

F as in Fat:

*How Obesity
Threatens
America's Future*

2013



ITEMS	CALORIES	PRICE
Hamburger	280	.89
Cheeseburger	330	.99
Fish Sandwich	470	1.99
Fried Chicken	550	2.79
Quarter Pound Burger	430	2.29
Bacon Cheeseburger	540	2.29
Double Decker Burger	590	2.39
Fried Chicken	450	2.99

 **Trust for America's Health**
WWW.HEALTHYAMERICANS.ORG


Robert Wood Johnson Foundation

Acknowledgements

F as In Fat is a collaborative project of the Trust for America's Health and the Robert Wood Johnson Foundation and is supported by a grant from the Foundation.

Trust for America's Health is a non-profit, non-partisan organization dedicated to saving lives by protecting the health of every community and working to make disease prevention a national priority.

TFAH BOARD OF DIRECTORS

Gail Christopher, DN

*President of the Board, TFAH
Vice President—Health
WK Kellogg Foundation*

Cynthia M. Harris, PhD, DABT

*Vice President of the Board, TFAH
Director and Professor
Institute of Public Health, Florida
A&M University*

Theodore Spencer

*Secretary of the Board, TFAH
Senior Advocate, Climate Center
Natural Resources Defense Council*

Robert T. Harris, MD

*Treasurer of the Board, TFAH
Former Chief Medical Officer and Senior
Vice President for Healthcare
BlueCross BlueShield of North Carolina*

Barbara Ferrer, PhD, MPH, ED

*Health Commissioner
Boston, Massachusetts*

David Fleming, MD

*Director of Public Health
Seattle King County, Washington*

Arthur Garson, Jr., MD, MPH

*Director, Center for Health Policy,
University Professor,
And Professor of Public Health Services
University of Virginia*

John Gates, JD

*Founder, Operator and Manager
Nashoba Brook Bakery*

Tom Mason

*President
Alliance for a Healthier Minnesota*

Alonzo Plough, MA, MPH, PhD

*Director, Emergency Preparedness and
Response Program
Los Angeles County Department of
Public Health*

Eduardo Sanchez, MD, MPH

*Deputy Chief Medical Officer
American Heart Association*

About the Robert Wood Johnson Foundation: The Robert Wood Johnson Foundation focuses on the pressing health and health care issues facing our country. As the nation's largest philanthropy devoted exclusively to health and health care, the Foundation works with a diverse group of organizations and individuals to identify solutions and achieve comprehensive, measurable, and timely change. For more than 40 years the Foundation has brought experience, commitment, and a rigorous, balanced approach to the problems that affect the health and health care of those it serves. When it comes to helping Americans lead healthier lives and get the care they need, the Foundation expects to make a difference in your lifetime. For more information, visit www.rwjf.org. Follow the Foundation on Twitter at www.rwjf.org/twitter or on Facebook at www.rwjf.org/facebook.

REPORT AUTHORS

Jeffrey Levi, PhD

*Executive Director
Trust for America's Health
and Associate Professor in the Department
of Health Policy
The George Washington University School
of Public Health and Health Services*

Laura M. Segal, MA

*Director of Public Affairs
Trust for America's Health*

Kathryn Thomas, MJ

*Senior Communications Officer
Robert Wood Johnson Foundation*

Rebecca St. Laurent, JD

*Health Policy Research Manager
Trust for America's Health*

Albert Lang

*Communications Manager
Trust for America's Health*

Jack Rayburn, MPH

*Government Relations Manager
Trust for America's Health*

CONTRIBUTORS

Burness Communications

PEER REVIEWERS

Chris Fox

*Director, External Affairs
Campaign to End Obesity*

Nikki Daruwala

*Deputy Director
Leadership for Healthy Communities*

Cost Containment and Obesity Prevention



CURRENT STATUS:

Obesity is one of the biggest drivers of preventable chronic diseases and healthcare costs in the United States.

Currently, estimates for these costs range from \$147 billion to nearly \$210 billion per year.²⁸ In addition, job absenteeism related to obesity costs \$4.3 billion annually.²⁹

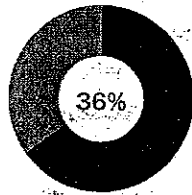
The 2012 edition of *F as in Fat* featured a modeling study projecting what the rise in adult obesity could be if rates continued on their historical trajectory.

