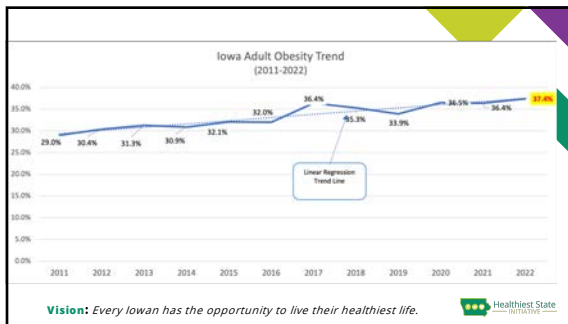


Economic Impact of Obesity on Employers

Presented by *Lilly*

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WWC WORKPLACE WELL-BEING CONFERENCE

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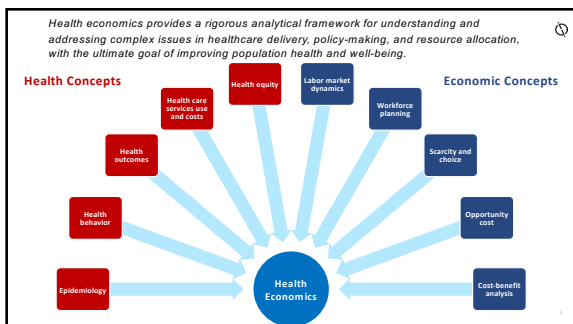
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Assessing the Economic Impact of Obesity and Overweight on Employers: Identifying Paths Toward Work Force Health and Well-Being

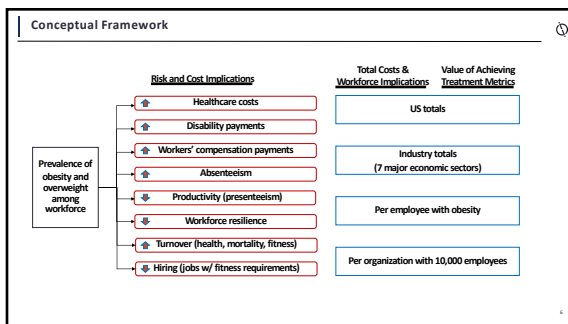
Supported by Eli Lilly and Company
April 5, 2024

See the employer and state reports at:
<https://www.globaldata.com/health-economics/us/>

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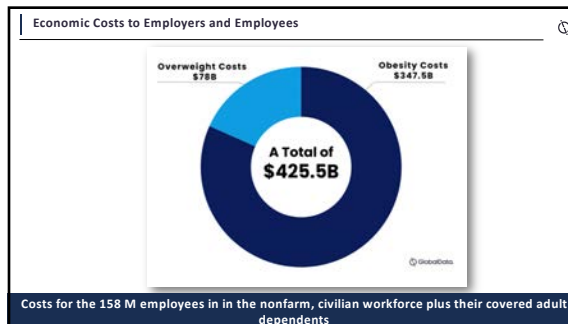
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Obesity and Overweight Prevalence by Detailed Industry

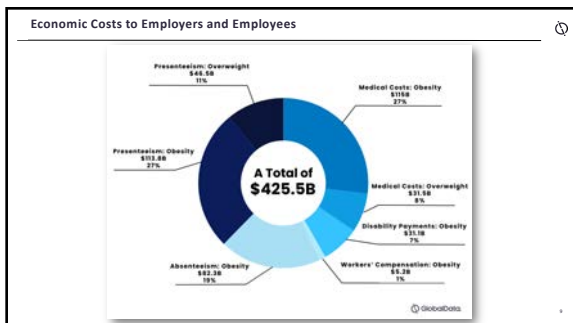
NHS Industry	Prevalence Rate*		Employment, 2023*	
	Obesity	Overweight	Total	With Obesity
Accommodation & Food Services	24%	30%	16,677,000	4,086,000
Agriculture, Forestry, Fishing, & Hunting	33%	41%	2,173,000	724,000
Construction	32%	43%	6,193,000	2,629,000
Education Services	28%	30%	4,111,000	1,134,000
Finance & Insurance	29%	35%	9,178,000	2,707,000
Health Care & Social Assistance	32%	31%	21,798,000	6,940,000
Information	29%	34%	3,037,000	874,000
Manufacturing	33%	37%	12,961,000	4,236,000
Mining	38%	36%	651,000	249,000
Non-Agriculture Self-Employed	NA	NA	9,126,000	2,708,000
Other Services	27%	32%	5,890,000	1,610,000
Professional, Scientific, & Technical Services	22%	35%	23,287,000	5,109,000
Public Administration	36%	36%	23,243,000	8,337,000
Retail Trade	29%	33%	15,563,000	4,572,000
Transportation & Warehousing	37%	37%	6,735,000	2,461,000
Utilities	33%	45%	561,000	187,000
Wholesale Trade	31%	39%	6,099,000	1,876,000
All Industries	30%	34%	169,289,000	50,440,000

