



MHP Salud Executive Summary

Use of Return on Investment Analysis on Community Health Worker Programs

Community Health Workers (CHWs) represent a link between members of the community and existing healthcare resources.¹ They have had notable success reaching vulnerable communities in the United States with culturally tailored services.²⁻⁴ Despite mounting evidence of the positive impacts these programs can have, there is currently a lack of data relating these services to financial outcomes. One possible method to further evaluate and understand these programs' economic impact is "return on investment" (ROI) analysis, which calculates the total benefit derived from each dollar invested in a program. While this type of analysis is rarely performed on CHW interventions, it has the potential to justify their value to a variety of stakeholders.⁵ Determining the true "return" is a question that must be answered, and a concrete and repeatable methodology is necessary for comparison between programs. Key considerations in this process include the target population, the specific outcomes that will be isolated and collected, the methods for estimating the value of evident benefits, and adjustments for variations based on changes in time and community patterns. Once valid estimates of program benefits are collected, this "return" can be divided by the total program cost, or investment. Several CHW-led programs targeting high spending Medicaid users, high-risk low-income mothers, diabetic patients, and the uninsured have shown evidence of ROIs of greater than \$1.00; however, more research is needed to help these analysis spread to other types of health interventions.

Notable examples

- **Measuring Return on Investment of Outreach by Community Health Workers (2006)⁵**
 - Case management safety-net healthcare provider showed a return of \$2.28
- **Medicaid Recipients in the Arkansas Community Connector Program (2011)⁶**
 - Case management of high-risk Medicaid enrollees showed a return of \$2.92
- **Community Health Workers and Medicaid Managed Care in New Mexico (2011)⁷**
 - Demonstrated over \$2 million in Medicaid healthcare spending reductions
- **CHAP for At-Risk, Low-Income Pregnant Women (2015)⁸**
 - Used birth outcomes to show a return of \$3.36-5.59
- **Return on Investment Study: Community Health Worker Initiative of Boston (2011)⁹**
 - Projects financial impact of CHW training initiative to save \$0.80-2.40
- **The Family Navigator Return on Investment Study (2013)¹⁰**
 - Calculated \$4.20 in reduced medical expenses and \$4.34 on social return from improved outcomes related to a mental health Family Navigator program
- **Community Health Workers Make Cents: An ROI Analysis (MHP Salud)¹¹**
 - Conducts ROI analysis on a variety of health centers to determine potential ranges and best practices for financial evaluation, calculated returns range from \$0.01-2.43 in healthcare savings, and as high as \$47.60 for benefits received

All references for the above data can be found in the full brief report.

About MHP Salud



MHP Salud implements Community Health Worker programs to empower underserved Latino communities and promotes the CHW model nationally as a culturally appropriate strategy to improve health.



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