

Reporting Basis

5,000 employees in NAICS 332 - Fabricated Metal Product Manufacturing

IBI's Full Cost Estimator (FCE) models the absence, disability, presenteeism and opportunity costs of illness in the workforce. Results are based on millions of disability claims in IBI's Benchmarking data, the Health and Productivity Questionnaire (HPQ), and nationally-representative data from the Centers for Disease Control and Prevention (CDC) and the Bureau of Labor Statistics (BLS).

Health and Productivity summary

Among 5,000 employees in NAICS 332

43.2K illness-related absence days each year

The equivalent of 18.4K days lost to presenteeism (underperformance on the job by employees with chronic health conditions) each year

\$21.5M in illness-related absence, presenteeism, and opportunity costs each year*

Compared to \$34.6M in estimated employer healthcare benefits:

For every dollar spent on healthcare benefits, \$0.62 of productivity is lost to illness and injury.

* Opportunity costs assume that an employer replaced only part of absent workers' lost output at the cost of their normal wages - or conversely, that it replaced all of their output at a cost higher than their normal wages. See model assumptions for more information. Costs include WC indemnity, medical, Rx, permanent disability payments, legal fees, and other expenses.

Lost Workdays and Costs Summary

Annual illness-related absences and presenteeism (Days)

Total	61.6K
Sick days	12.8K
STD	6.1K
LTD	9.7K
FMLA	4.8K
WC	9.8K
Presenteeism	18.4K

Annual illness-related absence, presenteeism, and opportunity costs*

Total	\$21.5M
Sick days	\$4.5M
STD	\$2.1M
LTD	\$1.6M
FMLA	\$1.0M
WC*	\$5.7M
Presenteeism	\$6.5M

* Opportunity costs assume that an employer replaced only part of absent workers' lost output at the cost of their normal wages - or conversely, that it replaced all of their output at a cost higher than their normal wages. See model assumptions for more information. WC costs include indemnity, medical, Rx, permanent disability payments, legal fees, and other expenses.

Totals may not sum due to rounding.

Detailed sick day results

Total absence days	12.8K
Absences PEPY	2.6
Missing FTEs	49
% of current labor inputs lost	1.0%
Wage and benefits replacement costs per day	\$239
Total wages and benefits replacement costs	\$3.1M
Total opportunity costs*	\$1.5M
Total costs	\$4.5M

* Opportunity costs assume that an employer replaced only 72% of the value of absent workers' lost output at the cost of their normal wages - or conversely, that it replaced 100% of their output at a cost of 139% of their normal wages.

Totals may not sum due to rounding.

Detailed STD results

Total active claims	86
Avg. days per claim	70.7
Total absence days	6.1K
Absences PEPY	1.2
Missing FTEs	23
% of current labor inputs lost	0.5%
Wage and benefits replacement costs per day	\$225
Total wages and benefits replacement costs	\$1.4M
Total opportunity costs*	\$706.7K
Total costs	\$2.1M

* Opportunity costs assume that an employer replaced only 72% of the value of absent workers' lost output at the cost of their normal wages - or conversely, that it replaced 100% of their output at a cost of 139% of their normal wages.

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Detailed LTD results

Total active claims	40
Avg. days per claim	243.7
Total absence days	9.7K
Absences PEPY	1.9
Missing FTEs	37
% of current labor inputs lost	0.8%
Wage and benefits replacement costs per day	\$167
Total wages and benefits replacement costs	\$1.6M
Total opportunity costs*	0
Total costs	\$1.6M

* Opportunity costs for LTD are assumed to be zero since absent employees are likely to be replaced permanently.

Totals may not sum due to rounding.

Detailed WC results

Total active claims with lost workdays	229
Total active claims without lost workdays	176
Total absence days	9.8K
Absences PEPY	2.0
Missing FTEs	38
% of current labor inputs lost	0.8%
Wage and benefits replacement costs per day	\$230
Total wages and benefits replacement costs	\$2.3M
Total WC medical treatments	\$1.9M
Total WC Rx treatments	\$49.5K
Total other WC claim costs*	\$345.7K
Total opportunity costs*	\$1.1M
Total costs	\$5.7M

* Other costs include permanent disability payments and legal fees. Opportunity costs assume that an employer replaced only 72% of the value of absent workers' lost output at the cost of their normal wages - or conversely, that it replaced 100% of their output at a cost of 139% of their normal wages.

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Detailed FMLA results

Total stand-alone leaves	294
Avg. days per leave	16.7
Total absence days	4.8K
Absences PEPY	1.0
Missing FTEs	18
% of current labor inputs lost	0.4%
Benefits continuation costs per day	\$100
Total benefits continuation costs	\$479.3K
Total opportunity costs*	\$551.9K
Total costs	\$1.0M

* Opportunity costs assume that an employer replaced only 72% of the value of absent workers' lost output at the cost of their normal wages - or conversely, that it replaced 100% of their output at a cost of 139% of their normal wages.

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Detailed presenteeism results

% of employees with at least one of 26 chronic illnesses	71%
Average daily decrease in job performance (i.e., presenteeism) among employees with a chronic illness compared to employees with no chronic illness	2.3%
Total equivalent workdays lost to presenteeism	18.4K
Absences PEPY	3.7
Missing FTEs	71
% of current labor inputs lost	1.5%
Opportunity costs for each day of presenteeism	\$354
Total opportunity costs	\$6.5M

* Opportunity costs assume that an employer replaced only 84% of the value of workers' lost output at the cost of their normal wages - or conversely, that it replaced 100% of their output at a cost of 119% of their normal wages.

Totals may not sum due to rounding.

Detailed full results

	Absence & lost productivity				Illness-related costs					Total
	Days	Days PEPY	Missing FTEs	% of labor inputs lost	Wages & benefits	Opportunity costs	Medical treatments	Rx treatments	Other WC	
Sick days	12.8K	2.6	49	1.0%	\$3.1M	\$1.5M	---	---	---	\$4.5M
STD	6.1K	1.2	23	0.5%	\$1.4M	\$706.7K	---	---	---	\$2.1M
LTD	9.7K	1.9	37	0.8%	\$1.6M	---	---	---	---	\$1.6M
FMLA	4.8K	1.0	18	0.4%	\$479.3K	\$551.9K	---	---	---	\$1.0M
WC	9.8K	2.0	38	0.8%	\$2.3M	\$1.1M	\$1.9M	\$49.5K	\$345.7K	\$5.7M
Presenteeism	18.4K	3.7	71	1.5%	---	\$6.5M	---	---	---	\$6.5M
Total	61.6K	12.3	237	5.2%	\$8.8M	\$10.4M	\$1.9M	\$49.5K	\$345.7K	\$21.5M

Opportunity cost assumptions

Absences: an employer replaced only 72% of the value of workers' lost output at the cost of their normal wages - or conversely, that it replaced 100% of their output at a cost of 139% of their normal wages.

Presenteeism (underperformance on the job by employees with chronic health conditions): employer replaced only 84% of the value of workers' lost output at the cost of their normal wages - or conversely, that it replaced 100% of their output at a cost of 119% of their normal wages.

Other WC costs include permanent disability payments, legal fees and other expenses.

Totals may not sum due to rounding.

Model Assumptions

Total wages and benefits	\$386.7M
Healthcare benefits (based on \$0.14 for every dollar of payroll wages)	\$34.6M
Full-time %	95%
Average daily wages	\$197
Average daily benefits	\$100
% eligible for paid sick days	65%
% eligible for federal FMLA leave	80%
% eligible for STD benefits	62%
STD wage replacement rate	63%
STD maximum weekly benefit	\$924
% eligible for LTD benefits	44%
LTD wage replacement rate	58%
LTD maximum monthly benefit	\$10,000
WC wage replacement rate	66%
WC maximum weekly benefits	\$967
% of employees who are:	
Female	17%
% 18-24 years old	9%
% 25-34 years old	20%
% 35-44 years old	20%
% 45-54 years old	24%
% 55-64 years old	20%
% 65-84 years old	4%

Model Assumptions

% of employees in each EEO occupation class:

Class 1 (officials & managers)	8%
Class 2 (professionals)	5%
Class 3 (technicians)	2%
Class 4 (sales workers)	3%
Class 5 (administrative support)	9%
Class 6 (skilled crafts & repairs)	15%
Class 7 (operators)	53%
Class 8 (laborers)	5%
Class 9 (service workers)	1%

Opportunity cost assumptions

Absences: an employer replaced only 72% of the value of workers' lost output at the cost of their normal wages - or conversely, that it replaced 100% of their output at a cost of 139% of their normal wages.

Presenteeism (underperformance on the job by employees with chronic health conditions): employer replaced only 84% of the value of workers' lost output at the cost of their normal wages - or conversely, that it replaced 100% of their output at a cost of 119% of their normal wages.

Data Sources

Source	Data year	Resource	Data Element
Bureau of Labor Statistics (BLS)	2022	Occupational Employment Statistics	Industry employee headcount
			Average wage
			Industry occupational distribution
		National Compensation Survey	Benefits load
Centers for Disease Control and Prevention		National Health Interview Survey (NHIS)	Sick day absence rate
Integrated Benefits Institute		HPQ-Select	Presenteeism
Bureau of Labor Statistics (BLS)		Injuries, Illness and Fatalities	WC incidence rate
National Academy of Social Insurance	2020	Workers' Compensation: Benefits, Costs, and Coverage. 2020. Washington, DC: National Academy of Social Insurance.	State WC wage replacement rates and maximum benefit values
Integrated Benefits Institute	2021	IBI Health and Productivity Benchmarking	STD incidence rate
			STD absence duration
			LTD incidence rate
			LTD absence duration
			FMLA absence duration
			WC Absence duration
			WC Medical costs
WC non-wage indemnity costs			
BLS	2022	Employee Benefits Survey	STD and LTD participation and wage replacement rates
		Current Population Survey	Industry sex distribution
			Industry age distribution
Nicholson, S., Pauly, M.V., Polsky, D., et al.	N.A.	"Measuring the effects of work loss on productivity with team production," Health Economics, vol. 15, issue 2, pp111-123.	Opportunity cost multiplier method

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