

# The Cost Savings of Investing in Chronic Disease Prevention and Health Promotion – SD Department of Health

## Introduction

Investing in local resources to support and build a healthy community where people live, learn, work and play is integral to long term health promotion and prevention of chronic diseases. Chronic diseases and associated risk factors continue to be the leading causes of morbidity and mortality in South Dakota (S.D.) and the United States (U.S.). According to the Milken Institute, the projected annual costs attributable to chronic diseases in SD by 2023 will include \$2.7 billion in treatment expenditures and \$8.4 billion in lost productivity if the current trajectory of unhealthy behaviors continues.<sup>1</sup> While chronic diseases are largely attributable to individual health behaviors, there is a growing body of evidence that recognizes that multiple factors shape health.

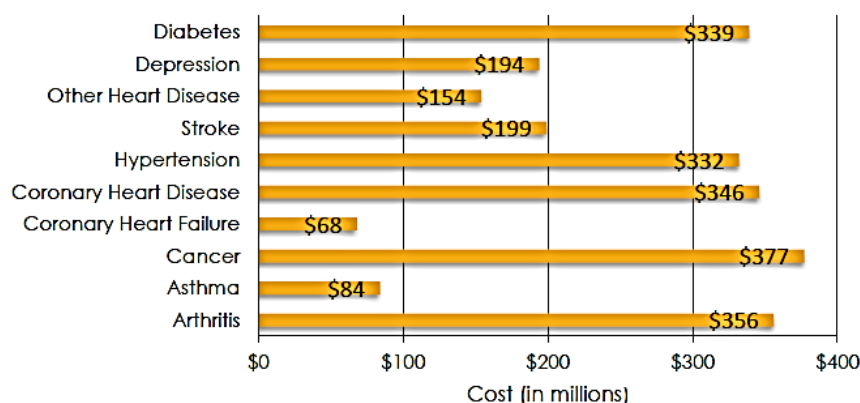
## Costs of Chronic Diseases to Community Health

According to the Centers for Disease Control and Prevention (CDC) chronic diseases and the health risk behaviors that cause them account for most health care costs.<sup>2</sup> Heart disease, cancer, COPD/asthma, diabetes, and hypertension cost the U.S. nearly \$347 billion, or 30 percent of total health spending in 2010.<sup>3</sup> Obesity can lead to multiple chronic diseases and cost the U.S. \$147 billion annually in 2008. It is estimated that by 2030, medical costs associated with obesity are expected to increase by at least \$48 billion annually with the annual loss in economic productivity totaling \$390 to \$580 billion.<sup>4</sup>

Chronic disease costs South Dakota billions of dollars. The costs of these chronic diseases highlighted in Figure 1, show that cancer cost the state approximately \$377 million, and all cardiovascular diseases combined cost \$981 million.<sup>5</sup>

By investing in prevention and treatment of the most common chronic diseases, the U.S. could decrease treatment costs by \$218 billion per year and reduce the economic impact of disease by \$1.1 trillion annually.<sup>1</sup>

Figure 1: Estimated Cost of Chronic Diseases in South Dakota by All Payers, 2010 (Medicaid, Medicare, Private Insurers)



Source: Centers for Disease Control and Prevention

Chronic disease has become the most common cause of mortality in the U.S., with heart disease and cancer accounting for 31.4 percent and 23.4 percent of all U.S. deaths respectively.<sup>6</sup> In 2015, nearly 500,000 people in S.D. had at least one chronic disease, and 190,000 had two or more chronic diseases.<sup>7</sup> About 86 percent of all health care spending in the United States is used for treating patients with one or more chronic diseases.<sup>2</sup>

By 2030, if current trends continue for chronic diseases among all persons ages 45-64 in the U.S., one-third will have hypertension, more than one-quarter will have diabetes, more than 11 percent will have heart disease, and nearly 2 percent will suffer strokes.<sup>8</sup> In addition, children and adolescents who are obese are also likely to be obese as adults and are at increased risk for adult health problems associated with chronic diseases.<sup>9</sup> By 2030, the cost for South Dakota to treat these diseases is estimated at \$113 billion per year.<sup>7</sup>

**“A 1% reduction in the following risk factors – excess weight and elevated blood pressure, glucose, and cholesterol – has been shown to save \$83 to \$103 annually in medical costs per person, much of which could accrue to employers in reduced premiums.”** *Centers for Disease Control and Prevention*

*Chronic Disease Self-Management Programs – Better Choices, Better Health® South Dakota*: The South Dakota Department of Health, South Dakota State University Extension Services, and South Dakota Department of Social Services have implemented Stanford University’s Chronic Disease Self-Management Program (CDSMP), referred to as *Better Choices, Better Health® South Dakota*. This program is not disease specific and offers an interactive workshop once a week for six weeks in locations across South Dakota. Trained leaders – many of whom are volunteers and have a chronic illness themselves – facilitate the workshops. Program participants may be affected by arthritis, diabetes, heart disease, or breathing problems, as well as multiple chronic conditions. *Better Choices, Better Health® S.D.* is a program intended for participants seeking better ways to cope with chronic conditions and learn how to better care for themselves or a loved one. From October 2014 through May 2016, there have been 41 workshops held across South Dakota, with 407 workshop attendees and 249 workshop completers. Evidence highlights significant and measurable improvements in patient outcomes and quality due to CDSMP. In addition, CDSMP lowers health care costs, including \$740 per person savings in emergency room visits and hospital utilization and a potential saving of \$4.2 billion by reaching 10 percent of Americans with one or more chronic conditions. CDSMP saves enough through reductions in healthcare expenditures to pay for itself within the first year.<sup>69</sup>

<http://goodandhealthysd.org/content/uploads/2014/01/FinalCostSavingsWhitePaper.pdf>