



# Pain Management and Employers

**A REPORT ON A CONVENING AND EXPLORATION**

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## ENGAGING EMPLOYERS IN SOLUTIONS TO THE PROBLEM OF PAIN

Pain and related syndromes are a major cause of lost productivity, wage replacement, and increased costs of care, all of which have a significant impact on an employer's bottom line. But despite growing attention to these issues over the last three decades, relatively little progress has been made in reducing the burden of pain on employers, employees, and families.

Significantly, while employers show increasing enthusiasm about the opportunities related to value-based purchasing strategies and value-based benefit design, applying similar strategies to lessen the burden of pain in the workplace has been relatively unexplored.

To address these gaps in knowledge about a major problem in the workplace and in workers' lives, NEBGH conducted a targeted roundtable with 17 employer representatives from 10 different organizations. Conducted in December 2011, the roundtable began exploring how pain currently burdens both employers and employees, and how new approaches to its early recognition and effective management can contribute to system-wide improvements.

Following background on the problem of pain in the U.S. workplace is a summary report that highlights key themes and issues shared by employers at the roundtable. The report also suggests further investigative activities to gain a better understanding of high-priority opportunities regarding managing pain in the workplace.

### Background

Pain in the workplace is a significant issue for employers in that it affects their employees' quality of life and productivity and increases health expenditures. Many Americans experience common types of pain, such as lower back pain, severe headache, neck pain, and facial pain. These and other pain-related conditions take a financial toll on

employers and employees alike through direct health care costs, including physician, hospital, and prescription drug costs. The indirect costs of pain include missed work time and lost wages, short- and long-term disability, workers' compensation, and legal services and settlement expenses. As pain management becomes an ever-larger share of health costs, employers are paying more attention to the incidence and prevalence of pain in the workplace, the direct and indirect costs of pain, and the mitigating programs and interventions made available to employees.

### A national epidemic

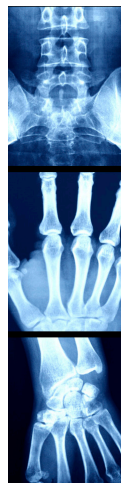
Chronic pain is a national epidemic. Pain-related conditions affect 116 million adults in the United States. While pain receives relatively little attention in the press, the large number of chronic pain sufferers makes its prevalence greater than the combined prevalence of diabetes (25.8 million Americans), coronary heart disease (16.3 million), cancer (11.7 million), and stroke (7.0 million).<sup>1</sup> The combined incremental costs of care and lost productivity from pain cost the U.S. economy an estimated \$560–\$635 billion annually, equating to a cost of \$2,000 per U.S. resident.<sup>2</sup> These costs make chronic pain more expensive than the annual costs of heart disease (\$309 billion), cancer (\$243 billion), and diabetes (\$188 billion).

Chronic pain is especially costly in that 42% of adults 20 years of age and older report that it lasts longer than one year.<sup>3</sup> Nationally, this chronic pain epidemic costs \$297–\$336 billion in lost productivity. Related to employees, this includes \$226.3 billion in lost wages. For employers, they incorporate \$96.5 billion in lost work hours and \$12.7 billion in missed

work days.<sup>4</sup> Together, the high prevalence and cost of chronic pain make it a leading cost driver for employers and an emerging area to target for intervention and cost reduction.

### Lower back pain—a prime target for new strategies

Lower back pain, with a prevalence of 27%, is the leading cause of chronic pain and disability in Americans under 45 years old and a prime example of pain's direct and indirect health costs to employers.<sup>5</sup> Affecting more than 26 million Americans between the ages of 20–64, lower back pain costs an estimated \$85.9 billion annually.<sup>6</sup> There are significant differences in worker productivity and health between those with and without lower back pain: 28% of adults with lower back pain report limited activity compared to 10% of adults without lower back pain.<sup>7</sup> In addition, adults reporting lower back pain are three times as likely to be in fair or poor health, and more than four times as likely to experience serious psychological distress as adults without lower back pain. Also, as the leading cause of workers' compensation claims and payouts, lower back pain creates long-term costs for employers.<sup>8</sup> With such large direct and indirect costs associated with employees with lower back pain, employers are becoming increasingly interested in pain management strategies, prescription drug policies, and ROI assessments.