If things continue on this course, by 2030, adult obesity could reach 50 percent and combined medical costs associated with treating preventable obesity-related diseases are estimated to increase by between \$48 billion and \$66 billion per year, and the loss in economic productivity could be between \$390 billion and \$580 billion annually.³⁰

As obesity rates rise, the risk of developing obesity-related health problems — type 2 diabetes, coronary heart disease and stroke, hypertension,

arthritis and obesity-related cancer — increases exponentially.³¹ Twenty years ago only 7.8 million Americans had been diagnosed with diabetes, and today, approximately 25.8 million Americans have diabetes.³² More than 75 percent of hypertension cases can be attributed to obesity.³³ And approximately one-third of cancer deaths are linked to obesity or lack of physical activity.³⁴

Obesity in America 2010



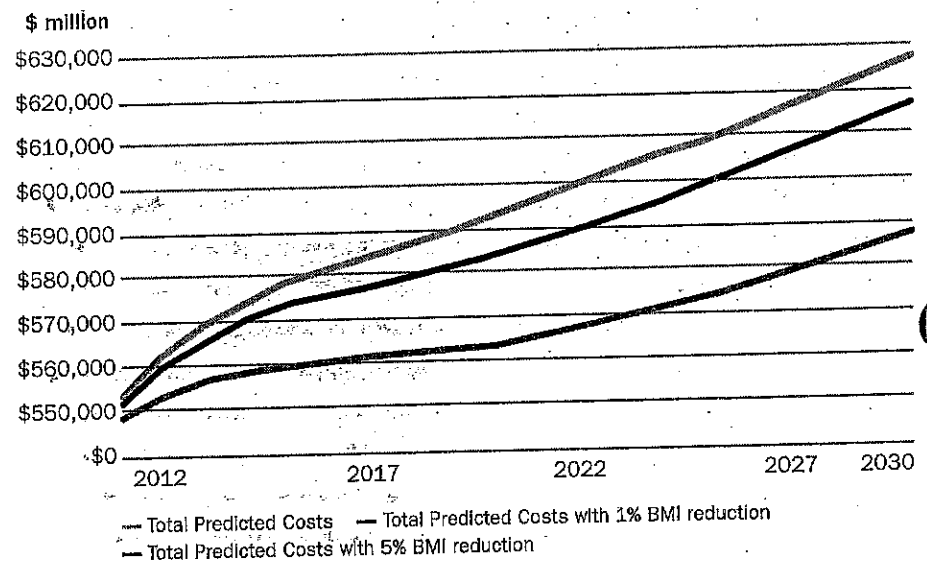
Obesity in America 2030



*F as in Fat:
Obesity Policy
Series*

However, if obesity trends were lowered by reducing the average adult BMI by only 5 percent, millions of Americans could be spared from serious health problems and preventable diseases, and the country could save \$29.8 billion in five years, \$158 billion in 10 years and \$611.7 billion in 20 years.³⁵

PROJECTED OBESITY-RELATED HEALTH CARE COSTS 2010 TO 2030



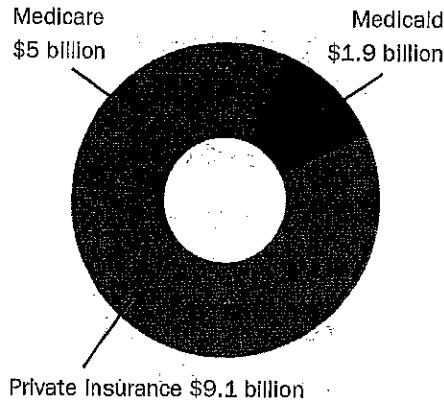
Reducing obesity and improving health can help lower costs through fewer trips to the doctor's office, fewer tests, fewer prescription drugs, fewer sick days, fewer emergency room visits, fewer readmissions to the hospital and lower risk for a wide range of diseases.

