

Fast Facts: The Cost of Obesity

This fact sheet is one in a series of 'Fast Facts' that provide information to help shed light on the complex health issue of obesity.

Do Overweight and Obese Individuals Incur Greater Costs? ^{1,2}

- As obesity is associated with 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 obese and overweight individuals.
- Other individual costs associated with being obese: lost wages, presenteeism and absenteeism, and higher costs associated with the purchase of personal goods.

What Are The Societal Cost of Being Overweight and Obese? ^{3,4,5,6}

- While individuals bear the full burden of some costs, such as the value of lost life or lost wages, employers and employees share the burden for many other costs such as direct medical costs, short-term disability, and productivity losses. The government pays a significant portion of costs associated with obesity for Medicare and Medicaid beneficiaries.
- Estimates of the medical cost of adult obesity in the United States (U.S.) range from **\$147 billion to nearly \$210 billion** per year.
- The majority of the spending is generated from treating obesity-related diseases such as diabetes and cardiovascular disease, among others.
- Obesity is responsible for \$61.8 billion in Medicare and Medicaid spending.
 - In the absence of obesity, Medicare and Medicaid spending would be **8.5 percent and 11.8 percent lower**, respectively.
- If obesity rates continue on their current track, medical costs associated with obesity are estimated to increase by \$48 - \$66 billion per year in the U.S., and the loss of economic productivity could be as high as \$580 billion annually by 2030.
- However, reducing average BMI by just five percent by 2030 could significantly reduce health care costs around the country.

What are the individual costs of being overweight or obese? ⁷

- The annual costs of being obese are approximately **\$4,879** for an obese woman and **\$2,646** for an obese man.
- The costs for obese individuals are **15 times higher** than total costs of overweight individuals, irrespective of gender and employment status.
- **Direct medical costs** account for the majority of costs borne by overweight individuals and obese men, while **obese women** are disproportionately affected by job-related costs, such as lost wages.

About the STOP Obesity Alliance

The Strategies to Overcome and Prevent (STOP) Obesity Alliance is a collaboration of nearly 70 consumer, provider, government, labor, business, health insurer and quality-of-care organizations working to drive innovative and practical strategies that combat obesity. Housed at The George Washington University School of Public Health and Health Services, Department of Health Policy, the Alliance has centered on developing reports, policy recommendations, and tools for consumers and policy makers that are evidence-based and approved by consensus. The Alliance receives funding from founding sponsor, Sanofi. For more information, visit www.stopobesityalliance.org and follow the Alliance on [Facebook](#) and [Twitter](#).

Resources

- ¹ Dor, A., Ferguson, C., Langwith, C., Tan, E. (2010) A Heavy Burden: The Individual Costs of Being Overweight and Obese in the United States. The George Washington University Department of Health Policy Research Report. Available at: http://www.stopobesityalliance.org/wp-content/themes/stopobesityalliance/pdfs/Heavy_Burden_Report.pdf.
- ² Wolf AM, Colditz GA. Current estimates of the economic cost of obesity in the united states. *Obes Res.* 1998;6(2):97-106.
- ³ Cawley, J., and Meyerhoefer, C. (2012) The Medical Care Costs of Obesity: An Instrumental Variables Approach. *Journal of Health Economics*, 31(1): 219-230,
- ⁴ Finkelstein E.A., Trogon J.G., Cohen J.W., Dietz W. (2009) Annual medical spending attributable to obesity: payer- and service-specific estimates. *Health Affairs.* 28: w822-w831.
- ⁵ Wang YC et al. Health and Economic Burden of the Projected Obesity Trends in the USA and the UK. *The Lancet*, 378, 2011. Available at: [http://www.thelancet.com/journals/lancet/article/PIIS0140-6736\(11\)60814-3/fulltext](http://www.thelancet.com/journals/lancet/article/PIIS0140-6736(11)60814-3/fulltext).
- ⁶ Trust for America's Health and the Robert Wood Johnson Foundation. (2012) F as in Fat. Pg. 28. Available at: <http://healthyamericans.org/assets/files/TFAH2012FasInFatFnlRv.pdf>.
- ⁷ Dor, A., Ferguson, C., Langwith, C., Tan, E. (2010) A Heavy Burden: The Individual Costs of Being Overweight and Obese in the United States. The George Washington University Department of Health Policy Research Report. Available at: http://www.stopobesityalliance.org/wp-content/themes/stopobesityalliance/pdfs/Heavy_Burden_Report.pdf.