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Economic impact of disease prevention in Austria's companies



Abstract

Introduction: This work should answer the question whether it makes sense for companies, from an economic / financial point of view, to invest in prevention programs for employees. Because of the fact that direct and indirect health care costs are rising worldwide, the key players should find a way to reduce the costs while they should improve the quality and the impact of the services and products. Prevention might be one solution for this challenge. Many lifestyle related diseases (civilisation diseases) are preventable, and this would save a lot of cost for companies and society. Therefore the main risk factors (obesity, smoking, alcohol, inactivity and stress) should be reduced nation-wide, by developing prevention programs. **Methods:** The main research question of this thesis was to calculate the return-on-investment (ROI) of disease prevention in Austria's companies. Therefore quantitative and qualitative research was performed. The target population was the working population in Austria. For data collection, official public databanks, like those of Statistik Austria, OECD, WHO or EuroStat were used as well as reviews and studies collected mainly from PubMed, a MedLine database. Descriptive Statistics were performed for the targeted population. Data for costs and potential outcomes of diseases and prevention programs were collected with focus on days away from work by sick employees in companies and health care expenditures. Finally the economic tool of Cost-Benefit analysis was used to evaluate the economic impact of disease prevention. **Results:** Potential savings of preventable diseases in Austria are more than 15 billion. Potential savings from days away sick by employees were 890 million EUR for companies and 558 million for society because of saved health care expenditures. About a 36% reduction in days away sick and a 26% reduction in health care costs could be expected by implementing prevention programs. The participation rate would be about 30%. Total BCR (=ROI) would be 3:1 and total net benefit 1 billion EUR. A multimodal prevention program would cost about 500 EUR per employee. BCR for companies is 2.4:1 and net benefit is 695 EUR per employee. Additional costs could be saved for pension and preventable deaths. **Discussion:** The costs for the prevention program could be allocated to the parties that would profit from the prevention program (50% companies, 30% society, 20% individuals). The ROI is about 3:1 which is great. This calculation considered only employees. If businesses would ensure that heads of companies and family members would take part in prevention programs, additional costs could be saved. Companies should set the focus on reduction of direct costs for absenteeism and indirect costs by participating in prevention programs as well as by creating a satisfied workplace environment and motivational factors for employees because of rising costs for burn-out and psychic disorders. For the health care system prevention is a tool to face the challenge of the unbalanced population age pyramid with high costs of health care of old people and the high pension rates because of disability. Multi-modal prevention programs could generate profit for companies and society and could improve quality of life for employees. Therefore decision makers should use public funds and company capital to create these cost-effective benefits of prevention programs.