Notes: * Estimated using the 2015-2018 National Health Interview Survey; † October 2023 employment estimates. ‡ Obesity and overweight prevalence is unavailable for the non-agriculture self-employed workforce, so estimates here are extrapolated using the obesity and overweight prevalence estimates for all industries.

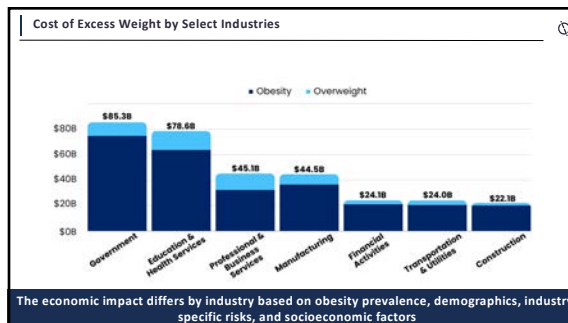
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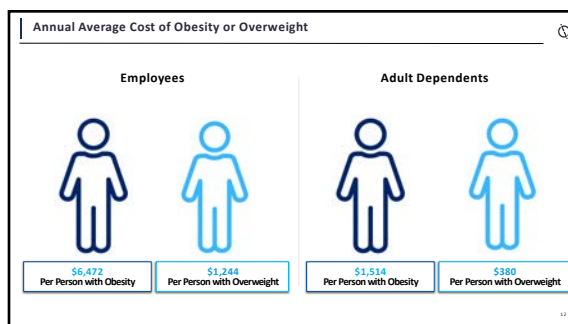
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Detailed Costs

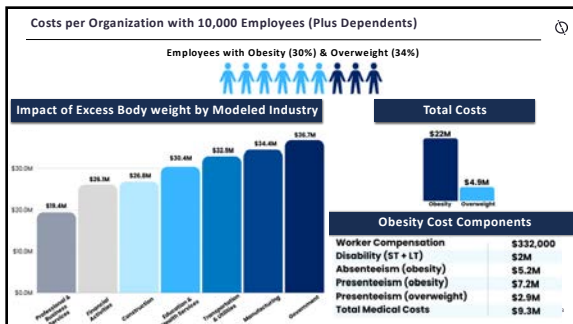
FACTORS IMPACTED BY WORKFORCE	ANNUAL COST PER WORKER WITH OBESITY*	AGGREGATE COSTS
Higher Medical Costs	\$1,514	\$89.8B Employers \$115.0B Obesity
Higher Disability	\$664	\$31.1B
Higher Injury Worker Compensation	\$112	\$5.2B
Higher Health-Related Work Absenteeism	\$1,755	\$82.3B
Higher Health-Related Work Presenteeism	\$2,427	\$113.8B Obesity \$46.5B Overweight

* National averages; costs differ by industry and state.

