

# FAST FACTS



## Costs of Obesity

**OBESITY** is a complex chronic disease in which abnormal or excessive accumulation of body fat impairs health. Adult obesity rates have more than doubled since the 1980s — in the U.S. today, obesity affects over 1 in 3 adults and almost 1 in 5 youth.<sup>1</sup> Obesity and its related complications are major drivers of rising healthcare costs, diminished health-related quality of life, and a decline in U.S. life expectancy. This fact sheet is part of a series designed to provide basic information about the science of obesity and current strategies to address it.

### The Individual Cost of Obesity

**Individuals with obesity incur significantly higher medical costs than individuals without obesity, both overall and for most major categories of health expenditures.**<sup>2</sup> Illnesses, injuries, or disabilities related to obesity can also affect an individual's finances through work-related expenses.

- Because obesity is associated with a number of co-morbid diseases and conditions that require treatment, the rising rates of obesity have resulted in significant increases in direct medical spending for individuals with obesity.<sup>3</sup>
- Other individual costs are also associated with obesity, including lost wages, short-term and long-term disability and insurance claims, and higher work-related costs such as presenteeism and absenteeism.<sup>4</sup>
- Direct medical costs account for most costs borne by men with obesity, while women with obesity are disproportionately affected by job-related costs, such as lost wages.<sup>4</sup>
  - In 2010, obesity was associated with additional costs of **\$4,879** for a woman and **\$2,646**
  - The value of life lost for premature death due to obesity is \$50,000 per year, raising the estimated annual costs of obesity to **\$8,365** per woman and **\$6,518** per man with obesity

### The Societal Cost of Obesity

**While individuals bear the full burden of some costs, such as the value of lost life or lost wages, employers share the burden for many other costs.** These costs range from direct medical costs to productivity losses. The government also pays a significant portion of costs associated with obesity for Medicare and Medicaid beneficiaries.<sup>5</sup>

- Estimates of the medical cost of adult obesity in the United States range from **\$147 billion<sup>5</sup> to nearly \$210 billion<sup>6</sup>** per year. The majority of the spending is generated from treating obesity-related diseases such as diabetes and cardiovascular disease, among others.
- Medicaid spent **an extra \$1,980** per beneficiary with severe obesity, as defined by a BMI of 35 or higher, in 2012 compared to beneficiaries without obesity.<sup>7</sup>

### KEY TAKEAWAYS

- Obesity is associated with additional per capita medical expenditures and indirect costs from lost productivity, absenteeism, and disability claims.
- Most obesity-related healthcare spending is generated by complications of obesity (e.g. diabetes, osteoarthritis, cardiovascular disease) rather than obesity itself.

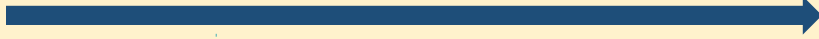
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*Costs of Obesity in America*  
*Costs of Obesity in the VA*

## The Medical Costs of Obesity

The 3 conditions with the highest expenses attributable to overweight and obesity in 2014 were **hypertension, type 2 diabetes, and chronic back pain**.<sup>8</sup> Among U.S. adults in 2014, overweight and obesity accounted for an estimated:

**26,651,189** cases of **hypertension** costing **\$345.7 billion**



**16,761,756** cases of **type 2 diabetes** costing **\$319.5 billion**



**15,830,754** cases of **chronic back pain** costing **\$215.1 billion**



The direct and indirect medical costs attributable to obesity totaled

**\$1.4 trillion**  
In 2014<sup>8</sup>

## Costs of Inaction

**Obesity-related medical expenditures rose nearly 30% between 2001 and 2015.**<sup>9</sup> Without effective preventions, interventions, and treatments for obesity, medical costs associated with obesity will likely continue to rise.

- The nationwide 2010-2015 Medicaid spending for obesity and obesity-related diseases was over 8% of the total Medicaid spending. In some states, over 20% of Medicaid funding went towards treating obesity-related diseases.
- By preventing and treating obesity, as well as increasing physical activity and improving nutrition, costs can be lowered through fewer doctor's office visits, prescription drugs, emergency visits, admissions to the hospital, tests and sick days.
- A recent study found that expanding Medicare's obesity coverage to include intensive behavioral therapy and pharmacotherapy would reduce overall Medicare expenditures by \$20 billion to \$23 billion over ten years, or about \$7,000 per beneficiary receiving obesity treatment.<sup>10</sup>

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