

Benefits of Onsite Fitness

This study at Progressive Corp. in Ohio documents the benefits of an onsite fitness center for both the employees and the corporation.

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Several studies have investigated the benefits of fitness centers, and corporate fitness programs in particular. Although results are not conclusive, evidence is mounting that corporate fitness centers provide tangible benefits, such as decreasing absenteeism and healthcare costs, aiding in employee recruitment and retention, and improving employee morale. However, establishing the financial value of the corporate fitness center continues to challenge companies with current or planned facilities. This study of the corporate fitness center at Progressive Corp. in Cleveland, Ohio, helps to document the benefits of an onsite fitness center for both employees and corporations.

A review of relevant research

Prior to conducting our study, a review of relevant research was conducted. In one recent study, employee medical costs were tracked and compared to changes in their health status.² A strong association was demonstrated between health-risk status and medical costs. Employees who remained high-risk over a six-year period were more likely to have the highest medical costs, employees who increased their health risks were more likely to experience the largest increases in medical costs, and employees who lowered their risks saw their medical costs decrease. The lowest-cost group of employees (61 percent of the study group) were those who were initially low-risk and remained low-risk over the six-year period. This evidence points to the importance and the financial benefits of maintaining or achieving employee low-risk health status.

Several other studies have also shown that new fitness center members had fewer illness days at study baseline, and had significant decreases in absences compared with non-members. In addition, those who participated most frequently at the center showed the greatest improvements. Exercisers also have lower healthcare costs compared to non-exercisers. The differences in employees' absences and medical costs have been attributed to characteristics of exercisers, as well as the effects of exercise.^{3,1} A comprehensive review of the studies showed that, although the evidence had limitations, exercise was both cost-effective and cost-beneficial, with a return on investment of \$2 to \$5 for every dollar invested.⁴

The Progressive study

The purpose of our study was to examine the effects of a corporate fitness center on employee health. The relationship between health-risk status, healthcare costs and absenteeism were examined for fitness center participants and non-participants. It was expected that a healthier group of employees would be attracted to the onsite fitness center and that, over time, the facility would be associated with the maintenance of better health, lower medical costs and less absenteeism among participants.

The University of Michigan Health Management Research Center worked in cooperation with the Progressive Corporation to study the effects of its fitness center. The study tracked employees at the Cleveland location who were employed during the four-year period from 1993 to 1996, and focused on a baseline period of two years before the center was opened (1993 to 1994) and the two years immediately following its opening (referred to as "program years," 1995 to 1996).

Fitness center attendance was monitored through computerized tracking of employees. A fitness center participant was defined as anyone who attended the fitness center at least once during the initial two-year period of fitness center operation. Increasing levels of center participation were defined by dividing the total number of visits to the fitness center during the two-year period as follows: level 1 (less than one visit per month), level 2 (1.5 visits per month), level 3 (4.2 visits/month) and level 4 (10.6 visits/month). (See Table 1.)

Employee health-risk status was determined using a Health Risk Appraisal (HRA). The HRA questionnaire uses self-reported health behaviors, and blood pressure and cholesterol screenings to assess health. Fifteen health risks are defined in Table 2. A high-risk person was defined as someone with four or more of the 15 possible health risks.

Medical costs were available for employees who subscribed to an indemnity insurance plan. Average medical costs for the two years before the opening of the fitness center were compared with average medical costs for the two years after the facility was opened.

Short-term disability (STD) hours for both two-year periods were used as a measure of absenteeism. Total STD hours for the baseline years were compared to the total STD hours of the program years. Employees who were pregnant during the study period were excluded from comparisons of medical care costs or absenteeism.

Progressive study results

Demographics. Fitness center participants reflected the gender makeup of the overall employee population (68 percent female, 32 percent male). However, participants in the fitness center program were significantly younger than non-participants (34 years vs. 37 years), and more fitness center participants completed an HRA than non-participants (66 percent vs. 54 percent).

Health status. Fitness center participants were found to be at significantly lower risk for health problems (an average of 2.2 health risks) than non-participants (an average of 2.8 health risks).

The average number of health risks was lower with increasing levels of fitness center participation (see Figure 1). The average number of health risks for non-participants and very low-level participants were about the same (2.8 risks). The same trends are apparent for the lifestyle risks of smoking and being overweight, and for the psychological risks of employees' perception of their health (Figure 2), life satisfaction (not shown) and job satisfaction (not shown). The percentage of employees at high risk for these health risks was lower with increasing levels of fitness center participation.