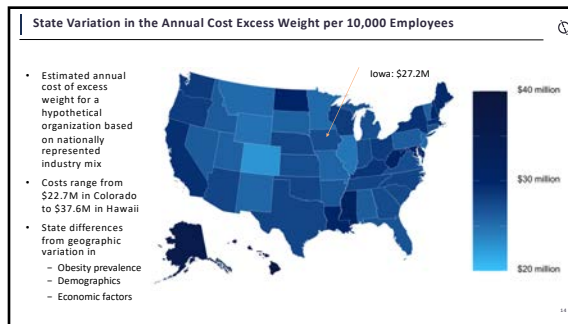
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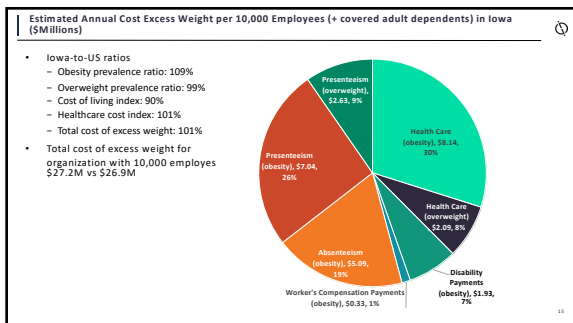
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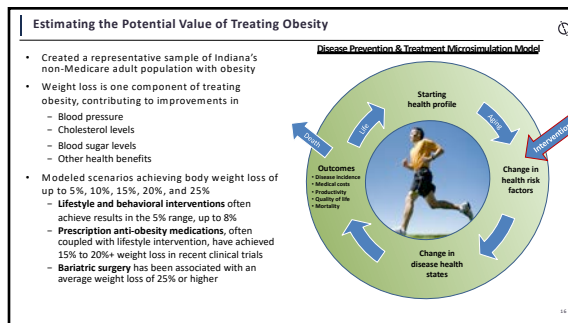
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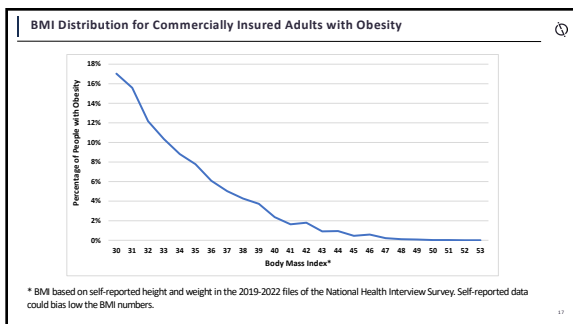
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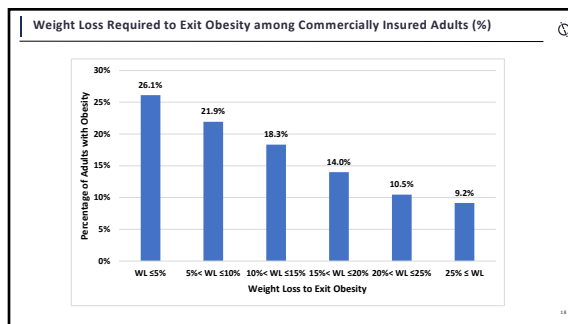
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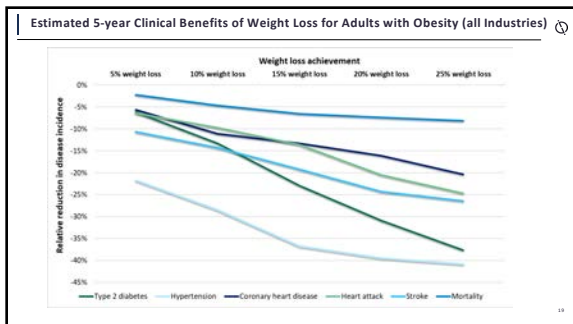
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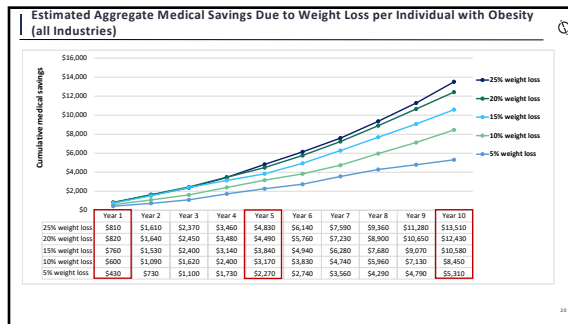
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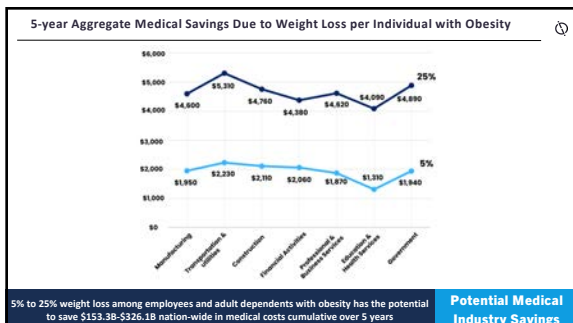
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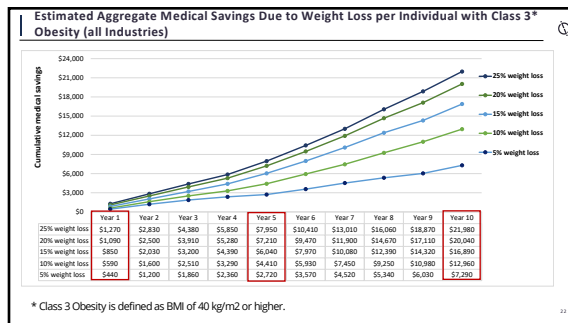
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- ### Recommendations
- Opt-in to comprehensive obesity insurance coverage and wellness programs for obesity care at parity with other chronic diseases:** In line with national recommendations, employers can ensure their health insurance plans cover evidence-based obesity treatments, including intensive behavioral counseling, nutrition support, pharmacotherapy, and metabolic/bariatric surgery.
 - Upgrade, implement, or incant use of wellness programs:** Employers can implement wellness programs that specifically address obesity prevention and management. These programs can include resources for healthy eating, physical activity initiatives, and access to fitness facilities or classes. For example, a targeted obesity intervention through the Diabetes Prevention Program Lifestyle Core Curriculum offered at the worksite showed a median 2.5% decline in body weight over 16 weeks.
 - Foster a culture of support and inclusion:** Employers can create a culture of support and inclusion that recognizes and accommodates the needs of employees with obesity. This can involve implementing non-discriminatory policies, offering weight bias and stigma training, creating a supportive workplace environment that promotes healthy behaviors such as providing healthy food options, offering opportunities for physical activity, and providing reasonable workplace accommodations for individuals with obesity and related health conditions.
 - Provide education and resources:** Employers can provide education and resources to employees to educate about the health risks associated with obesity as well as strategies for obesity care and weight management. This can include partnering with their health insurance program and other providers to encourage weight assessments as part of their annual physical, and offer health screenings, health coaching, and other support services.

