

# The Value of Prevention



PARTNERSHIP TO FIGHT  
CHRONIC DISEASE



The United States ranks poorly compared to other industrialized countries on most important health indicators. Chronic diseases in particular are affecting the nation's health. Chronic illnesses, such as diabetes, cancer and heart disease, and their underlying causes such as obesity and tobacco use, affect more than 130 million Americans – nearly half the population – and account for 75 percent of U.S. health care spending, or \$1.5 trillion annually.<sup>i</sup>

In order to improve our nation's health – and spend our nation's resources most effectively – we must put greater emphasis on efforts to keep people healthy as opposed to only treating them once they become ill. Prevention is one of the best ways to help Americans live longer, healthier lives and increase our nation's productivity.

## What is Prevention?

“Prevention” refers to helping people avoid getting sick or identifying diseases early so treatment can begin. There are two types of preventive services.

- **Clinical preventive services** are immunizations, disease screenings and behavioral counseling interventions delivered to individuals in clinical settings. These services are designed to prevent disease or to detect conditions that are not yet apparent to the patient, allowing for early treatment.<sup>ii</sup>
- **Community preventive services** are policies, programs and services that aim to improve the health of the entire population or specific subpopulations. Examples of community preventive services are programs that: increase the amount of time students spend in PE class, provide diabetes self-management education in community gathering places or increase the price of harmful products, such as tobacco.

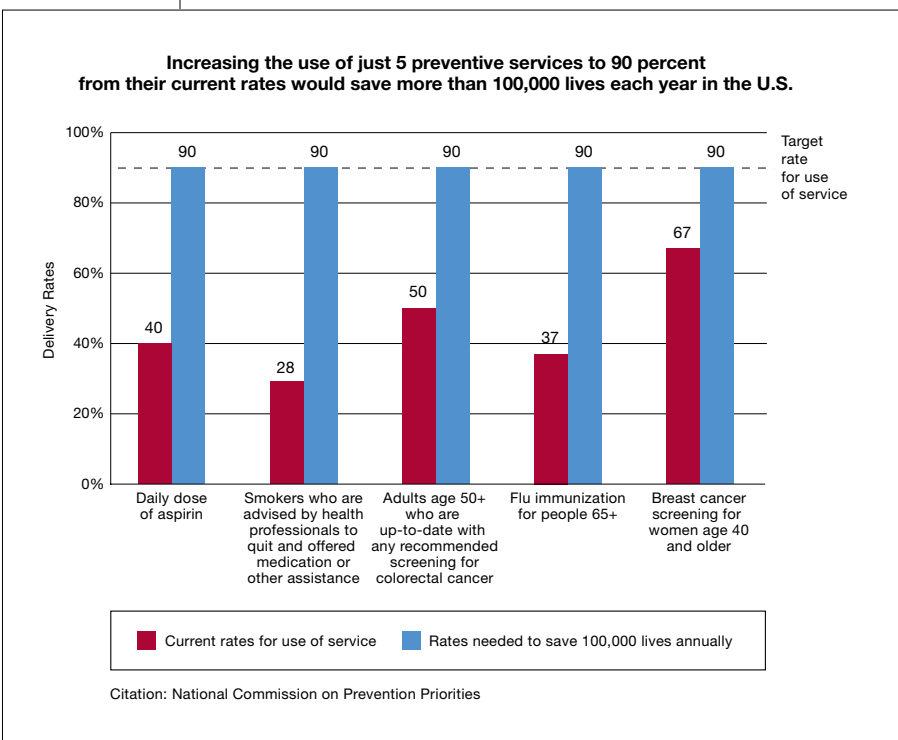
Investing wisely in both clinical and community preventive services is essential if we are to successfully address the leading causes of death and disability, namely, chronic diseases and their risk factors.

## Does Prevention Save Money?

Preventive services provide important health benefits at a reasonable cost. Some preventive services are cost saving; others are cost-effective.<sup>iii</sup>

- **Cost Saving:** Some clinical preventive services do save money, i.e., for every dollar invested, a greater cost is avoided. For example, the CDC reports every dollar spent on childhood immunizations saves \$18.40.<sup>iv</sup> Other examples include counseling about aspirin use to prevent heart disease, smoking cessation assistance and alcohol screening.
- **Cost-Effective:** Many other clinical preventive services do not save money but are very cost-effective, i.e., for a relatively small cost, the services provide a substantial health benefit for the dollars invested. These high value preventive services improve health at a reasonable cost, and a cost which is lower than treating chronic diseases after they have occurred or progressed.

**Why focus on chronic disease?**  
96 percent of Medicare dollars and 83 percent of Medicaid dollars are spent on people with chronic conditions.<sup>v</sup>



<sup>i</sup> Wu S, Green A. Projection of Chronic Illness Prevalence and Cost Inflation. RAND Corporation, October 2000. Also, Centers for Disease Control and Prevention. Chronic Disease Overview page. Available at: <http://www.cdc.gov/nccdphp/overview.htm>. Also, Centers for Medicare and Medicaid services. Historical Overview of National Health Expenditures.

<sup>ii</sup> The United States Preventive Services Task Force identifies those clinical preventive services that are proven to be effective in preventing and identifying chronic diseases such as heart disease and cancer, as well as preventing conditions such as serious infectious diseases, substance abuse and vision and hearing disorders.

<sup>iii</sup> For examples, visit <http://www.prevent.org/content/view/full/43/711>.

