



# Make an Economic Case for Funding and Support

## ACTIVITY 9: MEASURING RETURN ON INVESTMENT

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### Background

Economic arguments can persuade funders, policymakers, corporate entities, and others to fund or partner with your organization. These arguments effectively demonstrate how program outcomes affect healthcare utilization and demonstrate the value of these long-term outcomes to society. An economic case for a program strengthens an organization's value proposition by demonstrating the program's impact as a dollar amount and showing a return on investment to external audiences. As well as appealing to the economic interests of potential partners, making an economic case can establish your organization as a thought leader in the field. However, conducting economic analysis to inform the value proposition can be complex.

The C3 Economic Benefits tools use advanced analytic methods to project the impact of (1) reducing loneliness among older care recipients and estimate impact on nursing home admissions, and (2) reducing stress (and reduced depression) on estimates of reduced caregiver medical costs.

The tools can help your organization take key metrics and understand their impact on the community you serve. The results and outputs from the tools can support building your economic case and inform conversations with potential partners. Organizations can also perform less rigorous economic analyses on their own by drawing on existing research.

### Introduction

Crafting an economic argument may involve synthesizing research literature to show how program outcomes could affect utilization and the associated costs for individuals or larger geographic units. This activity is designed to walk through the process of conducting additional research to support your economic argument.

To explain how your program can create cost savings, it's important to first connect your program's results to the use of health care services. Many organizations cannot carefully monitor how family caregivers, older adults, and individuals with disabilities use health care services. Consequently, discussing service use—and quantifying related expenses—often requires consulting research literature in peer-reviewed journals, government studies, and other credible sources.

Work through the following questions, recording key information and sources. The resulting responses can support you in connecting the work of your organization to demonstrated impacts.

### Instructions

1. How might your program's outcomes be linked to reduced use of health care services for the people supported by volunteers? Start by identifying one or two outcomes you already track (for example, reduced caregiver stress, improved transportation services, or improved chronic condition management). Then do a brief scan of existing research to see whether those outcomes have been shown to affect health care use (such as fewer hospitalizations or emergency department visits). You can use simple searches in sources like Google Scholar, PubMed, or other credible health research sites to confirm these general relationships.

2. This next exercise helps you translate program data into estimated economic benefits using the ACL C3 Caregiver Stress and Caregiver Loneliness Economic Benefit Tools. The goal is not to conduct a formal economic evaluation, but to help you understand the potential cost impacts of your program and use those estimates to strengthen your value proposition with funders, partners, and policymakers.

*Reminder: These tools estimate potential impacts such as reduced caregiver health care costs or delayed nursing home placement based on peer-reviewed research.*

**Step 1. Enter Your Program Data into the ACL C3 Economic Benefit Tools**

[ACL C3 Caregiver Stress Economic Benefit Tool](#)

[ACL C3 Care Recipient Loneliness Economic Benefit Tool](#)

**Step 2: Interpret the Results for Your Program**

Review the outputs from each tool and reflect on what they suggest about your program's broader impact. Answer the following:

- What type of cost savings or avoided costs does your program appear to influence?
- Which results are most relevant to your target audience (e.g., Medicaid, health systems, foundations, policymakers)?
- What surprised you about the results?

**Step 3: Connect Results to Your Value Proposition**

Using the outputs from both tools, draft 2–3 sentences that connect your program's outcomes to economic impact.

Example using the ACL C3 Caregiver Stress Economic Benefit Tool:

“Based on our program data and economic benefit estimates, our program may contribute to approximately \_\_\_\_\_ in avoided health care costs by reducing caregiver stress and the likelihood of caregiver depression among the caregivers we serve. These findings suggest that nonmedical volunteer support not only improves caregiver well-being but may also generate meaningful cost savings for the health care system by preventing stress-related medical utilization.

Example using the ACL C3 Care Recipient Loneliness Economic Benefit Tool:

“Based on our program data and economic benefit estimates, our program may contribute to approximately \_\_\_\_\_ in avoided Medicaid nursing home costs by reducing loneliness and delaying institutional care among the care recipients we serve. These findings highlight how addressing social and emotional needs through nonmedical volunteer assistance can translate into delayed institutional care and substantial cost savings for public payers”.

Your Draft using the ACL C3 Caregiver Stress Economic Benefit Tool:

Your Draft using the ACL C3 Care Recipient Loneliness Economic Benefit Tool: