

# COVID-19's Impact on Employer Health Costs & Employee Heart Health

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From a healthcare standpoint, Covid-19 has impacted people's lives in many ways, both inside and outside the work environment. For example, the need to work from home during the COVID-19 pandemic has led to significant cardiovascular risks stemming from the increased adoption of a sedentary lifestyle. In addition, as vaccinations become more widely available, Americans are seeking the medical care they previously postponed due to the lockdowns, causing a sharp increase in employer health insurance claims.

## How COVID-19 has Increased Employer Health Insurance Claims

The impact of Covid-19 on the cost of healthcare insurance claims is full of variables. Widespread lockdowns have led many people to defer their care by postponing or canceling doctor appointments and medical procedures altogether. This initially caused a sharp decrease in medical spending. But experts anticipate an increase in health insurance claims and employer-sponsored health plan premiums. Some of the factors

- More people with serious conditions, like cardiovascular disease, will require high-cost hospitalizations
- The unemployed will lose employer-sponsored healthcare, thus being unable to seek treatment
- A higher number of people who deferred care due to the pandemic's lockdowns.



Many employers, particularly from larger firms, have opted for so-called self-funding. In other words, they chose to cover some or all health services directly from the firm's funds rather than purchasing health insurance. Doing so allowed large firms to spread the risk of costly health insurance claims over a larger number of dependents.

According to a survey conducted by the Kaiser Family Foundation, 67% of covered workers were enrolled in a self-funded plan in 2020, significantly more than the previous year's 61%.

The reduced number of healthcare demands during lockdowns has offset the high cost of employer health claims for the most part. However, there is a looming concern that deferring care will increase the severity of certain health conditions, especially cardiovascular conditions. The cost of treating severe disease leads to higher health insurance claim costs for employers, potentially threatening their financial well-being.

## COVID-19 Will Further Increase Healthcare Claims

Despite the desire to keep their workers safe and in good health, U.S. employers fear a sharp increase in healthcare costs. This is mainly due to two factors: the fast-spreading virus and the need for health plans to cover COVID-19 testing and potential treatments of respiratory diseases caused by the virus itself.

With the steep rise in COVID-19-related claims, health insurers may choose to increase annual premiums by a high percentage. In addition, as mentioned previously, deferred care is likely to increase healthcare costs after the pandemic. According to an Aon survey, in 2021, both self-insured and fully insured employers may witness a rise in premium health insurance claims by an additional 2% above typical trends, including the costs of care that individuals postponed in 2020.

In summary, increases in health insurance claims will likely depend on the following factors:

- Mitigation of coronavirus spread.
- Prevention of potential new waves of COVID-19 infections.
- Costs of vaccines and therapies.

## COVID-19's Negative Impact on Remote Employee Health & Wellness

Respiratory disorders are not the only negative effect of the novel coronavirus. The cardiovascular risk associated with the new home-bound lifestyle has made this pandemic even harder to bear. The following sections will explore COVID-related cardiovascular disease risk factors.

### Long Work Hours

In May 2021, ScienceDirect published extensive global research showing that between 2000 and 2016, a staggering 745,000 people lost their life from stroke and heart disease due to excessive working hours. These numbers may, unfortunately, worsen due to the coronavirus pandemic.

The study suggests that cardiovascular disease, namely ischemic heart disease and stroke, is more prevalent in people who worked 55 or more hours throughout the week. The study also found that long work hours increase the risk of dying of heart attack or stroke by 35%. For this reason, experts have warned employers to limit the hours that both in-person and remote staff are required to work.

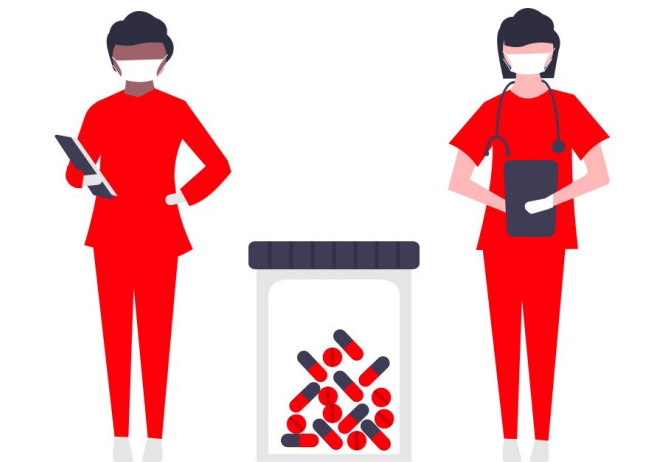
Since the pandemic began, many employees have worked longer hours compared to the pre-COVID era. So-called teleworking has, in fact, become normal among many office-based job sectors, blurring the boundaries between work and home life.

### Sedentary Lifestyle

Another cardiovascular risk factor is a sedentary lifestyle. Office workers are more desk-bound since their occupations require them to stay home. Evidence shows that leaving the body inactive for extended periods may lead to early cardiovascular risks. For instance, blood flow slows down when sitting for long periods, thus allowing fat to accumulate in the blood vessels. This is a risk factor preceding the onset of cardiovascular and coronary heart diseases. Therefore, home-based workers must remain healthy and incorporate some exercise throughout the day, even if it is a short walk.

## Combating Rising Healthcare Costs among Employers

Coronavirus's impact on business requires employers to act now. Employers need to ensure their employees' and customers' safety, keep cash and liquidity, and navigate complex government healthcare programs. To reduce healthcare spending, employers can boost employee contributions, reduce administrative costs, and even promote healthcare spending education programs.



But one of the most promising options for employers to consider is a preventive healthcare program to foster employee health and wellness. But not just any program - a well-constructed and implemented program, like cardioriskSCORE.

CardioriskSCORE is an innovative heart disease prevention program that assesses your employees' heart disease risk using the latest genomics- and evidence-based preventive strategies. Not only does the program reliably detect employees at elevated cardiovascular disease risk, but it identifies up to 17% of high-risk employees that other risk assessments miss!

Once your at-risk employees are identified, the program recommends data-driven cardiovascular disease prevention strategies. Ongoing tracking and support ensure that your employees stay on track with their health objectives and avoid negative cardiovascular health outcomes – with an 87% employee engagement rate, you can rest assured that your employees will get involved.

Preventing cardiovascular disease with cardioriskSCORE saves companies money. The average company with 5,000 employees will save a whopping \$1.4 million in yearly health insurance costs.

## Conclusion

Reducing the negative impact of the COVID-19 pandemic is essential for the physical and professional well-being of employees. The coronavirus has placed enormous pressure on the U.S. healthcare system, leading to significant jumps in employer health claim costs beyond any expectations. In addition to healthcare costs, a more sedentary lifestyle and long working hours have led to a series of heart-related complications and cardiovascular risks. Therefore, employers must take swift action and fight against coronary heart diseases from multiple fronts to ensure positive health outcomes and the continuity of their businesses.

To learn more about cardioriskSCORE for your company, send us a message today.