The Financial Impact of Changes in Personal Health Practices.


The impact of changes in health practices on medical claims costs between 1985-1987 and 1988-1990 was examined among 796 employees of a manufacturing firm. Employees completed a health risk appraisal in 1985 and 1988 and were categorized into health risk levels. High-cost status and high-risk status were significantly associated at both times. The percentage of employees with high-risk status decreased from 31.8% to 25.3% between 1985 and 1988 (p<0.01). Changes in average costs and the percentage with high-cost status followed the risk change. The largest increase in average costs occurred in employees who moved from low-risk to high-risk status. The greatest reduction in average costs occurred in employees who moved from high-risk to low-risk status. Median costs were not as sensitive to risk change. The findings provide strong evidence that improving individual health status is associated with financial benefits.