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## HIGHLIGHTS OF THE EMPLOYER ROUNDTABLE

### Awareness and quantification of pain's economic burden is surprisingly limited

Employers are aware that primary data sources such as disability, workers' compensation, and prescription claims help measure the incidence and prevalence of pain. It is challenging for employers to understand the full picture, however, because pain presents itself within the various vendors and programs that employees use, such as EAP, health plans, PBMs, disability, and workers' compensation programs. There is little coordination among these programs to determine the overall incidence and prevalence. In addition, pain-related productivity loss, whether through absence from work, fatigue, or presenteeism, is difficult to assess and rarely measured. Quantifying pain's economic burden is further complicated because pain is often not described well nor properly coded in the conversion from clinical description in medical charts to a medical bill. It also is, consequently, underreported in claim codes which typically are the basis for population health burden and cost assessment. Furthermore, when pain is reported, it is necessarily self-experienced and therefore subjective, leading to problems in determining the point at which pain becomes a biomedical issue rather than a psychosocial one.

Since pain often arises as a late stage result of a sequence of injurious events, targeted outreach, and engagement in therapeutic interventions often necessitating behavioral change. Employers seek effective interventions, but in order to incorporate a multifaceted approach to prevention and treatment interventions into business operations and culture, employers need to understand the events that produce pain, as well as the factors that influence how employees respond to it. Part of the "pain

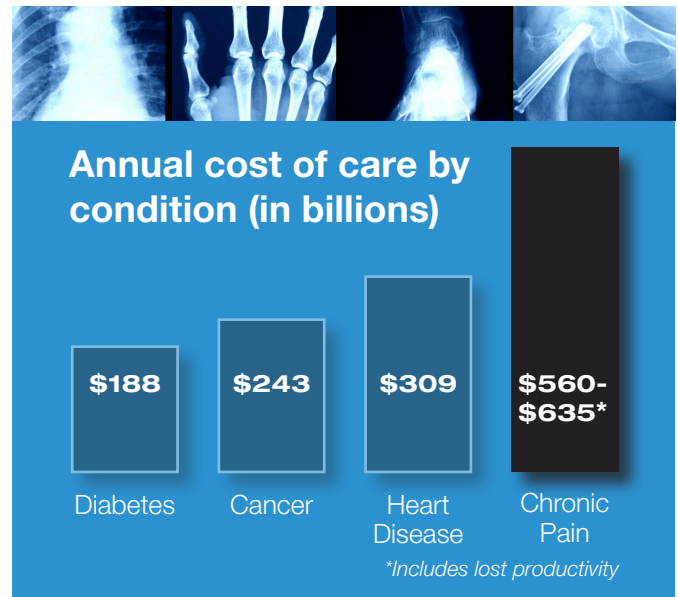
experience" is that some employees work despite pain in order not to miss work, often to the point of exacerbating the underlying biomechanical stress or injury. Adopting flexible practices such as adaptive ergonomic design in the workplace, modified duty, or even telecommuting can allow an employee in pain to continue working at some level without incurring further injury.

Employers can better understand the pain experienced by an employee by administering employee-focused surveys. These surveys, that can ask about an employee's self-assessed productivity level for instance, or how the employee manages the pain, can assist greatly in assessing pain's indirect cost burden, while also revealing insights into how pain syndromes can be better managed.

### Current workplace-based pain management activity

Leading-edge employers, in an effort to mitigate the impact of pain and its related syndromes, have begun to engage more directly with employees to ensure that they understand pain, its causes, and how to manage it appropriately. One interesting approach to this dialogue is to delineate the difference between the subjective experience of pain and the underlying physical damage. Clarifying this distinction also serves to engender employee confidence that they can manage and control their pain levels without fear that doing so will lead to irreparable injury. Employers support conducting both physical and nonphysical assessments to investigate the cause(s) and location(s) of pain,

develop connections between mental and physical causes of pain, and create corresponding employee assistance programs. It's a delicate process, however, as employers are also aware that non-physical assessments are a sensitive issue because of the stigma associated with mental health disorders, such as depression, as well as mental health's effect on the experience and burden of pain.



Employers are quite aware that there are a range of relevant support mechanisms for those suffering chronic pain, including flexible work schedules, decision support for treatment referrals, return-to-work programs, and behavior support models. Furthermore, employers are beginning to embrace alternative therapies to manage pain, such as massage, acupuncture, yoga, and chiropractic care. What is less clear, however, is how to best design, coordinate, and measure the impact of these interventions. Regulatory and administrative requirements related to workplace pain are a challenge as well. For instance, while emerging onsite therapeutic techniques are promising, OSHA mandates record-keeping for any manipulative therapies done in the workplace setting, and consequently many employers do not offer them. It's apparent, however, that in the current fiscal environment, employers are attempting to implement effective, innovative, and low-cost pain

management strategies.

