

# REALITY COALITION



## Fact Sheet Impact of Obesity and Overweight on Employers

The prevalence of overweight and obesity within the US workforce mirrors the general population with 70% of full-time employed men and 53% of full-time employed women that are overweight or obese.<sup>1</sup>

### Increased Costs

- Obesity outranks both smoking and drinking in terms of increased health costs.<sup>2</sup>
- Projecting from current research, it could be estimated the cost of obesity to a 5,000 person company is over a million dollars per year.<sup>3</sup>
- Obese adults have about 37% higher healthcare expenses per person than normal-weight adults, increasing private healthcare spending by nearly 12% or more than \$36 billion.<sup>4</sup>
- In 1994, employer costs of obesity were estimated to be \$13 billion per year, including \$8 billion in medical claims, \$2.4 billion in paid sick leave, \$1.8 billion in life insurance, and almost \$1 billion in disability insurance.<sup>5</sup>

### Annual Healthcare Costs of Obesity

- High blood pressure: \$4.1 billion
- Heart disease: \$8.8 billion
- Type 2 diabetes: \$98 billion

Chapman L. Meta-evaluation of worksite health promotion economic return. *J Health Promot.* Jan/Feb 2003.

### Increased Disability

- Approximately 85 percent of workers injured on the job were classified as overweight or obese.<sup>6</sup>
- Compared to normal weight workers, those who are overweight and obese have increased odds for short term disability events of 26% and 76%, respectively.<sup>7</sup>
- Obese workers filed twice as many workers' compensations claims resulting in medical costs that were seven times higher, for an average of \$51,019 per 100 employees.<sup>8</sup>

## Increased Absenteeism

- Obese people miss more work, costing employers \$4 billion annually.<sup>9</sup>
- Each year an estimated 39 million work days are lost to obesity related illness.<sup>10</sup>

## Decreased Productivity

- Lower obesity rates alone could produce productivity gains of \$254 billion per year.<sup>11</sup>
- On average, a staggering three weeks or more per year of lost productivity can be attributed to the obesity risk factors.<sup>12</sup>

### Annual Cost of Lost Productivity Related to Obesity

- Workdays lost: 39.2 million
- Physician office visits: 62.6 million
- Restricted activity days: 239 million

Wolf AM, Manson JE, Colditz GA. The Economic Impact of Overweight and Obesity. In: Eckel R, ed. Obesity: Mechanisms and Clinical Management. Lippincott, Williams and Wilkins, Portland, 2002.

<sup>1</sup> Finkelstein E, Fiebelkorn IC, Wang G. The costs of obesity among full-time employees. *Am J of Health Promot* 2005; 20:45-51.

<sup>2</sup> Dietz, W.H. CDC's role in combating obesity and the scientific basis of diet and physical activity. House Committee on Government Reform, Washington, DC, July 25, 2002.

<sup>3</sup> Finkelstein EA, Fiebelkom IC, Wang G. National Medical Spending Attributable to Overweight and Obesity: How Much and Who's Paying? *Health Aff*, www.healthaffairs.org. 2003.

<sup>4</sup> Thorpe KE, Florence CS, Howard DH, Joski P. The impact of obesity on rising medical spending. *Health Aff* 2004;W4:480-6.

<sup>5</sup> Thompson D, Edelsberg J, Kinsay KL, Oster G. Estimated economic costs of obesity to U.S. business. *Am J Health Promot* 1998;13:120-7

<sup>6</sup> Pollack KM, Sorock GS, et al. Association between body mass index and acute traumatic workplace injury in hourly manufacturing employees. *Am J Epidemiol.* 2007;166:204-211

<sup>7</sup> Arena VC, Padiyar KR, et al. The impact of body mass index on short-term disability in the workplace. *J Occup Environ Med.* 2006;48:1118-1124

<sup>8</sup> Ostbye T, Dremont J, et al. Obesity and worker's compensation. *Arch Intern Med* 2007; 167:766-773.

<sup>9</sup> [http://www.forbes.com/business/2006/07/19/obesity-fat-costs\\_cx\\_mh\\_0720obesity.html](http://www.forbes.com/business/2006/07/19/obesity-fat-costs_cx_mh_0720obesity.html). Accessed September 17, 2007.

<sup>10</sup> Wolf AM, Colditz GA. Current estimates of the economic impact of obesity. *Obesity Res* 1998;6:97-106.

<sup>11</sup> DeVol R, Bedroussian A. An Unhealthy America: The Economic Burden of Chronic Disease, ed. Milken Institute (Santa Monica: October 2007)

<sup>12</sup> Jorgenson H. Give me a break: The extent of paid holidays and vacations. Accessed at . [http://www.cepr.net/index.php?option=com\\_content&task=view&id=404&Itemid=8](http://www.cepr.net/index.php?option=com_content&task=view&id=404&Itemid=8)