Medical costs. As shown in Figure 3, medical costs for center participants were lower than for non-participants and remained lower during the program years (\$1,526 vs. \$1,928). In addition, the increase in medical costs from the years before the opening to the program years was less for fitness center participants (\$29 vs. \$91).

Employee medical costs between baseline and program years were also compared. In general, employees at all levels of participation had lower medical costs compared with non-participants for both baseline and program years. There was no obvious trend of decreasing medical costs with increasing levels of participation.

Short-term disability (STD) hours. The total of STD hours was lower for the two baseline years for female fitness center participants, and remained lower during the program years compared to non-participants (see Figure 5). In addition, the increase in total STD hours was less for fitness center participants than for non-participants (2.3 hours vs. 13.2 hours). Female participants generally experienced fewer STD hours both at baseline and during the program years as

exercise levels increased. Fitness center non-participants had the highest STD hours (see Figure 6).

Figure 7 outlines the relationship between STD hours and male fitness center participants. STD hours for male participants were higher at baseline and decreased during the program years, while non-participant STD hours increased during the same time period.

Discussion

As our study shows, maintaining a low-risk health status could yield substantial financial benefits to companies through increased productivity and lower medical costs, although more longitudinal research studies are needed. The fitness center at Progressive serves a low-risk group of employees. Characterized by lower medical costs and fewer absenteeism hours before the opening of the fitness center, employees participating in the center continued to experience lower medical costs and fewer absenteeism hours. This points to a strong association between participation in the onsite fitness center and the maintenance of overall good health.

In addition, analysis of the different levels of center participation indicated that the higher the level of participation in the fitness center, the lower the average number of health risks. When individual health risks were examined, the following health risks showed a significant association with levels of participation: weight, smoking, life satisfaction, job satisfaction and perception of health. As participation in the fitness center increased, the number of employees at high risk for each of these health risks decreased.

The participation rate among employees within this study was almost 35 percent, high by industry standards. This high participation rate may indicate the importance of onsite fitness center availability for Progressive employees, and may also reflect the newness of the facility.

One limitation of the study is that fitness center participation was not controlled for participation in other wellness programs. For this reason, the association of fitness center participation with continued health and cost benefits cannot be attributed solely to the onsite center. The facility does appear, however, to be an important program attended by a healthy group of employees. As such, the facility serves an important function in providing a low-risk program for healthy employees to maintain good health.

This study lends support to the evidence that onsite fitness centers attract healthier, lower-cost employees, and are important health promotion programs for maintaining employees' low-risk health status. Onsite centers may also provide substantial cost savings and increased productivity for companies. FM

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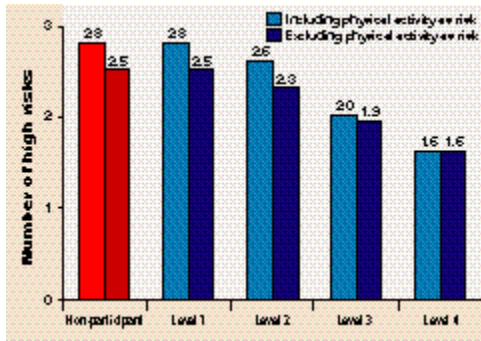


Figure 1. Average Number of High Risks for Levels of Fitness Center Participation

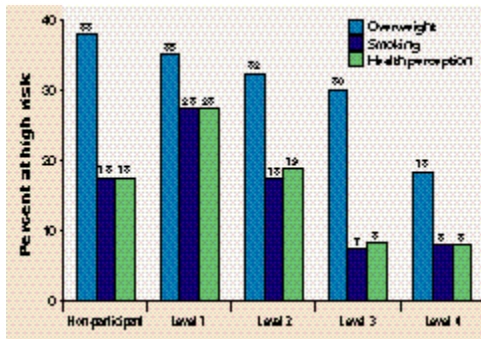


Figure 2. Selected Individual Health Risks: Percentage at High Risk by Levels of Fitness Center Participation

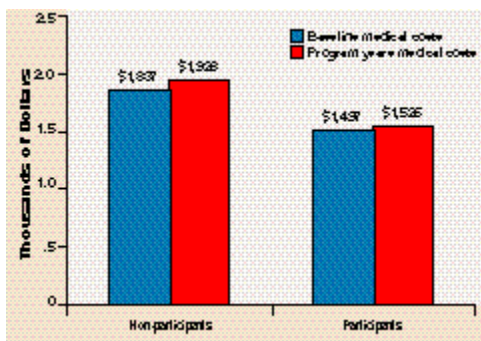


Figure 3. Medical Costs for Fitness Center Participants and Non-Participants: Baseline and Program Years
Average annual costs adjusted to 1997 dollars, excluding pregnant women.