<sup>iv</sup> Trust for America's Health, Every Child by Two. Closing the Vaccination Gap: A Shot in the Arm for Childhood Immunization Programs. August 2004. Available at: [http://www.ecbt.org/media/pdf/TFAH\\_ImmunizationRpt.pdf](http://www.ecbt.org/media/pdf/TFAH_ImmunizationRpt.pdf).

<sup>v</sup> Partnership for Solutions. Chronic Conditions: Making the Case for Ongoing Care. September 2004 Update. Available at: <http://www.rwjf.org/files/research/chronicbook2002.pdf>.

## A Healthy and Productive America

Many Americans don't know that health care spending is dwarfed by the indirect costs (e.g. absenteeism, lower productivity) of chronic health problems. High chronic disease and obesity rates are annually responsible for over \$1 trillion in lost productivity in the workplace.<sup>vi</sup>

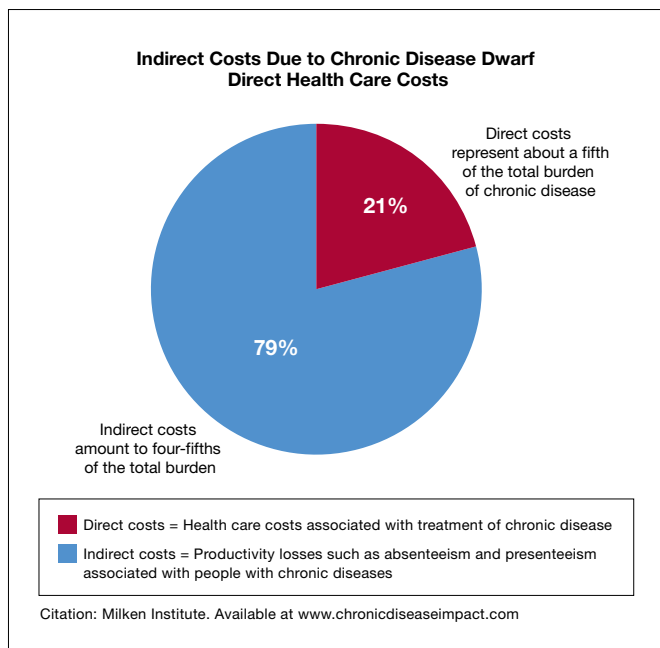
Many employers have begun to invest in prevention and wellness programs,<sup>vii</sup> with positive results:

- Utilizing health and wellness programs, IBM has saved more than \$175 million, resulting in health care premiums that are 6-15% lower than industry averages;<sup>viii</sup>
- The Pitney Bowes Health Care University program has led to a 5% decrease in costs for participants over three years versus a 2% increase for non-participants over the same time period.<sup>ix</sup>

Making changes to improve the way our nation prevents and manages disease must be a top priority in health reform efforts if we want to reduce the large indirect costs to our system.

## How to Give Prevention Higher Priority in Health Reform

The hallmark of an effective and efficient health system is that it spends its precious resources on the things that contribute the most to improved health. This means prevention. Delivering preventive services that have been proven effective is essential if we are to optimize the health of our citizens and the value of our health care dollars.



Clinical and community preventive services should be a basic benefit of proposed health reform. Financing mechanisms and policies should:

- **Make high-value clinical preventive services accessible** to all who need them.
- **Encourage patients** to use clinical preventive services.
- **Offer incentives to health care providers** to deliver clinical preventive services.
- **Offer incentives to employers** that reward their active engagement in employee health promotion.
- **Create healthy environments** and promote healthy lifestyles.
- **Offer incentives to organizations** that influence the health of populations to deliver community preventive services.
- **Encourage Americans** to give greater attention to prevention in their own lives.
- **Increase support for research** on community-based and clinical prevention.
- **Support development** and tracking of system performance standards related to prevention.

As Congress prepares to reform the nation's health system, it can look to these principles to guide its efforts to increase the priority for prevention. Investing in prevention is a high value way to improve health and increase the nation's economic competitiveness.

*The Partnership to Fight Chronic Disease (PFCD) is a national and state-based coalition of more than 100 patients, providers, community organizations, business, labor and health policy experts, committed to raising awareness of policies and practices that save lives and reduce health costs through more effective prevention and management of chronic disease. For more, visit [www.fightchronicdisease.org](http://www.fightchronicdisease.org).*

*Partnership for Prevention<sup>®</sup> is a nonpartisan national membership organization dedicated to the adoption of sound disease prevention and health promotion policies and practices. For more, visit [www.prevent.org](http://www.prevent.org).*

<sup>vi</sup> Devol R, Bedrossian A. An Unhealthy America: The Economic Burden of Chronic Disease. The Milken Institute. October 2007. Available at: [www.chronicdiseaseimpact.com](http://www.chronicdiseaseimpact.com).

<sup>vii</sup> More program examples are available online at: [www.fightchronicdisease.org/promisingpractices](http://www.fightchronicdisease.org/promisingpractices) and [www.prevent.org/lbe](http://www.prevent.org/lbe).

<sup>viii</sup> Full program description available at: <http://promisingpractices.fightchronicdisease.org/programs/detail/ibm>.

<sup>ix</sup> Full program description available at: [http://promisingpractices.fightchronicdisease.org/programs/detail/health\\_care\\_university](http://promisingpractices.fightchronicdisease.org/programs/detail/health_care_university).