Finding better ways to manage the risk level of consumers, in particular those with chronic conditions, is critical for organizations to reduce costs and increase profitability. As a result, many organizations have developed health and wellness programs to address behaviors that can lead to expensive chronic conditions. However, they need evidence that these programs are achieving the desired results.

Truven Health Analytics, in collaboration with Emory University, recently developed an updated modeling tool to help employers, health plans, and government agencies evaluate the cost savings and ROI from their risk reduction efforts. The Truven Health ROI Model helps organizations answer questions such as:

- Which health risks are the most prevalent and the most costly for your organization?
- What level of risk reduction is needed to justify an investment in health promotion?
- What is the break-even point for a wellness program?

Designed to show the relationship between modifiable risk factors and medical expenditures, the ROI Model addresses the following common, and often costly, health risks:

- high blood glucose
- obesity
- physical inactivity
- depression
- poor nutrition/eating habits
- tobacco use
- high total cholesterol
- high stress
- high blood pressure
- high alcohol consumption

Basis for the ROI Model

Truven Health Analytics, in partnership with the Emory University Institute for Health and Productivity Studies (IHPS), conducts empirical research on the relationship between health and productivity. Our research helps inform public and private sector decision makers on issues related to health and productivity management.
The empirical data on which the ROI Model is built is derived from the original Health Enhancement Research Organization (HERO) study that was published in 1998 in the *Journal of Occupational and Environmental Medicine*.\(^1\) Updated findings will be published in the November 2012 issue of *Health Affairs*.\(^2\)

Data Inputs and Ease of Use
The ROI Model makes it easy to get the information you’re looking for in three simple steps.

The first step is to work with Truven Health Analytics to gather the data inputs for use in the ROI Model. The information required to populate the model includes:

- health risks (health risk assessment, electronic medical records, etc)
- demographic characteristics
- the amount spent on risk reduction programs

Next, we enter the data into the ROI Model to project cost impacts and ROI. Short- or long-term program effects can be projected by altering the various inputs. If information for certain input values is not known, the ROI Model uses selected default values that are based on scientific literature or credible government sources.

Finally, we work with you to review and interpret the results and determine next steps.

For More Information
For information about licensing the ROI Model, please contact your Truven Health Analytics client team for use options and a pricing schedule.

If you have technical questions about the ROI Model, please contact Maryam Tabrizi, Research Leader at Truven Health Analytics, at maryam.tabrizi@truvenhealth.com.

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\(^2\) Goetzel, RZ et al. Ten modifiable health risk factors are linked to more than one-fifth of employer-employee health care spending. *Health Affairs*. 2012 Nov; 31: No 11.