To date, there has not been a sustained, strong national focus on prevention to deliver the potential results. A growing number of studies

are demonstrating the positive returns that many strategies and programs can deliver for improving health, lowering healthcare costs and improving productivity.³⁶ For instance, a 2008 study by the Urban Institute, The New York Academy of Medicine (NYAM) and TFAH found that an investment of \$10 per person in proven community-based programs to increase physical activity, improve

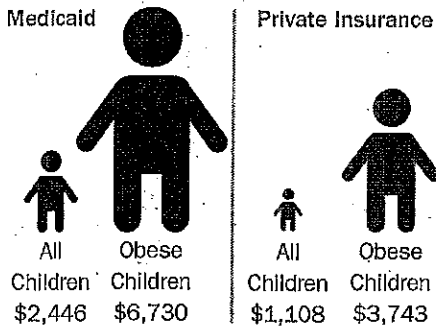
nutrition, and prevent smoking and other tobacco use could save the country more than \$16 billion annually within five years. That's a return of \$5.60 for every \$1 invested.⁸⁷ Out of the \$16 billion, Medicare could save more than \$5 billion, and Medicaid could save more than \$1.9 billion. Expanding the use of prevention programs would better inform the most effective, strategic public and private investments to yield the strongest results.

FIVE-YEAR ROI ON \$10 PER PERSON COMMUNITY-BASED INVESTMENT

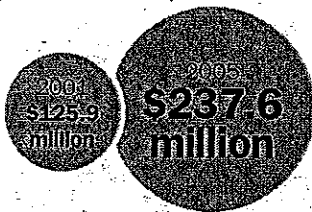


WHY CONTAINING OBESITY-RELATED HEALTHCARE COSTS MATTERS:

Total Annual Child Health Care Expenses



Obesity-related Hospitalization Costs for Children and Youths



Annual Medical Claims per 100 Full-time Employees



Obesity has a major impact on direct and indirect health spending:

- Obese adults spend 42 percent more on healthcare costs than healthy-weight people.³⁸
- Annual medical claims costs per 100 full-time employees is \$7,503 for healthy-weight workers and \$51,091 for obese workers.
- Obese children had \$194 higher outpatient visit expenditures, \$114 higher prescription drug expenditures, and \$25 higher emergency room expenditures, based on a two-year Medical Expenditure Panel Survey.³⁹ Overweight and obesity in childhood is associated with \$14.1 billion in additional prescription drug, emergency room, and outpatient visit costs annually.
- The average total health cost for a child treated for obesity under Medicaid is \$6,730 annually, while the average health cost for all children covered by Medicaid is \$2,446.⁴⁰ The average total health cost for a child treated for obesity under private insurance is \$3,743, while the average health cost for all children covered by private insurance is \$1,108.⁴¹
- Hospitalizations of children and youths with a diagnosis of obesity nearly doubled between 1999 and 2005, while total costs for children and youths with obesity-related hospitalizations increased from \$125.9 million in 2001 to \$237.6 million in 2005, measured in 2005 dollars.⁴²
- Obesity-related job absenteeism costs \$4.3 billion annually.⁴³
- Obesity is associated with lower productivity while at work (presenteeism), which costs employers \$506 per obese worker per year.⁴⁴
- As a person's BMI increases, so do the number of sick days, medical claims and healthcare costs associated with that person.⁴⁵
- A number of studies have shown obese workers have higher workers' compensation claims.^{46, 47, 48, 49, 50, 51}

Policy Recommendations:

- Preventing obesity and its related chronic diseases should be a major focus of healthcare cost-containment efforts.
- Funding for obesity-prevention programs will be important to achieve results in improving health and reducing healthcare costs. Programs and policies should include a wide range of partners to ensure success, including businesses, schools, community- and faith-based organizations, economic and community developers, and health providers.
- Because community-based obesity- and disease-prevention programs can significantly cut healthcare costs for communities, funding for evidence-based programs at all levels of government will continue to be important.
- Community-based programs must include the ability to evaluate effectiveness and cost savings, and demonstrate how savings can be shared among partners, including businesses and the healthcare system, and reinvested to continue to support prevention activities.

ADDITIONAL RESOURCES:

Bending the Obesity Cost Curve, Trust for America's Health, February 2012.

<http://healthyamericans.org/assets/files/TFAH%202012ObesityBHe06.pdf>

Return on Investments in Public Health, The Robert Wood Johnson Foundation.

April 2013. <http://rwjf.org/content/dam/rwjf/reports/Issue-briefs/2013/rwjf2446>

Assessing the Economics of Obesity and Obesity Interventions, M.J. O'Grady and J.C. Capretta.

Campaign to End Obesity, March 2012. <http://www.rwjf.org/en/about/rwjf/newsroom/newsroom-content/2012/03/new-report-shows-importance-of-calculating-full-cost-savings-of.html>