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National Fact Sheets Available

<https://www.economicdata.com/health/economics/us/>

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National Industry-Specific Fact Sheets Available

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Additional Insights from State Obesity Economic Impact Studies

- State reports and fact sheets published for 8 states plus a "generic" state of 1 million people; two state reports will be published in Q2, and fact sheets for the remaining states will be published in Q2 and Q3
- Analysis of the National Health Interview Survey (NHIS)
 - Earnings
 - Women in the workforce with obesity earn **9% less** than women with healthy weight, on average, controlling for demographics; findings consistent with other published studies in the US and abroad.
 - Obesity appears to have no impact on earnings of men in the workforce.
 - Labor force participation
 - Analysis of 2017-2021 NHIS files indicates that the odds of working decline by **20% for women** with obesity and by **7% for men** with obesity relative to their healthy weight peers.
 - Updated analysis of 2018-2022 NHIS files indicates that the odds of working decline by **17% for women** with obesity and by **7% for men** with obesity relative to their healthy weight peers.
 - Trends for individual years seems to be correlated with the national unemployment rate, which is that as the unemployment falls the obesity impact on labor force participation also falls.
 - This is consistent with a Federal Reserve Board study that shows that racial discrimination employment decisions appears to decline as the unemployment rate falls
 - "...the slack unemployment rate rises faster in downturns than the white unemployment rate but also falls faster during periods of economic expansions." <https://www.federalreserve.gov/econres/feds/files/20230529as.pdf>
- Early mortality attributed to obesity
 - Ward et al. (2022) estimate that nearly 500,000 excess deaths due to obesity occur annually, with state estimates calculated <https://www.healthieststate.com/newsroom/obesity-research-2023-03-20-15361364.html>
 - Using CDC data on state deaths by underlying cause of death and with obesity as a contributing cause of death, we used disease-specific rate ratios to study the demographics of people who died prematurely due to obesity.
 - Many of these premature deaths are for people with a high probability of being in the workforce absent their death, contributing to a smaller labor force.

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Summary

- Employers and employees are incurring high annual costs associated with obesity, and to a lesser extent overweight
 - \$6,472 per worker with obesity
 - \$1,244 per worker with overweight
 - Higher healthcare costs for adult dependents with obesity and overweight
 - \$425.5B total across the non-farm industries employing 158 M workers
 - \$26.9M average cost per organization with 10,000 employees
- Doing nothing to address obesity essentially means accepting current costs. Efforts to treat and prevent obesity will require resources, but the cost of intervention is offset by reduced medical costs and improved productivity. In addition, employees and their families can experience improved quality of life and longevity.

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LINKS AND CONTACT INFORMATION

Published reports: <https://www.globaldata.com/health-economics/us/>

- Whitepapers
- Infographics
- PowerPoint Slides

The Obesity Action Coalition's Stop Obesity Weight Bias Campaign includes [media guidelines](#) and [bias-free image gallery](#)

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Tim Dall
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Questions??

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