Employers are also aware of the potential for medication abuse and addiction, especially for treatments involving opiates. Addiction to prescribed pain medication can lead to the abuse of alcohol and illegal drugs. Employers may very well incur high health costs as a result too, with increased prescription drug usage and emergency room utilization being two of the primary driving forces. Addressing the potential for addiction, employers are developing policies related to controlling substance abuse and working with PBMs to study utilization, abuse, and addiction patterns. Such efforts seek to clarify what medications are abused and under what conditions. This information would help design risk mediation measures such as quantity limits, treatment duration limits, and bans on mail-orders of specific controlled substances.

### Opportunities: Where can employers go from here?

Great opportunity for improvement may exist in simply connecting disparate and fragmented employer programs that detect pain-related symptoms and problems but do not necessarily effectively coordinate or manage care. Using an evidence-based and continuous quality improvement process and outcomes management approach to integrate vendors could construct a more comprehensive understanding of action paths and programs worth considering. Employers are looking into services including onsite wellness vendors such as health coaches, certified patient navigators, peer mentors, and lifestyle coaches, all of which can be assembled into a coherent and well-coordinated process-driven framework to enable continuous evaluation and review of outcomes. New services call for new approaches, namely targeting the factors that drive pain outcomes rather than focusing on the pain itself, thereby reducing the likelihood for prolonged episodes or frequent recurrence. Pain management services also need to be framed more

attractively from the consumer perspective. One example is using the term “personal trainer” rather than “disease management coach,” and utilizing other consumer-engaging strategies like peer-to-peer collaboration and support, rewards, and incentives.

Additional opportunities are likely to emerge as employers explore new and innovative payment and cost-sharing models. For example, value-based benefit designs are becoming increasingly common and have proven successful in encouraging healthy behaviors and reducing health care costs. Yet value-based incentives have not been applied to pain, nor has pain been thoroughly examined by national quality organizations such as the National Quality Forum (NQF) and the National Committee for Quality Assurance (NCQA). This gap in application of a successful model presents a major opportunity to develop a pay-for-performance initiative or an innovative pilot program in which employee co-pays would be reduced or eliminated for best-practice pain treatment.

### Developing a business case is key

Effective new initiatives would need the organized participation of many employers to minimize confusion among providers and to truly transform pain management. Even early results from these efforts would allow employers to assess the return-on-investment of pain services and develop best practices around capturing data in health risk assessments, employee engagement and education, and appropriate measurement tools. Developing a business case for pain management and treatment is a key next step. Securing organizational investment in these initiatives is crucial to their long-term viability and in getting employees to participate. Before

specific initiatives could be recommended, it is timely to partner with other stakeholders such as insurance carriers and national value- and quality-focused organizations to 1) assess the viability



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of promoting evidence-based standards and guidelines for pain prevention and management in the workplace, 2) investigate and assess attractive models of a holistic and non-fragmented approach to pain treatment and prevention, including peer support and ongoing consumer engagement, and 3) develop a compelling business case for the management and treatment of pain.

### Summary

Pain creates an enormous burden for both employees and employers, and despite the potential for improved management of pain, systematic programmatic approaches are lacking. This is due, in part, to a relative underappreciation of the substantial negative economics of unmanaged pain syndromes, as well as a lack of available choices and options to bring about quantifiable and sustained improvements. Clearly, there is now an important opportunity to explore employers' perspectives, insight, and concerns related to pain, as well as “promising practices” for managing workplace pain syndromes that merit further exploration. NEBGH believes that there are intriguing but relatively unproven opportunities for managing pain in the workplace, and hopes to work with members and other stakeholders to expand knowledge in this important domain.

## About NEBGH

Northeast Business Group on Health is a network of employers, providers, insurers, and other organizations working together to improve the quality and reduce the cost of health care in New York, New Jersey, Connecticut, and Massachusetts. A not-for-profit coalition comprised of over 150 members and over a million covered lives, NEBGH speaks with one voice for quality, accountability, and value in the region's health care system. NEBGH helps large, midsized, and small businesses by informing health care decisions, improving the health care delivery system, and controlling costs.

## About the NEBGH Solutions & Innovations Center

Northeast Business Group on Health (NEBGH) is well positioned to act as an information gatherer and knowledge disseminator at a general level, but more importantly, facilitate discussions, relationships, and knowledge-sharing about best practices, all of which need to be explored at the local level.

As one of the largest purchasers of health care services, employers play a major role in forcing the health care system to deliver value. To better participate in the creation of value in health care, NEBGH has launched the Solutions and Innovations Center (SIC) as a new opportunity to identify and evaluate effective solutions; investigate and disseminate innovative ways to improve the quality and value of health care for employees, retirees, and dependents; and implement these solutions quickly and effectively.

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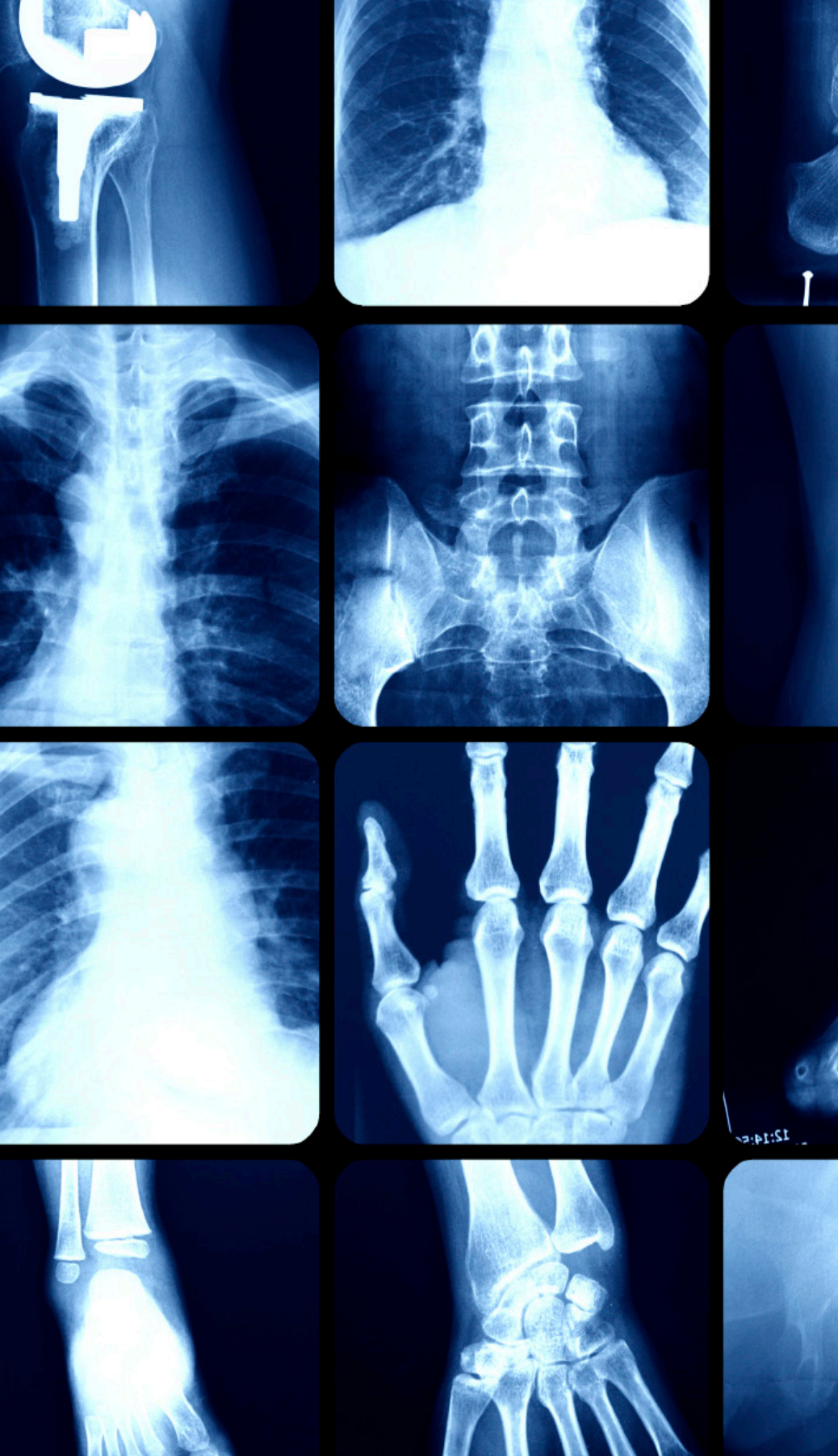
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