

What is
the Cost
of Being

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Obese in America?

"This research broadens the growing body of evidence that shows that in addition to taxing health, obesity significantly affects personal finances."

Christine Ferguson, JD

Turns out, according to new research, it actually costs more if you're a woman than if you're a man.

Being overweight and obese is a heavy burden for many – taking a toll on our health and daily routines. It also, new research finds, turns out to be a heavy burden on our pocket books as well.

There are many issues to focus on when it comes to weight. As a former varsity athlete with athletic parents, I grew up in a highly competitive environment that emphasized fitness. In fact, until I began working, I was in terrific shape. Then the weight began to creep upwards, on parallel with the additional hours I was putting in at the office. In fact, I averaged an increase of about 10 pounds a year. And then, of course, the struggle began – where I started and stopped with a wide variety of weight loss programs.

There's no question that excess weight was taking a toll on me and my health. What I didn't realize was how much I was paying for it – literally.

Does the story sound familiar? If so, you're not alone. If you're overweight or obese you may think about the effects weight has on your health. And with rising insurance prices, you may also think about how much it costs for visits to the doctor. But, thinking about what it actually costs for you personally is another matter.

Obesity, Health and our Health Care System

Increases in the prevalence of weight-related illness including type II diabetes, hypertension, cardiovascular disease, hypercholesterolemia, asthma, sleep apnea, musculoskeletal diseases, stomach ulcer, gallbladder diseases, chronic liver disease and certain types of cancer has accompanied the obesity epidemic.¹ Studies have also shown that obesity reduces life expectancy and increases disability.² [CLICK HERE to view a visual diagram of how weight effects the body.](#)

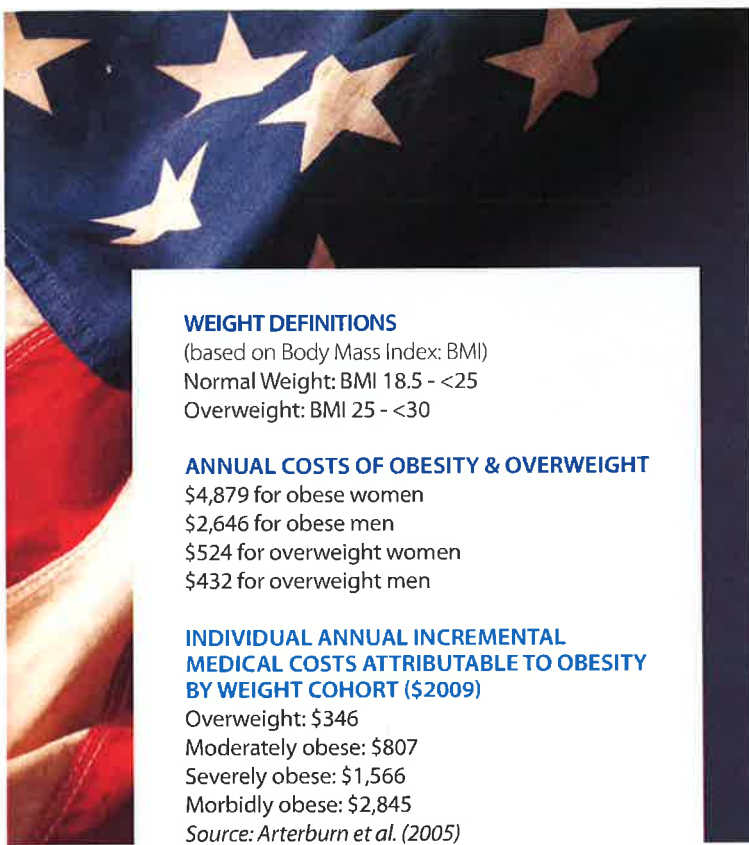
Most of us have also heard the statistics about how obesity and weight-related illness tax our health care system – close to \$147 billion annually in direct and in-direct medical costs, nearly 10% of all the money spent on health-related expenses in the United States.

Yet, until recently, one thing that has not been examined as thoroughly is how much obesity costs us as individuals.

Digging Deeper – the Personal Cost of Obesity

The STOP Obesity Alliance research team at George Washington University set out to quantify the individualized cost of obesity by creating estimates of the annual additional costs that range from the cost of being overweight through the cost of being obese. We learned that some costs are solely borne by individuals – those include the value of lost life, lost wages, gasoline costs and, when applicable, life insurance. Other costs – including insurance coverage, reimbursed medication and worker's compensation are also shared by employers and the government.

After fully analyzing the costs, we uncovered some interesting findings.



