



FOR IMMEDIATE RELEASE

HERO and Population Health Alliance collaborate on employer guidance for measuring employee health management outcomes

EDINA, Minn. (March 24, 2014)—The Health Enhancement Research Organization (HERO) and the Population Health Alliance (PHA, formerly Care Continuum Alliance) announced today the release of joint guidance that provides a core set of metrics to help employers evaluate their employee health management programs. The paper, titled [*“Program Measurement and Evaluation Guide: Core Metrics for Employee Health Management,”*](#) was developed in response to a demand from employers for guidance on how to measure outcomes and how to determine the effectiveness of a population health management program.

“Measuring the effectiveness of wellness programs often comes down to a discussion of participation and return on investment—which can be costly for many employers to evaluate in a scientifically sound manner,” said Jerry Noyce, president and CEO of HERO. “The new core metrics guidance walks employers through a set of seven metrics that have been researched and verified by population health experts as the key measurements of effectiveness for employee health management initiatives.”

The primary areas that were identified by HERO and PHA as essential measurements of wellness program success include:

- **Financial outcomes**—Include directly monetized claims savings and the monetized impact of wellness on hospital claims and health outcomes, rather than ROI. Why? Because wellness programs save money, rather than generate revenue, which is what ROI traditionally measures, so a straight ROI analysis for wellness programs isn’t always applicable.
- **Health impact**—The impact of wellness programs on the physical health, mental/emotional health, health behaviors, health status, and overall risk status of a workforce.
- **Participation**—A “waterfall” approach to measuring participation that includes overall program participation down to more finite measures, such as percentage of people who are eligible for a specific program (based on health status) and how many enroll, and the degree to which they participate.
- **Satisfaction**—Includes both employer and employee/participant satisfaction with the wellness program and a recommendation for specific aspects of satisfaction to measure.
- **Organizational support**—The degree to which an organization commits to employee health, including the deliberate steps they take to support health (i.e., programs, policies and procedures), cultural support for employee participation in health improvement, and management participation and support.
- **Productivity and performance**—Poor health has been shown to affect productivity in terms of time away from work and productivity loss while at work. The guidance illustrates how to measure the impact of health on these factors, as well as how to measure the impact of health on worker performance.
- **Value on investment**—HERO and PHA recommend a value on investment (VOI) financial analysis, rather than an ROI measure, because VOI better reflects the broader savings potential of wellness programs and provides a framework for constructing a VOI analysis.

The Program Measurement and Evaluation guidance is the result of a collaborative effort initiated by HERO and PHA in 2011. The initiative included participation from over 40 other organizations representing virtually all industry segments, including employers, health plans, program providers, academic research centers, and certification agencies.

“The purpose of the core metrics guidance is to bring consistency to how we, as an industry, evaluate program performance, and to give employers an easy-to-follow framework that they can apply to their own programs,” said Fred Goldstein, CEO, Population Health Alliance. “Employers can feel confident about using the guidance because it was developed by leading population health experts and is based on scientific research and the practical experience of employee health management programs offered by some of our country’s most innovative employers.”

To learn more about the joint core metric guidance and how to use it, visit www.the-hero.org or www.populationhealthalliance.org, or register for a free webinar on April 1 (hosted by Paul Terry, Ph.D., chief science officer at StayWell Health Management; Michael Connor, Ph.D., senior vice president of health intelligence at Alere Health; and Wendy Lynch, Ph.D., director of Alatum’s Center for Consumer Choice in Health Care). HERO and PHA will release a free, easy-to-use core metrics program guide for employers that will be available online in May.

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About HERO – Based in Edina, Minn., the Health Enhancement Research Organization (HERO) is a non-profit corporation dedicated to the creation and dissemination of employee health management research, education, policy, strategy, and leadership. HERO was established in 1996 as a not-for-profit, 501(c)3 corporation to create high quality employee health management (EHM) research, especially that dealing with the impact of modifiable health risks on health care costs. To learn more, visit www.the-hero.org.

About the Population Health Alliance – The Population Health Alliance (PHA) is a global trade association of the population health industry. Its more than 80 members represent stakeholders from across the healthcare delivery system that seek to improve health outcomes, optimize medical and administrative spend, and drive affordability. Through its robust advocacy, research and education initiatives, the PHA offers members a forum to advance shared learning and applied research to further innovation and establish best practices in the population health field. Visit www.populationhealthalliance.org to learn more and get ready to attend the PHA Forum 2014, in Scottsdale, Ariz., on December 10-12, 2014.