

FACT SHEET: Prevention

The Future of Health Care

Investing in prevention is the most effective way to reduce the rate of illness, chronic disease and death among Americans, and has the potential to create a significant drop in the costs of the current fix-the-sick \$2.6 trillion health care system. By treating people after they are already sick and failing to invest sufficient resources toward preventing the costly, chronic diseases causing 70 percent of American deaths, the health care system is choosing to provide sick care instead of health care.

Smart, strategic investments in proven prevention programs, rather than treating people once they are sick, can have a visible impact in dollars, workforce productivity, and quality of life among Americans. California has already experienced success with a variety of prevention programs thanks to forward-looking leadership. However, it's just a start. America has a long, hard journey ahead to sustain funding and create sufficient investment in prevention, so every home, community and state can see prevention works to decrease health costs and save lives.

Potential savings to the economy and taxpayers is significant:

- Investing \$10 per person per year in proven community-based programs that increase physical activity, improve nutrition, and prevent tobacco use could save the country more than \$1.6 billion annually within 5 years. Out of the \$16 billion Medicare could save more than \$5 billion, Medicaid could save more than \$1.9 billion, and private payers of insurance could save more than \$9 billion. "Prevention for a Healthier America" The Trust for America's Health.
- Preventable chronic diseases such as heart disease, diabetes, stroke and asthma account for seven in ten American deaths each year and \$1.9 trillion dollars in health expenditures which accounts for 75 percent of the nation's total health care spending. "Prevention Makes Common Cents" U.S. Department of Health and Human Services.
- Nationwide, approximately one in two adults have been diagnosed with at least one chronic disease. www.cdc.gov and California Health Interview Survey and U.S. Department of Health and Human Services.
- Full-time workers in America who are overweight, obese or have a chronic health condition miss an estimated 450 million days of work per year, resulting in estimated costs of \$153 billion in lost productivity annually. Gallup-Healthways Well-Being Index 2011.

Why Prevention is Important to Californians:

- In California 16.3 million cases of chronic disease were reported in 2003 which cost the state \$26.9 billion to treat and \$106.2 billion in lost productivity. An Unhealthy America: The Economic Burden of Chronic Disease on California.
 - Approximately 1.5 million California adults reported missing 13 to 30 days of work in just one month due to physical/mental health problems. California Health Interview Survey, 2009.
 - Approximately 900,000 children in California had missed one or more days of school in a month. California Health Interview Survey, 2009.
- In California 38 percent of the population has one or more chronic disease. "Chronic Disease in California: Facts and Figures" California Health Care Foundation
- More than seven million Californians have been diagnosed with high blood pressure, and of that over five million take prescription drugs to control their blood pressure. California Health Interview Survey, 2009.
- Nearly two million Californians have type 2 diabetes and more than two million others are at risk. California Health Interview Survey, 2009.
- Healthy employee prevention programs are emerging across California as business leaders say they are already significantly slowing down company health care costs. That's why more companies are starting to incentivize participation in wellness programs. For example, American Express is giving employees \$200 toward health care expenses for walking 2 1/2 miles a day. Blue Shield of California kicked off a prevention program called the Blue Groove plan, offering up to \$500 off health

care premiums for employees who answered questions about their health and underwent regular preventative health screenings. "Insurers, employers offer incentives to promote healthful habits," Los Angeles Times.

Preventing illness is a proven way to grow California's economy:

- It is estimated that by 2050 with reasonable disease prevention and management programs we could add an estimated \$5.7 trillion to the nation's economic output by 2050 through health care savings and increased productivity. An Unhealthy America: The Economic Burden of Chronic Disease.
- Businesses spend \$73 billion dollars a year on chronic diseases that community prevention efforts can stop. An Open Letter to President Obama About the Importance of the Prevention and Public Health Fund.
- By 2050 California could add an estimated \$908 billion to economic output through disease prevention and management programs. An Unhealthy America: The Economic Burden of Chronic Disease on California.
- A smaller-scale example of how prevention pays for itself, school food service revenue increased by an average of 57 percent in eight counties and six communities throughout California after switching to healthier foods and beverages. Revenue gains from additional students purchasing meals more than offset the higher cost of healthier foods. The California Endowment Reports Success in Five-Year Programs to create Healthier Community Environments.

Prevention is working in California:

- With the introduction of anti-smoking legislation and the California Tobacco Control Program in 1990, there has been a reduction in California smokers by over half a million people. California Health Interview Survey.
 - Between 1988 and 2004 lung and bronchus cancer rates in California declined nearly 4 times faster than the rest of the U.S. California Department of Health Services, Tobacco Control Section, California Tobacco Control Update, 2009.
 - A study published in the American Journal of Public Health found that the California anti-tobacco media campaign reduced sales of cigarettes by 232 million packs between the third quarter of 1990 and the fourth quarter of 1992. Reducing Cigarette Consumption in California: Tobacco Taxes vs an Anti-smoking Campaign, American Journal of Public Health 1995.
 - In California the state tobacco control program's reductions to adult smoking in its first seven years produced health care cost savings of \$390 million due to decline smoking related in heart attacks and strokes. Comprehensive State Tobacco Prevention Programs Save Money, Campaign for Tobacco-Free Kids.
 - Between 1990 and 1998 the California Tobacco Control Program saved an estimated \$8.4 billion in overall smoking-caused costs and more than \$3 billion in smoking-caused healthcare costs. Comprehensive State Tobacco Prevention Programs Save Money, Campaign for Tobacco-Free Kids.
 - California's Tobacco Control Program found that for every dollar the state spent on its program from 1989 to 2004, the state received tens of dollars in savings in the form of sharp reductions to total health care costs in the state. Comprehensive State Tobacco Prevention Programs Save Money, Campaign for Tobacco-Free Kids.
- In 2008 the California Board of Education increased the number of days and amount of time for elementary student's physical education. With this increase, we saw a decrease in the percent of children that are considered overweight on the BMI scale. www.leginfo.ca.gov and California Health Interview Survey.
- With new anti-drinking legislation and campaigns, in California, the number of teens who have ever had an alcoholic drink dropped by 120,000 between 2007 and 2009. California Health Interview Survey.
- According to a 2009 study for the California Center for Public Health Advocacy, if California is able to reduce the prevalence of overweight, obese and physical inactive people by 5% per category per year, the savings would average \$2.4 billion. The Economic of Overweight, Obesity, and Physical Inactivity Among California Adults - 2006, Chenoweth & Associates July 2009.