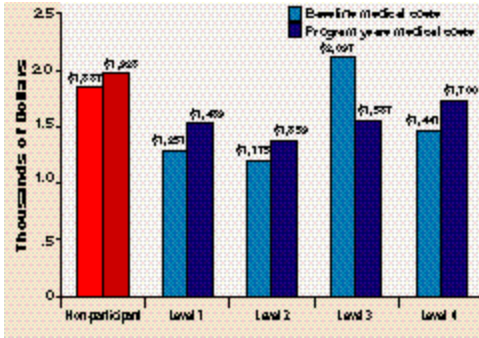


Figure 4. Medical Costs for Levels of Fitness Center Participation: Baseline and Program Years
Average annual costs adjusted to 1997 dollars, excluding pregnant women.

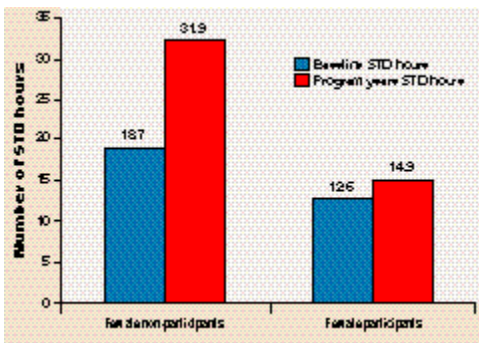


Figure 5. STD Hours for Female Fitness Center Participants and Non-Participants: Baseline and Program Years
Total STD hours for baseline and program years, excluding pregnant women.

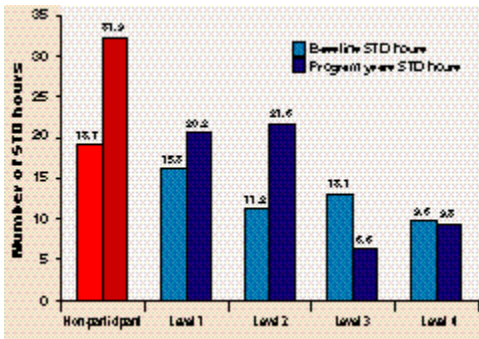


Figure 6. Female STD Hours for Levels of Fitness Center Participation: Baseline and Program Years
Total STD hours for program years, excluding pregnant women.

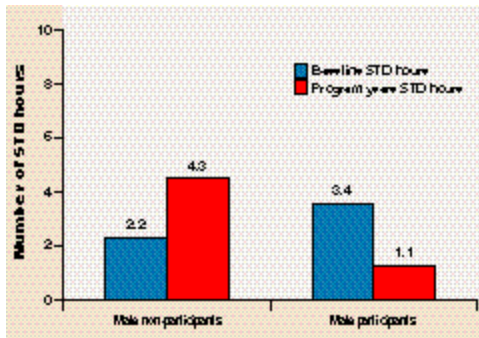


Figure 7. STD Hours for Male Fitness Center Participants and Non-Participants: Baseline and Program Years
Total STD hours for baseline and program years.

No. of employees	Avg. No. of visits in two years	Range in No. of visits	Average No. of visits per month	
Level 1 (low)	143	8.4	1 to 17	0.4 visits per month
Level 2	134	37.0	18 to 62	1.5 visits per month
Level 3	140	101.8	63 to 146	4.2 visits per month
Level 4 (high)	137	253.1	148 to 543	10.6 visits per month
Fitness center non-participants	1,037	--	--	--

Selected Measures	High-Risk Criteria
Lifestyle/Biological Risks	
Smoking	Current cigarette smoker
Physical activity	Rarely/never
Alcohol use	Heavy drinker (>14 drinks/week)
Drugs/medical	Use a few times per month or more often
Seatbelt use	Using seatbelt less than 100 percent of the time
Absent due to illness	Six days or more during last year
Medical problems	Had problems with heart condition, cancer, diabetes or bronchitis/emphysema
Blood pressure	* Systolic blood pressure greater than 139 mmHg
	or
	* Diastolic blood pressure greater than 89 mmHg
Total cholesterol	Greater than 239 mg/dl

Body weight	Over desirable weight 20 percent or more
Perception of physical health	Fair or poor
Psychological Risks	
Personal life satisfaction	Partly satisfied or not satisfied
Job satisfaction	Partly satisfied or not satisfied
Stress score	S-scale score over 18
Other Risks	
Health Age Index	Achievable Age minus Appraised Age (from HRA) > 4 years
Overall Risk Levels	
Low risk	With 0 to 3 high risks
High risk	With 4 or more high risks

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