NEWS RELEASE



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GlobalData report highlights staggering \$425.5 billion economic costs of obesity and overweight to U.S. Businesses and Employees in 2023

Obesity and overweight are estimated to have caused a staggering \$425.5 billion in economic costs to U.S. businesses and employees in 2023, according to a report released by <u>GlobalData Plc</u>, a leading data and analytics company.

GlobalData's report, '<u>Assessing the Economic Impact of Obesity on Employers:</u> <u>Identifying Paths Toward Work Force Health and Well-Being</u>,' analyzes the economic and workforce implications of obesity and overweight from the perspective of employers and employees. Of the 158 million civilian employees on nonfarm payrolls, 30% (46.9M) are classified as having obesity and 34% (53.8M) have overweight.

Costs amounted to \$347.5 billion attributed to obesity and \$78 billion attributed to overweight. Costs include \$146.5 billion in higher medical costs for employees and their dependents, \$82.3 billion in higher absenteeism (missed workdays), \$160.3 billion in higher presenteeism (reduced productivity due to illness), \$31.1 billion in higher disability costs, and \$5.2 billion in higher Workers' Compensation Program costs. The annual economic costs per worker with obesity is \$6,472, while the annual cost per worker with overweight is \$1,244 relative to a worker with healthy weight.

The prevalence of obesity and overweight and the economic impact varies by industry. Per 10,000 employees, the cost to employers and employees of obesity and overweight ranges from \$19.4 million in the Professional & Business Services sector to \$36.7 million in the Government sector.

Obesity is a serious, progressive disease and is associated with a range of other diseases, including type 2 diabetes, cardiovascular diseases, and musculoskeletal disorders. With 5% weight loss, which is achievable through lifestyle counseling that helps people improve their diet and physical activity levels, 22% of workers with obesity would no longer meet the criteria for obesity. With 25% weight loss, which often requires medical intervention, 78% of people with obesity could move out of obesity. Sustained weight loss of 25% for people with obesity could reduce average healthcare expenditures by \$4,830 cumulative over 5 years—with estimated savings of \$7,950 among workers with Class III obesity.

"As a nation, we are all paying a high price for obesity. Yet, when people with obesity get treated according to medical guidelines, their health outcomes often improve,

producing cost-savings for employers and payers," said <u>Sally Greenberger</u>, President of the <u>National Consumers League</u>. "This is one of the driving factors behind a new Obesity Bill of Rights for the nation, which the National Consumers League and National Council on Aging developed with leading obesity specialists. The Obesity Bill of Rights is a call-to-action for policymakers, payers and employers to eliminate the barriers impeding quality obesity care, which is necessary for Americans to live healthier, longer lives."

"It is important for employers to find ways to increase access to and utilization of comprehensive obesity care for their employees and their dependents," says <u>William</u> <u>H. Dietz</u>, PhD, Director of the <u>STOP Obesity Alliance</u> at George Washington University. "Employers need to provide comprehensive obesity care benefits, including behavioral therapy, bariatric surgery, anti-obesity medications, and weight maintenance. These are all tools for treating and managing the chronic and relapsing disease of obesity."

Supporting employees and their dependents to treat their obesity has the potential to generate substantial economic benefits to employers and their employees, as well as provide significant benefits to society.

Considering the analysis, GlobalData has recommended actionable steps for employers: Offer insurance coverage and wellness programs for obesity care at parity with other chronic diseases. Implement wellness programs. Foster a culture of support and inclusion that recognizes and accommodates the needs of employees with obesity. 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.

GlobalData's report serves as a wakeup call to address the obesity crisis head-on, with employers being a crucial stakeholder in efforts to foster a healthier and more prosperous future for employees and their families.

The study was supported by Eli Lilly and Company.

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Notes to Editors

- Quotes provided by <u>Sally Greenberger</u>, President of the <u>National Consumers</u> <u>League</u>; <u>William H. Dietz</u>, PhD, Director of the <u>STOP Obesity Alliance</u> at George Washington University
- Access the <u>report</u> and <u>infographic</u>.
- When incorporating images or videos into news articles, we kindly request that media outlets exercise sensitivity in their portrayal of individuals with obesity. The Obesity Action Coalition's Stop Obesity Weight Bias Campaign includes media <u>guidelines</u> and <u>bias-free image gallery</u>.

About GlobalData

4,000 of the world's largest companies, including over 70% of FTSE 100 and 60% of Fortune 100 companies, make more timely and better business decisions thanks to GlobalData's unique data, expert analysis and innovative solutions, all in one platform. GlobalData's mission is to help our clients decode the future to be more successful and innovative across a range of industries, including the healthcare, consumer, retail, financial, technology and professional services sectors.