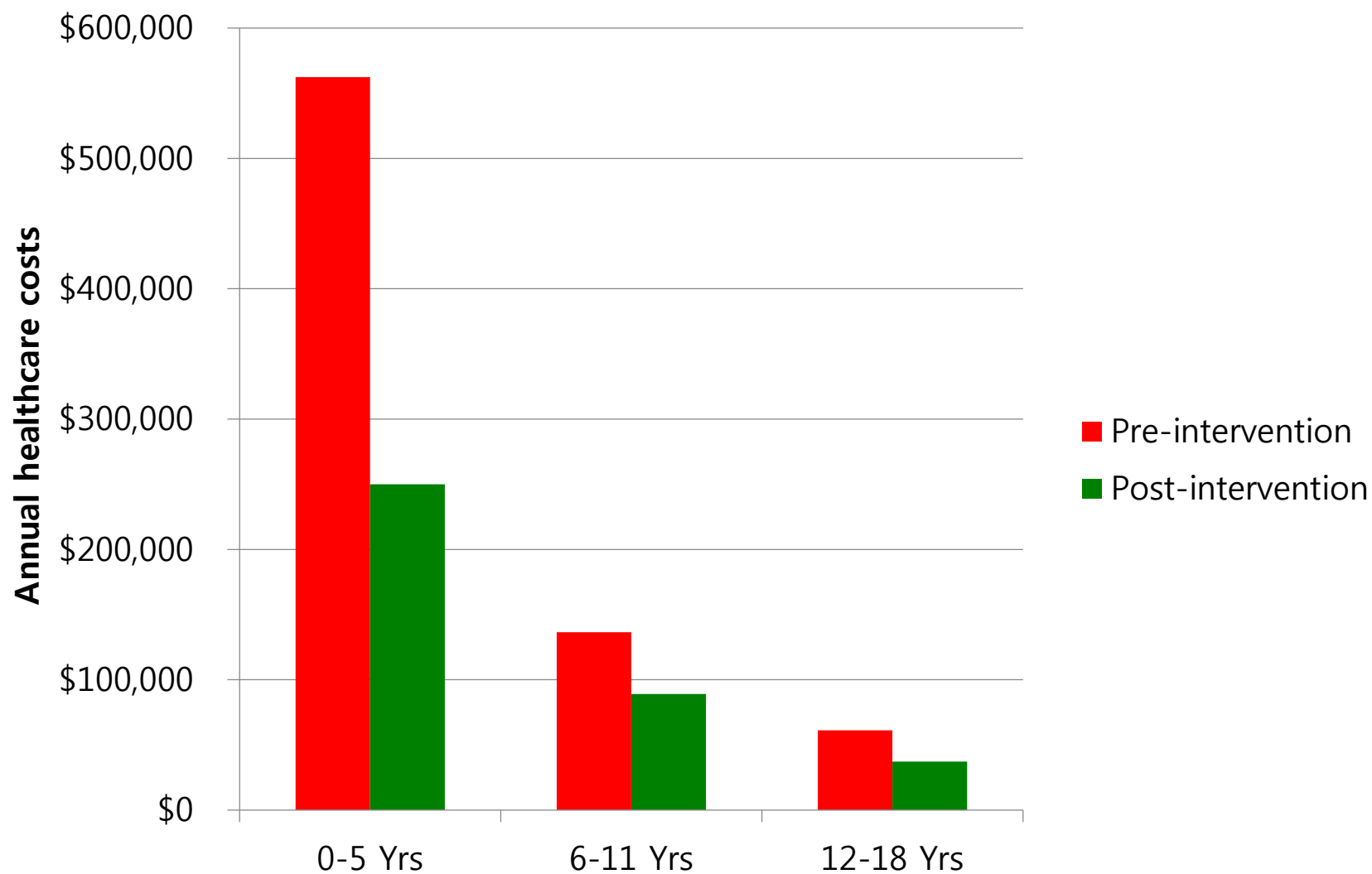
- Nearly 20% of children in Fresno, CA have asthma

The Facts:

- Nearly 20% of children in Fresno, CA have asthma
- Children with asthma who are not well cared for often require emergency care, costing nearly \$35 million annually

The Facts:

- Nearly 20% of children in Fresno, CA have asthma
- Children with asthma who are not well cared for often require emergency care, costing nearly \$35 million annually
- There are cost-effective interventions that reduce emergency room visits (and more importantly, asthma emergencies)



CCAC

Central California ASTHMA COLLABORATIVE

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Working together to reduce the burden of asthma

3) Leveraging shared incentives

Time and Money Lost to One Employee Smoking

(based on four ten-minute smoke breaks per day)

