

## MY UNHEALTHY LIFESTYLE IS YOUR PROBLEM!

### New Survey Uncovers Disconnect Between Responsibility for Personal Health And Who Should Pay For It

**CHICAGO, IL (July 23, 2008)** – According to a new survey from The Vitality Group, a member of Discovery Holdings Limited, the vast majority of Americans (82 percent) believe that they alone are responsible for their health. They also agree that lifestyle choices, such as smoking and exercise, have a direct impact on their healthcare costs. Yet when asked who should pay these healthcare costs, nearly half of Americans (44 percent) believe they should not bear any part of the responsibility of paying for their healthcare.

On the contrary, the majority believe their or their spouse's employer should have some responsibility and nearly half think the government should have some responsibility (59 and 46 percent, respectively.) Only 56 percent think they should shoulder any part of the responsibility themselves.

"These results highlight the root cause of the healthcare crisis our nation is currently grappling with," said Art Carlos, Chief Executive Officer of The Vitality Group. "We Americans, or rather our lifestyles, lie at the heart of rising medical costs and the problem will not be solved until we are required to take personal accountability for the way we choose to live."

Consider the facts:

- Chronic diseases account for more than three quarters of the nation's \$2.3 trillion medical care costs and a significant share traces to lifestyle factors such as smoking, poor eating habits and the lack of physical activity.<sup>1</sup>
- 70% of all healthcare costs generated in the United States are attributable to preventable risks and unhealthy choices.<sup>2</sup>
- An estimated 66 percent of U.S. adults are overweight or obese. Obesity costs U.S. companies an estimated \$13 billion per year.<sup>3</sup>

"The only way to stem these escalating healthcare costs is to help people take action to get healthier or insist they pay for the privilege of lifestyle choices that adversely affect the pocketbooks of others," said Carlos.

#### The Solution is Wellness (If I Don't Have to Pay For It)

Wellness programs are rapidly gaining popularity as employers struggle with dramatic healthcare costs increases. (The average Fortune 500 company spends more on health benefits than it earns in profits.<sup>4</sup>)

In a study conducted by Hewitt Associates, it was found that two-thirds of employers were moving toward more aggressive wellness and disease management programs for employees. Almost half were offering or planned to offer employees incentives to participate in health initiatives, compared with just 38 percent a year earlier.

The American public is on board too, as long as it doesn't affect their wallet -- when The Vitality Group asked survey respondents about participating in an employer-sponsored wellness program, more than 95 percent said they would participate if they got something out of it -- lower healthcare costs, incentives, better health, employer subsidies. Respondents considered the number one benefit of participation in a wellness program to be good health and fitness, followed by cost savings on healthcare.

But, Americans still don't want to pay to get healthy – only four in ten would participate in a wellness program if they had to pay for the program themselves. And, almost two thirds of Americans felt that some people with conditions which increase the use of healthcare should pay more for healthcare. Only 37 percent felt that conditions or illnesses shouldn't affect how much a person pays for healthcare.

"Despite the fact that people recognize their behavior can impact their healthcare costs, that knowledge obviously isn't enough to motivate them to action, considering 70 percent of all healthcare costs are attributable to preventable risks and unhealthy choices," said Stuart Slutzky, Chief Marketing Officer of The Vitality Group.

"Finding the right wellness program that will motivate them is critically important – they're not all created equally. The best programs provide the tools and motivation to make healthy choices including positive incentives for employees who choose to do the right thing. They are also nondiscriminatory in that their rewards are based on taking positive steps to improve health, no matter where the starting point lies."

Programs such as this – like the Vitality health enhancement program from The Vitality Group – have been proven to deliver a positive return on investment in the form of lowered healthcare costs and increases in productivity. The Vitality Group believes so strongly in its model that it will guarantee that claim savings will exceed reward costs – if they don't, The Vitality Group will pay for the excess reward cost.

<sup>1</sup> *Data from the Centers for Disease Control and Prevention*

<sup>2</sup> *Wellness Councils of America and The Center for Health Care Economics*

<sup>3</sup> *Centers for Disease Control*

<sup>4</sup> *US Bureau of Economic Analysis; US Bureau of Labor Statistics, CMS; McKinsey Analysis*

## **Survey Methodology**

A series of questions was asked on the CARAVAN® omnibus surveys from Opinion Research Corporation. Results are based on telephone interviews conducted April 10-13, 2008 among a sample of 1,013 adults (501 men and 512 women). Interviews were weighted by four variables: age, sex, geographic region, and race, to ensure reliable and accurate representation of the total adult population. The margin of error at a 95% confidence level is plus or minus three percentage points for the entire sample. Smaller sub-groups will have larger error margins.

## **About Opinion Research Corp.**

Founded in 1938, Opinion Research Corporation (ORC), an infoUSA company, helps its clients grow their business by leveraging the insights of market research. ORC's Customer Strategies practice helps clients better understand both their existing and prospective customers to establish market differentiation and drive business growth. The firm has been conducting national, speech reaction, state and flash/overnight polls for CNN since April 2006. To learn more, visit [www.opinionresearch.com](http://www.opinionresearch.com).

## **About The Vitality Group**

The Vitality Group is a member of Discovery Holdings Limited, a publicly traded company with over \$3 billion in annual revenues. The Vitality Group has forged partnerships with some of the most respected and recognized names in the health and wellness field to help extend the reach of Vitality. Members of Vitality enjoy robust perks through partnerships with Polar, Life Time Fitness, Curves and other regional and local fitness facilities.

Vitality is offered to over 1.5 million members across the United States, United Kingdom and South Africa. Early adopters in the United States include Alcon, AOL, Aspirus, General Growth Properties, and Lenovo. Clients in the UK and South Africa include Bloomberg, Citibank, Coca-Cola, Dell, Goldman Sachs, IBM, Kraft, McDonalds, Microsoft, MTV, Nike, Oracle, and Samsung. For more information, visit [www.PowerofVitality.com](http://www.PowerofVitality.com).

For more information contact:

Eileen Rochford

Email: [eileenr@theharbingergroup.com](mailto:eileenr@theharbingergroup.com)

Office: 773-463-2480

Cell: 312-953-3305

-end-