

Prevention is a Good Investment

Reno Gazette-Journal / RGJ.COM

Tuesday, August 12, 2008

It is a truism in public health circles that our health care system is set up to focus on treating people once they have a problem – in other words, our system provides “sick care” rather than health care. It thus stands to reason that, in addition to reducing the suffering caused by diseases such as heart disease and many forms of cancer, our nation must direct more energy and resources on how to prevent people from getting sick in the first place.

A new report from the Trust for America’s Health, *Prevention for a Healthier America*, examines how much the US and Nevada could save in health care costs if we invested in disease prevention by funding proven community-based programs that address diseases resulting from lack of physical activity, poor nutrition, and smoking and tobacco use.

Prevention for a Healthier America estimates the return on investment (ROI) of dollars spent proven community-based disease prevention programs based on an extensive review of evidenced-based studies on interventions to increase physical activity, improve nutrition (eating foods of high nutritional value and in the right quantities), and reduce smoking.

The report’s premise is that the per capita cost of many effective community-based programs is under \$10 per person per year. And current evidence indicates that implementing these programs in communities is capable of reducing rates of type 2 diabetes and high blood pressure by 5 percent within two years; heart disease, kidney disease, and stroke by 5 percent within 5 years; and reducing some forms of cancer, arthritis, and lung disease by 2.5 percent within 10 to 20 years.

In monetary terms, the report estimates that an investment of \$10 per person per year in such programs could yield net savings of more than \$2.8 billion annually in health care costs in one to two years – that is to say, with this level of investment the country could recoup nearly \$1 over and above the cost of the program for every dollar invested in the first couple of years for these programs.

Within five years, the ROI could rise to 5.6 for every dollar invested or more than \$16 billion annually within five years.

The report limited its examination of ROI to medical cost savings only – the significant gains in worker productivity, reduced absenteeism at work and school, and ensuring that more people will be healthier for longer periods of their life represent additional, obvious benefits resulting from investment in prevention.

The report also examined how investment in disease prevention could benefit different health care payers:

- Medicare, the public health insurance program for seniors and the disabled, could save more than \$487 million annually in the first one to two years, more than \$5.2 billion annually within 5 years, and nearly \$6 billion annually in 10 to 20 years.
- Medicaid, the public health insurance program for the poor, could save \$370 million annually in the first one to two years, some \$1.9 billion annually within 5 years, and more than \$2 billion annually in 10 to 20 years.
- Private insurers and individuals (through reduced out-of-pocket medical costs) could save nearly \$2 billion annually in the first one to two years, more than \$9 billion annually within 5 years, and more than \$10 billion annually in 10 to 20 years.

To paraphrase the late Senator Everett Dirksen, a billion here, a billion there, pretty soon this adds up to real medical care cost savings for Americans.

The final section provides a state-by-state analysis of return on investment utilizing the same framework used to derive national estimates.

Based on total annual intervention costs of \$23,320,000 (in 2004 dollars), Nevada's estimated return on investment of \$10 per person would yield net health care savings to payers and individuals of \$17.9 million in the first one to two years. Within 5 years, potential savings could reach \$115.7 million annually or a return of nearly \$5 for every dollar invested.

Prevention for a Healthier America concludes that "for America to become a healthier nation, prevention must become a driving force in our health care strategy and become central to discussions about how to reform health care in the U.S." Simply put, prevention pays.

A complete copy of the report and additional information on the Trust for America's Health can be found at www.healthyamericans.org.

John Packham, PhD is Director of the Nevada Rural Hospital Flexibility Program at the University of Nevada School of Medicine. He currently serves as the President of the Nevada Public Health Association.