WEIGHT DEFINITIONS

(based on Body Mass Index: BMI)

Normal Weight: BMI 18.5 - <25

Overweight: BMI 25 - <30

ANNUAL COSTS OF OBESITY & OVERWEIGHT

\$4,879 for obese women

\$2,646 for obese men

\$524 for overweight women

\$432 for overweight men

INDIVIDUAL ANNUAL INCREMENTAL MEDICAL COSTS ATTRIBUTABLE TO OBESITY BY WEIGHT COHORT (\$2009)

Overweight: \$346

Moderately obese: \$807

Severely obese: \$1,566

Morbidly obese: \$2,845

Source: Arterburn et al. (2005)

There is a significant cost to being obese in America.

Not only do overweight and obese individuals face a heightened risk of health care challenges, they also incur higher costs throughout their lifetime than normal-weight individuals. In fact, being overweight and obese is much more costly than being of normal weight and the amount increases exponentially – it is significantly more costly to be obese than to be overweight.

Where it was possible to break down the costs by degrees of obesity, it is clear the incremental costs of morbid obesity are much higher than those of moderate obesity.

- For men and women, the incremental costs of obesity are much higher than the incremental costs of being overweight.
- For obese women, the total incremental costs are more than 9 times higher than those for overweight women.
- For obese men, the total incremental costs are 6 times greater than for overweight men.

Costs including value of life lost.

This is a calculation that economists use to convert the shorten life span of overweight and obese individuals into a dollar value. These costs are a stunning \$8,365 for obese women and \$6,518 for obese men. Total incremental costs for obese individuals are 15 times higher than costs for overweight individuals.

The cost drivers are different for the overweight and obese.

For those who are overweight, the main drivers of cost are direct medical costs – 66% for women and 80% for men. On the other hand, while direct medical cost for obese men is the primary driver of costs, only one-third of the overall costs for obese women are medical costs. We are hoping to do more research to explain these differences.

Obese women are affected much more than obese men.

Women bear the brunt of the additional costs, incurring significantly higher costs in the form of lost wages than obese men. The annual incremental costs are significantly higher for obese women than for obese men, the difference mostly from the resulting lost wages.

Overall, the annual costs of being obese are \$4,879 for an obese woman and \$2,646 for an obese man. That's a \$2,233 difference! The overall annual costs of being overweight are \$524 for women and \$432 for men.

When we add in the value of lost life (as previously described) to these costs we find even more expensive results, as the annual costs of obesity rise to a whopping \$8,365 for obese women and \$6,518 for obese men. Clearly, the costs are more than we had ever considered...and the extra impact on women is not only real, it is serious.

We are just beginning to understand the personal cost of obesity – More work is needed.

The alarming truth is even with these startling figures, we still only have part of the picture. The GW research team was able to create this analysis on individual costs related to obesity by utilizing existing research, which provides information of health- and work-related costs. Yet, with the exception of extra fuel costs incurred by those who are overweight and obese, there is no published research that provides insight into other costs people incur. These may include more expensive clothing and apparel; increased travel expenses (including additional airline charges); larger, more expensive vehicles that can better accommodate a bigger size or even furniture. There is anecdotal evidence and articles that suggest these costs could be significant.

While the research must continue to fully present the costs that each of us pay, government and employers are working together to implement various initiatives and incentives to help stem the tide of obesity. One example is a provision in the Affordable Care Act in which employers may give rewards, such as premium discounts, to employees for satisfying a target related to a health status factor, including BMI. The amount of the reward can be up to 30 percent of the employee's share of the cost of health insurance coverage.

It is clear that we have much work to do in order to find answers to this very complicated problem. Yet, for those of us struggling with obesity, this research demonstrates that even modest weight loss can have a very big return on investment – both in our health and in our wallets.

¹ Malnick, S. D. H., & Knobler, H. (2006). The medical complications of obesity. *QJM*, 99(9), 565-579. doi:10.1093/qjmed/hcl085

² Sturm, R., Ringel, J. S., & Andreyeva, T. (2004). Increasing obesity rates and disability trends. *Health Affairs*, 23(2), 199-205. doi:10.1377/hlthaff.23.2.199

Overweight and obese individuals are not the minority, and the trend is anticipated to continue. The number of people suffering with obesity is anticipated to rise to 50% by 2030.



Types of Obesity-Related Costs Affecting Working Age Adults

ECONOMIC COSTS	DEFINITION
Total direct medical costs	Both out-of-pocket and insurance covered expenditures related to physician services, office-based care, outpatient and inpatient hospital care, ER care, dental care and pharmaceutical expenditures
Absenteeism	Absence from work measured by the annual number of days of sick leave.
Presenteeism	Time lost at work due to lowered productivity
Short-term disability	Salary-continuation benefit for employees off work measured by time away from work due to illness (between 6 days and 6 months)
Disability pension insurance	Pension benefits paid to employees due to their inability to work because of excess weight related health problems
Premature mortality	Value of years of life lost measured by the dollar value of a quality adjusted life year (QALY)
Workers' compensation	Type of labor, hourly wage measured by medical care and indemnity costs received annually.
Personal costs	Consumption, clothing, daily needs, gasoline, etc.

