Cost Benefits with HeartMath®

An effective self-care technology that can significantly reduce medical utilization while improving employee satisfaction.

HeartMath has been at the forefront of delivering measurable results to improve employee productivity, health and performance since the early 1990s. HeartMath is focused on providing unique, scientifically-validated programs to boost health and performance for corporations and public agencies as well as health care systems. In corporations and other large organizations in North America, pressures to reduce the rising levels of health care costs coincide with a weak economy and the constant demand to deliver exceptional business results without compromising health and performance.

There is considerable evidence to suggest that high stress is linked to health care costs. High levels of emotional distress have been found to be among the most costly health problems to employers in terms of health costs, absenteeism, disability and failure to meet productivity standards. In a recent 3-year analysis of over 46,000 workers from 22 major US companies and organizations, depression and unmanaged stress emerged as the top two most costly risk factors in terms of medical expenditures - increasing health care costs by 2 to 7 times as much as physical risk factors such as smoking, obesity and poor exercise habits.

Employee Health Care Costs Are Increasing

► Health care spending by employers averaged $5,266 per employee in 2001.[1]
► In 2002, they are expected to rise 13-16%.[2]
► Double-digit growth is predicted for much of this decade.[3]
► Physician visits plus prescriptions total 75% of the health care dollar.[4]
► A single employee's hospitalization for heart disease costs more than $58,000 [5]

The Impact of Stress on Health Care Costs

► Employees with high stress have 46% higher health care costs.[6]
► People with high stress are 1.9 times more likely to have health care expenses 2 1/2 times that of their co-workers.[7]
► 75-90% of all doctor visits are stress related.[8]
► 7 of the top 10 best selling drugs are anti-depressants or anti-ulcer medications, a factor in both.[9]
► Documented stress management programs have shown 50% reduction in medical utilization.[10]
► Heart patients who attend stress management programs have 42% lower health care costs.[11]

A Results-Driven Program to Boost Employee Health and Performance while Reducing Stress

Global organizations in North America, Europe, and Asia have documented improvement in health and performance and significantly reduced anxiety, stress and depression as a result of HeartMath® programs.

► Overall, HeartMath programs result in a 69% reduction in the number of participants with high stress[12] and a 56% reduction in those reporting any stress.[13]

► In its first year of implementing HeartMath's Power to Change Performance program, Delnor-Community Hospital near Chicago decreased Medicare length of stay by 9%, saving $1.4 million. Delnor also reduced employee turnover from 28% to 21% overall, saving $800,000. Of the roughly 40% of their staff who received the HeartMath training in the first year, the turnover was only 5.9%.[17] The hospital also improved customer satisfaction from 73rd to 93rd percentile in that same year.

► Objective data from a HeartMath Fortune 100 study includes blood pressure reduction averaging 10.8 mm Hg systolic and 6.3 mm Hg diastolic. This is equivalent to a 40 lb. weight loss and twice the effect of low-sodium diets or exercise programs.[14] Recent studies show that stress is a significant, yet manageable, contributor to hypertension.[15]

► A pilot study conducted by Stanford Center for Research in Disease Prevention found that congestive heart failure patients who used HeartMath techniques showed a 22% drop in stress (compared to 7% rise in control group), 34% decrease in depression (13% rise in control), and a 14% increase in functional capacity.[16]

ROI of HeartMath

The HeartMath workshop costs as little as $150 per person, or about the same cost as a trip to the doctor and the prescriptions that result. Reduce, on average, even one doctor visit and a HeartMath intervention will pay off in the first year. Subsequent year programs are significantly less than first year costs.

► **Return on Investment of HeartMath Training**
Cost of Health Care is ~$5,000 per employee
Cost of Health Care for 1000 employees = 1000 x $5,000 = $5,000,000
If we make a conservative estimate of a 10% savings = 10% of $5,000,000 = $500,000 in savings
Cost of the training is $150 per employee
Cost of the solution = $150 x 1000 employees = $150,000
$$ROI = \frac{(\$500,000 - \$150,000)}{\$150,000} \times 100 = 233\%$$

This means for every dollar spent on training, $2.30 is returned to the company in health care savings.

Other studies have demonstrated that, in addition to improving cardiovascular health, hormonal balance and immune function, HeartMath techniques also enhance cognitive performance, communication and job satisfaction.[18] While reducing health care costs, companies can also improve productivity through reduced absenteeism, better morale and improved performance.

1. *Workforce*, February 2, 2002
2. *Workforce*, February 2, 2002
3. Health and Human Services Centers for Medicare and Medicaid Services 3/11/02
4. Doctor visits account for 55% of total costs, with prescriptions adding 20%. Peoples Medical Society.
5. The American Heart Association, 2000
6. Health Enhancement Research Organization (HERO); 1998 study of 47,500 employees
7. *American Journal of Health Promotion*, Mar/Apr 2002
8. American Institute of Stress
9. IMS Health World Review 2001
10. Blue Cross Blue Shield statistics
11. Duke University and APA study showing stress management reduced cardiac events as well as health costs. *American Journal of Cardiology*, January 15, 2002.
12. From a database of over 1000 participants in HeartMath's program. High stress defined as those who report suffering from 6 or more stress indicators such as sleeplessness, exhaustion, depression, anxiety, tension and rapid heart beats "often" or "most of the time"
13. From the same database, those who report suffering from 1 or more stress indicators such as sleeplessness, exhaustion, depression, anxiety, tension and rapid heart beats "often" or "most of the time"
14. Maximizing Performance while Reducing Risk; A Blood Pressure Study – HeartMath Case study 11/2000 -Hypertensive employees from a Fortune 100 High Tech company. http://heartmath.com/business/client_success/casestudies/blood_pressure_study.html
15. *Journal of Hypertension*, 1998. AmerIcan Heart Journal, 1998.
16. Funded by National Institute of Health. Journal of Cardiopulmonary Rehabilitation. 2000;20(5):303
17. Delnor-Community Hospital. For the 422 staff members who had learned the HeartMath tools when data was collected, turnover was 5.9%. Hospital COO stated that improved employee satisfaction generated a more healthy environment leading to quicker patient recovery time.
18. *American Journal of Cardiology*, 1995. Stress Medicine, 1997.

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A Change of Heart Changes Everything

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