The Case for Self-Care and Over-The-Counter Medicines:

VALUE-ADD TO HEALTH CARE AND PRODUCTIVITY FOR EMPLOYEES AND EMPLOYERS
The World Economic Forum in its 2014-15 global competitiveness report identifies the health of the workforce as a primary pillar of global competitiveness and productivity. Workers who are not at their optimum level of health cannot perform to their full potential and will be less productive. Poor health results in significant costs to business, as unhealthy employees are more often absent and less effective when at work.

Private sector investment in employee health is critical to increased workforce productivity. For employers, one of the surest ways to realize financial savings from reduced health care treatment costs, while simultaneously improving workforce productivity, is to foster self-care by employees. The World Health Organization (WHO) has defined self-care as “personal health maintenance to improve or restore health or to treat or prevent diseases.” The WHO recognized the importance of Over the Counter (OTC) medicines, specifying self-medication as one means for “managing minor ailments.”

Consistent with the WHO acknowledgment of OTC medicines as central to self-care, their role in health care delivery is expanding worldwide for two notable reasons:

- Self-care with OTCs provides quick, safe and effective relief from symptoms of prevalent self-treatable chronic conditions that impact the wellness, quality of life and job performance of millions of workers
- Self-care with OTCs is cost-effective for employees, their employers and governments when health care costs are rising rapidly worldwide because of aging populations suffering more chronic illness

IHPM’s survey of 35 large employers with a total of 1.2 million workers found that self-treatable ailments such as allergies, muscle and joint pain and gastric reflux affect many employees every work day of the year, interfering seriously with their productivity. Health & Productivity Management, vol.1, n. 3.

- Lockheed-Martin calculated that allergies, low back pain and GERD cost it $3.25 million annually in lost productivity at work – called “presenteeism”

The Case for Self-Care and Over-The-Counter Medicines:

<table>
<thead>
<tr>
<th>A Presenteeism Report Card</th>
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<tbody>
<tr>
<td>Condition</td>
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<tr>
<td>Chronic lower-back pain (without leg pain)</td>
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<tr>
<td>Allergies or sinus trouble</td>
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<td>GERD (acid reflux disease)</td>
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Source: Debra Lerner, William H. Rogers, and Hong Chang, at Tufts-New England Medical Center

Ready access to OTC medicines for self-treatment of these prevalent conditions enables sufferers to relieve symptoms quickly and safely to restore their functional ability while producing large financial savings. One study estimated that every $1 spent on OTC medicines saved the US health care system $6–$7 from fewer physician visits and less spending on medical care.

An independent study by Booz and Co. estimated economic savings of $125–148 billion from:

- Avoided medical costs, chiefly for physician office visits -- $77 billion
- Fewer prescriptions for costlier, unneeded Rx medicines -- $25 billion
- Less time away from work to see a doctor -- $23–46 billion

Navistar International realized actual savings attributable to these three reasons. The company had a long-standing health and productivity management strategy that included giving employees self-care manuals featuring use of OTC medicines for common health conditions.

“Navistar saved between $1–2 million annually for more than 10 years by avoiding higher prescription drug costs and physician visits – including savings in lost time away from work to see a doctor”, according to Dr. William Bunn, the company’s Senior VP for Health, Safety and Productivity. Additional savings from reduced presenteeism on the job were not included in this calculation.
The Larger Opportunity for Employers – Presenteeism

Total economic savings that include reduced presenteeism and regained productivity can be estimated conservatively at twice the total amount estimated by the Booz & Co. study, or $250 – $296 billion, based on published studies from the Dow Chemical Company and JP Morgan Chase Banking Corp.

Globally, the cost of health care continues to rise faster than inflation, faster in many parts of the world than the increases in the United States. Employers, their employees and governments are all seeking ways to “bend the curve” of health care costs downward. Companies are incentivizing employees to help curb rising medical spending and regain lost productivity by (1) offering higher-deductible consumer-directed health benefit plans that share more of the medical costs, and (2) implementing wellness programs to reduce health risks and functional impairment affecting work performance.

The Impact of Presenteeism – Enormous
The Dow Chemical Company
Sites: Michigan and Texas (n = 12,000) Survey: 2002 (response rate = 63%)

Conclusion
Presenteeism costs for each condition exceeded absenteeism and medical cost estimates by a factor of at least three in all cases but diabetes.
Source: J. Collins, C. Baase, et al. Journal for Occupational and Environmental Medicine, 6/05

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Improved wellness and functional well-being will help employers reduce the 2 to 3 times larger total “burden of illness” that includes presenteeism – diminished productivity from employee health issues that interfere with ability to work effectively.

**Identification of Ailments Amenable to Self-Care**

An underutilized but safe and effective way to help reduce medical spending and improve workplace productivity, however, is the use of clinically and cost-effective OTC medicines for common conditions that can be self-managed.

