

A Cost Analysis of a Rural Community Health Worker Program

The following is a synopsis of “A Cost Analysis of a Community Health Worker Program in Rural Vermont,” published online ahead of print in June 2013 in the *Journal of Community Health*.



What is already known on this topic?

Community health workers (CHWs) are public health workers who are trained to carry out health interventions in a community setting. CHWs help people reduce risk factors for disease, manage chronic conditions (e.g., high blood pressure, high cholesterol), connect with local resources, and access the health care system.

Current research shows that CHW interventions can reduce health care costs by reducing the need for emergency room care, inpatient services, prescription drugs, and outpatient primary and specialty care. However, information about the costs of CHW programs is limited, despite the strong need for thorough cost estimates that would inform accurate evaluations of CHW programs' cost-effectiveness.

What is added by this document?

In this article, the authors described the cost analysis conducted as a part of the first phase of a comprehensive evaluation of a CHW program in rural Vermont. This CHW program helps people access social and economic services to improve their life conditions and thus reduce the risk of or effectively manage chronic conditions. For example, the CHWs may link people to community services, such as food pantries, and help people gain access to a primary health care provider.

To identify cost categories (e.g., staff, training, start-up costs) and therefore collect the appropriate data, the authors developed an information collection tool based on existing literature and relevant documents, then conducted interviews with program staff, and examined data from the participating hospital's financial records.

The authors categorized the cost-related data into two groups: (1) personnel, including salary and benefits of program staff and (2) operations, such as expenses for program start-up and workforce development. The authors found that:

- ▶ The total estimated 1-year cost of the program was \$420,640, with 67% for personnel and 33% for operations. This amount included the monetary value of in-kind support, such as volunteers and the CHWs' office space.
- ▶ The estimated annual program cost per CHW was \$140,116.
- ▶ CHW salaries and office space were the largest cost components of the program.

What are the applications and implications for these findings?

The authors' comprehensive approach can be used by others to estimate programmatic costs and can serve as a foundation for future cost-effectiveness analyses. Detailed cost analyses can help program planners and key decision makers determine which new programs are feasible to put in place and which ongoing programs are feasible to maintain.

Resources

Northeastern Vermont Regional Hospital
Community Connections
www.nvrh.org/interior.php/pid/6/sid/101

Centers for Disease Control and Prevention
Addressing Chronic Disease through Community Health Workers: A Policy and Systems-Level Approach
www.cdc.gov/dhdsp/docs/chw_brief.pdf

Agency for Healthcare Research and Quality
Community- and Practice-Based Teams, Real-Time Information, and Financial Incentives Help Medical Homes Improve Care, Reduce Utilization and Costs
www.innovations.ahrq.gov/content.aspx?id=2666

Citation

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The findings and conclusions in this report are those of the authors and do not necessarily represent the official position of the Centers for Disease Control and Prevention.

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