Employee Annual Salary*	Hourly Wage	Dollars Lost to Smoking	
		Weekly	Yearly (A)**
\$20,000/year	\$10.00/hr	\$33.33	\$1,667/year
\$25,000/year	\$12.50/hr	\$41.66	\$2,083/year
\$30,000/year	\$15.00/hr	\$49.99	\$2,500/year
\$35,000/year	\$17.50/hr	\$58.32	\$2,916/year
\$40,000/year	\$20.00/hr	\$66.65	\$3,333/year
\$45,000/year	\$22.50/hr	\$74.98	\$3,749/year
\$50,000/year	\$25.00/hr	\$83.32	\$4,166/year
\$55,000/year	\$27.50/hr	\$91.65	\$4,583/year
\$60,000/year	\$30.00/hr	\$99.98	\$4,999/year
\$65,000/year	\$32.50/hr	\$108.31	\$5,415/year
\$70,000/year	\$35.00/hr	\$116.64	\$5,832/year

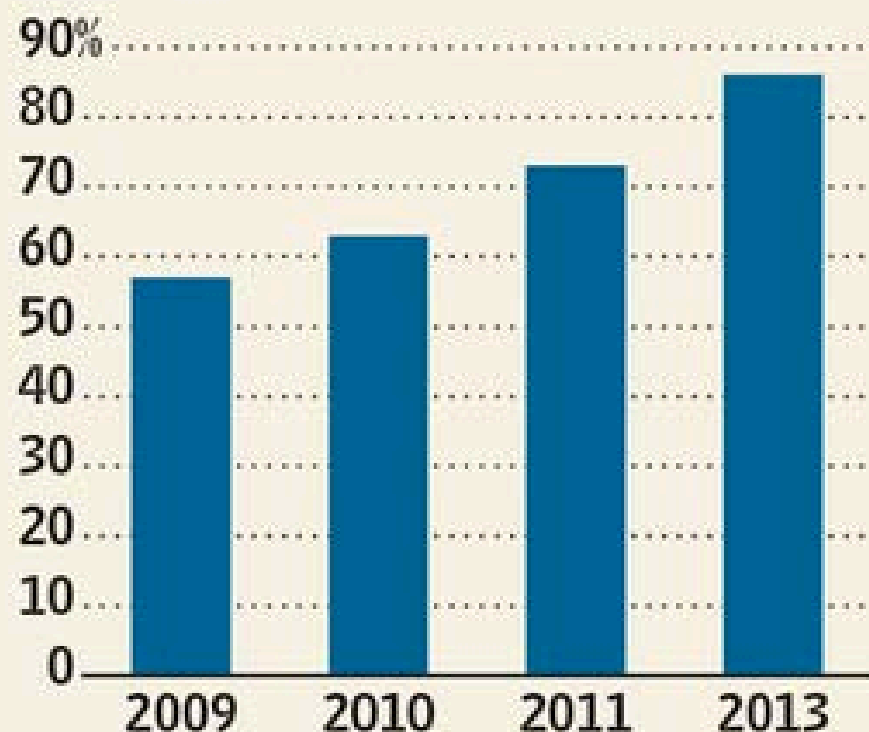
**ON AVERAGE, FOR
EVERY \$5,000 A
SMOKER MAKES IN
SALARY, HE/SHE IS
COSTING YOU AS
AN EMPLOYER AN
ADDITIONAL
\$412/YEAR**

*All numbers based on 40 hrs/week, 50 weeks/year

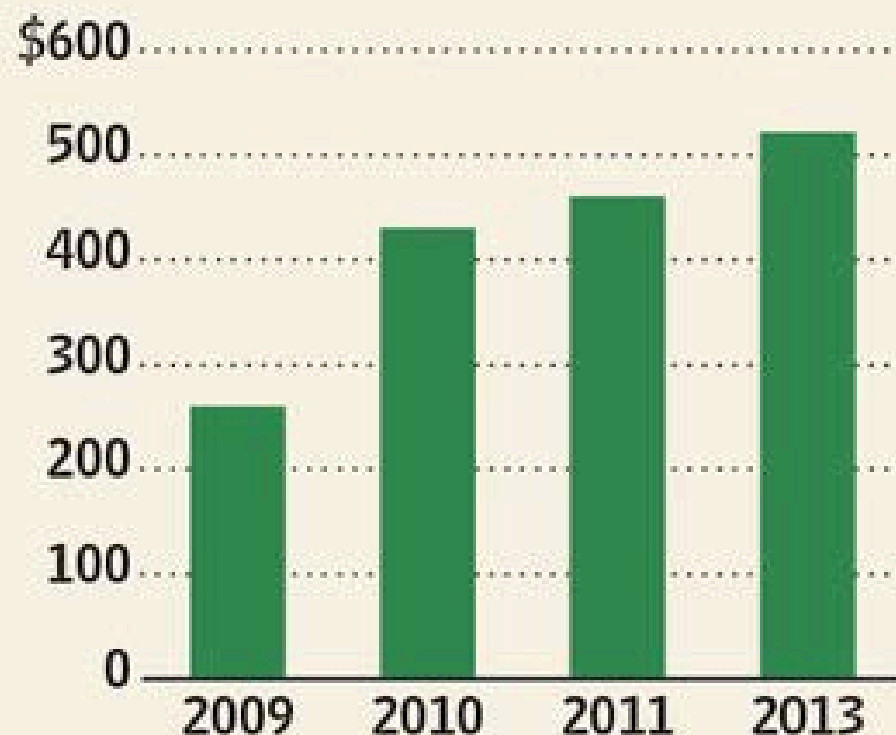
**Figure A x Number of smokers in your company = yearly profit lost