The leading health reasons cited by the companies surveyed by IHPM for presenteeism that reduced productivity on-the-job were:

- Mental health issues – chiefly depression
- Musculoskeletal pain – low back pain and repetitive motion strain
- Respiratory problems – first and foremost allergies
- GI (gastrointestinal) problems – heartburn, GERD and IBS

Excluding mental health, these conditions generally can be self-managed by employees with the use of OTC medicines. The published study from Lockheed-Martin Aeronautics cited earlier (and in the Harvard Business Review) shows the value of self-care and OTC medicines for these common conditions (presenteeism costs in lost productivity collectively were about $3.25 million annually). Additional published evidence further supports the gains that can be realized by taking this approach.

The Booz & Co. study cited earlier specified seven (7) common conditions that diminish employees’ functional well-being. Four (4) of these conditions accounted for nearly 75% of the $125-148 billion savings attributable to self-care with OTC medicines:

- Cough/Cold/Flu – the single largest category of savings because of the number of sufferers and their tendency for multiple episodes
- Upper GI (heartburn and GERD) – significant savings from the price differential between OTC and Rx medicines
- Allergies – large numbers of sufferers would visit physicians if OTC medicines were not readily available, and Rx alternatives are much costlier
- Pain – difficult for physicians to diagnose and treat effectively, with savings from self-treatment with OTC analgesics coming largely from avoiding doctor visits

The Booz study made no attempt to calculate the improvement in productivity from reduced presenteeism as a result of symptom relief from using OTC medications. It did, however, find that 25 percent, or 60 million, of these people would forgo any treatment for the seven (7) conditions being studied if OTC medicines were not available to them – continuing to suffer the symptoms that impact their performance at work in the absence of any relief.

**Riding the Global Trends**

Three global trends in health care – identified by Dr. Bill Crounse, Microsoft’s Senior Director for Worldwide Health – are converging to widen the future market for self-care and use of OTC medicines:

1. Increasing personal responsibility for health care costs as they rise everywhere faster than the capacity of governments or employers to pay them
2. “Retailization” of medical services to non-medical settings, as a result of rising costs and the widespread availability of health care information people can understand
3. “Democratization” of health care information – seen dramatically in the explosion of on-line information sources about health, and in the voluntary formation of patient groups worldwide

Self-care is gaining wide acceptance in Europe – the bastion of public health care systems – where in 2014 the Association of European Self-Medication Industry...
(AEGSP) held its 50th Annual Conference in London in conjunction with the World Self-Medication Industry (WSMI). Despite rising awareness of and enthusiasm for self-care, the situation in the European Union regarding access to OTC medicines is complex.

The US is a true “two-tier” market where drugs either are Rx, requiring a prescription to be filled at a pharmacy, or OTC and readily available for “General Sale.”

In Europe, some countries like the UK have “three-tier” markets with Rx, Behind-the Counter (BTC in pharmacies), and General Sale OTC categories. Others, like Germany, have a “fourth tier” that travelers encounter in airports or hotels: all drugs – Rx, BTC or OTC – must be purchased in a pharmacy. This builds an obvious barrier to getting quick relief of symptoms by self-treating allergies or heartburn – with negative consequences for productivity at work.

Emerging economies important to multinational employers are developing OTC markets, but the situation regarding employee access to these medicines in China or India or Brazil is not yet clear. The various studies cited from the US suggest that access to a broader range of OTC medicines from more convenient channels in all other important economies – the EU, BRIC and MIST countries – could produce comparable levels of total economic savings worldwide.

**Call to Action for Employers**

Easy, cost-effective access to OTC medicines currently makes a significant but underappreciated contribution to the functional health and performance of the American work force.

- The Dow Chemical Company collected self-reported data on chronic medical conditions for an internal study that was published in the Journal of Occupational & Environmental Medicine (v. 47, n, 6), title “The Assessment of Chronic Health Conditions on Work Performance, Absence and Total Economic Impact for Employers.” Dow’s Global Health Leader, Dr. Catherine Baase, notes that the self-reported incidence is higher than the corresponding medical insurance claims data show, in particular for symptomatic conditions like musculoskeletal pain, heartburn and allergies. Dr. Baase attributes this, in part, to employees treating themselves for these conditions.

The difference between self-reported rates of incidence and rates derived from insurance claims for these conditions shows the vital role played by self-care in giving individuals a range of treatment options. Employers should urge government regulatory authorities in those countries where they want to do business to remove barriers to OTC medicines in the interests of employee health, wellbeing and productivity as well as national economic competitiveness.

Employers and Policy Makers should:

- Ensure that consumers have ready access to more self-care choices and the necessary information to make optimal OTC choices as part of the management of their conditions — or to seek physician care
- Support policies to allow the broadest appropriate access to OTC medicines as key to effective self-care — including more switches of approved therapies from Rx to OTC for conditions that are suitable for self-management
- Sponsor education for consumers and health care professionals on the applicable use of OTC medicines and assure that the health care community supports and promotes responsible use of OTC medicines as a fundamental element of self-care
- Advocate for passage of the Restoring Access to Medicines Act that would reinstate the use of flexible savings accounts to help defray the cost of OTC medicines in the U.S.

By supporting OTC access as a valuable element of self-care on behalf of their employees, employers help to implement the goals of the World Economic Forum global competitiveness report as well as the World Health Organization in making workforce health a priority.
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