



The Skyrocketing Cost of Obesity: It's Everybody's Business

Over the past thirty years, the number of overweight Americans has reached epidemic proportions. More than two-thirds of all adults and one-third of all children in the United States are now overweight; of these, nearly 50% of adults and 16% of children are obese.¹

While the physical and emotional costs of excess weight most directly strike the affected individuals and their families, the economic costs and consequences of this national health crisis have spread into every sector of our society. America has become an overweight nation, and it has come at a very high price.

Childhood Obesity: In the Short-term and the Long, Business Pays

- Children are included in parents' health insurance and medical claims.
- Among obese children, average claims costs are nearly twice those of non-obese children.²
- Overweight children experience far more medical problems² and more missed school days³ than leaner children, resulting in their parents' higher absenteeism, lower productivity, and greater health insurance utilization.
- Approximately 80% of overweight adolescents will become overweight adults.^{4, 5}

Costs to Employers

- The annual healthcare cost of obesity in the US has doubled in less than a decade and is estimated to now be as high as \$147 billion dollars a year.⁶
- Obesity-related medical expenses account for nearly 10% of total annual US healthcare costs.⁶
- Obesity accounts for 13% of private insurance expenditures.⁶
- Medical spending for obese people is 42% higher than that for normal weight people.⁶
- Obesity costs US businesses more than \$13 billion annually in:⁷
 - Health insurance claims
 - Paid sick leave
 - Disability and life insurance
- Obesity costs a 1000-employee company approximately \$285,000 per year.⁸
- Indirect costs of employee absenteeism include the increased burden on other workers, cost of training replacement employees, and/or overtime pay to other employees.

Direct Effects of Obesity on American Businesses

The Insurance Industry

- Overweight and obese individuals have more chronic health problems than normal weight people, resulting in increased disability costs due to tens of millions of lost work days annually.
- Compared to normal weight, overweight people suffer from a higher incidence of chronic disease, which can complicate recovery from any given injury or illness, resulting in higher costs for treatment, medications, physical therapy, and rehabilitative services.

The Transportation Industry

- As many as 1 billion additional gallons of gasoline are consumed yearly in the US due to the excess weight of the population.⁹
- This additional fuel consumption produces carbon dioxide emissions of nearly 10 billion tons.⁹



- Heavier airline flights due to heavier passengers cost an extra \$275 million annually for 350 million more gallons of fuel.¹⁰
- This increased airline fuel use releases an extra 3.8 million tons of carbon dioxide into the air.¹⁰

Design and Retooling Changes

With 68% of the adult population now overweight, manufacturers are faced with providing products that fit these bigger bodies. Manufacturing processes that are necessitating refitting include, but are certainly not limited to:

- Clothing: adults and children
- Public seating: sports arenas, theaters, classrooms, churches, restaurants
- Furniture: homes, schools, and offices
- Bathroom fixtures: toilet seats, showers, bathtubs
- Healthcare facilities: ambulances, beds, exam and surgical tables and equipment
- Cemetery supplies: caskets, hearses, plots

The Bottom Line

- Obesity is the nation's most widespread and rapidly growing health crisis.¹¹
- The staggering economic costs of obesity now permeate every sector of our society.
- Overweight youth become overweight members of the work force.
- By current estimates, up to 86% of Americans will be overweight and 51% obese by 2030.¹²
- Overweight and its accompanying medical conditions and costs are preventable.

Citations

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