Spreading the Health

Percentage of surveyed companies offering wellness incentives



Value of wellness incentives per employee



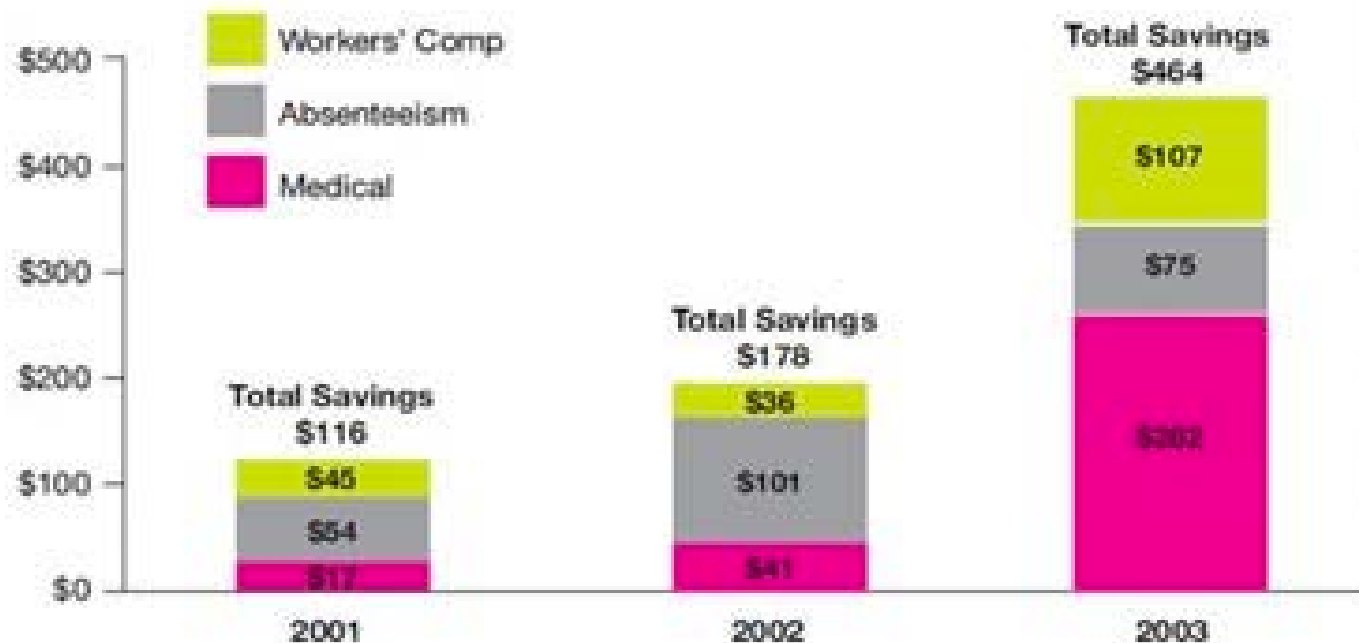
Note: No data for 2012 due to change in survey design.

Source: National Business Group on Health/Fidelity Investments surveys; 2013 data is based on responses from a national sample of 120 companies in a range of industries and sizes

The Wall Street Journal

Wellness Program Savings

A three year study conducted at a health system in Minneapolis found that health risks decreased after the implementation of a comprehensive worksite wellness program. This led to increased savings due to reduced health care costs, absenteeism, and workers' compensation claims each year of the program.



Source: Fairview Alive Program Evaluation (May/Mat, 2004)

“Charity starts at home”

“ Investment ”
Charity starts at home