

The Obesity Epidemic

Obesity-related health problems account for a significant portion of the nation's health care expenditures. The Surgeon General estimates that more than nine percent of the nation's health care expenditures – about \$117 billion (\$61 billion direct and \$56 billion indirect) – are related to obesity, primarily due to type 2 diabetes, coronary heart disease and high blood pressure. The National Institutes of Health (NIH) estimates that the annual cost of treating obesity-related conditions – diabetes, heart disease, osteoarthritis and breast and colon cancers – is at least \$120 billion. The public pays about \$39 billion a year for obesity through Medicare and Medicaid programs.

Obesity-related conditions cost employers \$12 billion a year due to higher health care utilization and medical claims, lower productivity, increased absenteeism, and higher health and disability insurance premiums, according to a study in the *American Journal of Health Promotion*. Another study of 178,000 adult workers, retirees and family members in a General Motors health plan, concluded that overweight and obese individuals had annual medical bills up to \$1,500 higher than persons with a healthy weight. A study in *Health Affairs* determined that obesity, poor nutrition and/or lack of physical activity raise a person's health care costs by 36 percent and medication costs by 77 percent compared to the general population. Another study of 10,825 employed adults found that obese employees tend to be absent from work substantially more often than employees with appropriate weight levels. Obesity is a preventable and treatable condition, but it is a health hazard, and when not properly managed by the individual, obesity becomes very costly for everyone, particularly for purchasers.

An Equal Opportunity Threat

America is facing an obesity epidemic: almost two-thirds of the U.S. adult population is either overweight or obese. The problem grew dramatically between 1980 and 2000, during which time the percent of obese Americans doubled from 15 percent to 30 percent. Another 34

percent are considered overweight. The problem is not limited to adults; obesity is rising among children and adolescents as well. Between 1980 and 2002, the proportion of obese young people ages 6 to 19 tripled from 5 percent to 15 percent. Furthermore, 15 percent of people ages 6 to 19 that are not currently overweight are at risk of becoming obese (*Journal of the American Medical Association*).

Reasons for Increasing Obesity

Why is obesity on the rise? The simple answer is that many people eat too much and exercise too little. There have been dramatic lifestyle changes in the last 50 years, with many Americans dining out frequently and eating fast food and packaged foods. The typical American diet consists of large quantities of refined and high calorie foods containing fat and sugar. Furthermore, many people lead sedentary lifestyles – driving instead of walking, watching TV, sitting at computers and playing video games. According to the Centers for Disease Control (CDC), seven in ten U.S. adults get too little physical activity, and four in ten get no exercise at all. Many Americans consume more calories than their bodies burn, resulting in the accumulation of excess body fat.

Obesity is a Health Hazard

Obesity affects more than appearance or the size of clothes one wears. Obesity is the number one health threat in the United States today, according to the CDC. There is a strong link between obesity and the most expensive chronic health care conditions, including high blood pressure (which is twice as common in adults who are obese as in those with a healthy weight), heart disease and type 2 diabetes. People who are overweight are twice as likely to develop type 2 diabetes as those within a normal weight range. In fact, 80 percent of people with diabetes are overweight or obese. The number of Americans with diabetes increased 49 percent from 1990 to 2000, and the CDC estimates that one in three American children born in 2000 and afterward will develop diabetes.

Over please

The impact of obesity is not limited to heart disease and diabetes. Obesity is a known risk factor for gallbladder disease, osteoarthritis, sleep apnea, and some forms of cancer (uterine, breast, colorectal, kidney, and gallbladder). It is associated with high cholesterol, pregnancy complications, menstrual irregularities, psychological disorders such as depression, and increased surgical risk. Obesity has approximately the same association with chronic health conditions as 20 years of aging, according to the CDC. A study in *Health Affairs* indicated that the negative consequences of obesity outweigh the effects of smoking and drinking in terms of health and health costs. The Surgeon General estimates that 300,000 deaths per year may be attributable to obesity.

Obesity is a Preventable and Treatable Condition

The good news is that obesity and its associated health problems are preventable and treatable. Tommy Thompson, U.S. Secretary of Health and Human Services, has stated, “So many of our health problems can be avoided through diet, exercise and making sure we take care of ourselves. By promoting healthy lifestyles, we can improve the quality of life for all Americans, and reduce health care costs dramatically.”

Many obesity experts agree that people who are 20 percent above their healthy weight should lose weight if they have pre-existing medical conditions, have a history of certain chronic diseases, or have an “apple shape” with weight concentrated around their abdomen. Body mass index (BMI) is a common and generally accepted method of determining obesity in adults – a measure that takes into account a person’s weight in relation to their height. Obesity is a BMI of 30 and over, and overweight is a BMI 25 to 29.9. Even a modest weight loss of 10 to 20 pounds can bring significant health improvements, such as lowering one’s blood pressure, “bad” cholesterol, and/or blood sugar levels. Weight reduction is the most controllable risk factor in the prevention of heart disease and other obesity-related conditions. Successful long-term weight reduction includes a balanced nutritional approach, a slow graduated decrease in weight, and a lifelong commitment to healthy living.

Purchasers Tackle Obesity

The staggering costs of obesity-related conditions have caught the attention of purchasers who are struggling to provide quality health care for their employees, members and participants at a time when health insurance premiums

are rising at a double-digit rate. In June 2003, the Washington Business Group on Health (WBGH), a coalition of large private and public sector employers and health organizations, founded the Institute on the Costs and Health Effects of Obesity. A resource for large employers, the Institute helps to reduce the cost of weight-related conditions in the workplace. WBGH also developed a toolkit on weight management that offers employers ways to support workers’ efforts to live healthier lifestyles.

What Purchasers Can Do

WBGH has developed a list of ways to encourage healthy lifestyles and support national efforts to reverse the rising trend of obesity:

- Provide education about the negative health effects of obesity;
- Encourage people, through active health promotion programs, to become more active and fit by: using internal staircases, using fitness facilities, and participating in brisk walking programs;
- Include company and union representatives in all health-oriented planning;
- Compare the offerings of different vendors to set up eating facilities that emphasize healthy and low-calorie snacks and drinks, and include content information, especially calorie and fat grams, on all food items;
- Work with Employee Assistance Plans to sponsor stress management programs, which are often vital to diminishing dependence on food for stress relief;
- Offer health plans that provide health risk appraisals with physician/nutritional counseling, through which people can learn what health-related weight management issues might affect them; and
- Encourage health plans to include aggressive healthy lifestyle and weight management programs.

Obesity is a growing problem in America. It not only impairs quality of life, but it adds to the health care costs for both organizations and individuals. Despite the strategies and suggestions outlined in this paper, the lifestyle modifications needed to prevent and treat obesity – proper nutrition, behavior changes and increased exercise – ultimately lie with the individual. However, employers can aim to motivate, educate, and empower their employees to make health behavior changes. Providing appropriate educational information and interventions, coupled with employees who are encouraged to take responsibility for their health, will likely help to restrain the health care costs associated with obesity.

PA Health Care Cost Containment Council (PHC4)

Marc P. Volavka, Executive Director

Editor: Michael L. Berney, Manager, Purchaser and Community Relations • email: mberney@phc4.org

225 Market Street, Suite 400, Harrisburg, PA 17101 • Phone: 717-232-6787 • Fax: 717-232-3821 • Web site: www.phc4.org