

## **The Economic Costs of Burnout**

And the Business Case for Investing in Clinician Well-Being

The latest research shows that burnout among medical workers is threatening our healthcare systems like never before.



If unaddressed, burnout poses a serious risk to the long-term viability of our organizations, with costly and unsustainable consequences.



Record-setting turnover rates



Decreased fulfillment & productivity



Increased medical error & malpractice lawsuits



Costs of nearly \$6 billion annually



Hundreds of clinician suicides each year

#### **Investment is Needed, Return is Measurable**

Experts agree that mental health support is needed like never before and the business case for investment has never been greater.

#### How much is burnout costing you?

The Well-Being Index continues to be the most effective well-being solution for healthcare, equipping 1,000+ organizations with the data, support, and tools needed to:

- 1 Measure burnout & its associated costs
- 2 Implement strategic initiatives to stop the bleeding
- Provide an accurate estimate of your return on investment

"Improvement is possible, investment is justified, and return on investment is measurable.
Addressing this issue is not only the organization's ethical responsibility, it is also the fiscally responsible one."

Shanafelt T, Goh J, Sinsky C.

The Business Case for Investing in Physician Well-Being

\_\_\_

# Investing in Well-Being — A Case Study

**57%** 

#### Proving the financial impact of supporting staff well-being.

Michael Zgoda, MD, MBA, CPE and the wellness team at Dignity Health realized that investing in staff well-being had the potential to save money, careers, and even lives. To support the well-being of the Department of Internal Medicine's 80+ physicians and assess the effectiveness of their wellness programming, they turned to the Well-Being Index.

"We wanted to figure out what was going to be our standardized approach that has an evidence-based component to it," said Dr. Zgoda. "We started to perform wellness evaluations by looking at the Well-Being Index."

With the Well-Being Index, they measured the **department's initial burnout rate at 57%**. Understanding that burnout leads to a high risk for attrition, they then looked to their physician turnover rate, which was **measured at 13%**.

Using the Cost of Burnout Calculator along with their validated measurement of physician burnout, historical physician turnover rates, and their costs to onboard a new clinician, Dr. Zgoda's team was able to determine the number of physicians in the department turning over due to burnout and the corresponding cost to the organization.

With this data, they calculated that the department was losing roughly 4 physicians to burnout annually, with a cost of roughly **\$1.9 million per year**.

Committed to supporting staff and saving the institution vital resources, Dignity Health invested in an evidence-based wellness program, implementing several strategic initiatives alongside the Well-Being Index, including:

Hiring an organizational psychologist

Developing a peer mentorship program

Launching a physician leadership intervention

Improving system processes to maximize practice efficiency

The annual cost of their new wellness programming totaled \$120,000 with a projected reduction in their physician burnout rate of 20%.

From these strategic initiatives, the Department of Internal Medicine was able to dramatically lower its burnout rate and corresponding physician turnover, saving Dignity Health over \$370,000 with a 210% return on investment per year.

#### **The Bottom Line**

Supporting clinician well-being is our moral and financial obligation. To determine the economic costs of burnout and guide appropriate investment to address the problem, visit us at <a href="https://www.mywellbeingindex.org/get-started">www.mywellbeingindex.org/get-started</a>.

### Dignity Health Medical Group, Arizona

Department of Internal Medicine
October 2021

\$1.9 million

Departmental Impact of Physician Burnout

\$120,000

Cost to Implement Burnout Interventions

\$370,000

Estimated Savings From Burnout Interventions

210%

Return on investment (ROI)

### **Cost of Burnout Calculator**

To learn more about the Cost of Burnout Calculator and how financial principles can be applied to determine the economic impact of distress, read The Business Case For Investing in Physician Well-Being.

Shanafelt T, Goh J, Sinsky C.

The Business Case for Investing in Physician Well-being.

JAMA Intern Med. 2017 Dec 1;177(12):1826-1832. doi: 10.1001/jamainternmed.2017.4340. PMID: 28973070.

