

NEWS RELEASE



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GlobalData report highlights staggering economic costs for South Carolina of \$7.4 billion due to obesity

Obesity and overweight are estimated to have caused a staggering \$7.4 billion reduction in South Carolina's economy in 2022, equivalent to 2.5% of the state's gross domestic product, according to a report released by [GlobalData Plc](#), a leading data and analytics company.

GlobalData's report, '[Obesity's Impact on South Carolina's Economy and Labor Force](#),' analyzes the economic and workforce implications of obesity in the State of South Carolina, as well as the impact on state tax revenue collections and costs. Obesity is a serious, progressive disease and is associated with a range of other diseases, including type 2 diabetes, cardiovascular diseases, and musculoskeletal disorders. In South Carolina, approximately one-third of adults are classified as having obesity (35.0%), and another third have overweight (34.8%) in 2022. This disease not only contributes to an increase in healthcare spending and premature death but also has a detrimental effect on labor force participation and productivity.

Estimates of the economic impact of obesity on South Carolina include: 56,400 fewer adults in the workforce due to obesity-related unemployment and premature death, \$708 million higher costs to employers for health-related absenteeism and disability, and 9% lower earnings for women with obesity compared to women with a healthy weight.

Employers in South Carolina paid an extra \$907 million in higher medical expenditures for health complications attributed to obesity and overweight. Households with private insurance incurred \$528 million in higher costs. Medicaid costs to the state were higher by \$171.7 million (equivalent to 9.8% of the state's Medicaid spending). The federal government also spent an estimated \$1.7 billion more on Medicare and Medicaid for South Carolina residents.

Obesity and overweight have a detrimental impact on the state's budget, estimated at \$908.6 million in 2022 which is equivalent to 6.7% of fiscal year revenues. State tax revenues were lower by \$544.8 million (3.0%) due to reduced economic activity, while state costs for Medicaid, public assistance, and state government health insurance increased by \$363.8 million.

The report also notes that achieving and maintaining weight loss of 5% to 25% among South Carolina's non-Medicare adult population with obesity could produce substantial medical savings, ranging from \$6.2 billion to \$15.4 billion over the next 10 years.

"We're deeply concerned about the alarming \$7.4 billion reduction in annual economic activity due to obesity," said James Chappell, President and CEO of SCbio. "The life sciences industry workforce is essential to the health and well-being of those in South Carolina and throughout the nation. The complications from obesity burden healthcare spending, reduce workforce participation, and hinder productivity. Prioritizing prevention, promoting healthier lifestyles, and improving access to treatment will create a healthier South Carolina, boosting productivity for a thriving future."

Considering the analysis, GlobalData has recommended actionable steps for state policymakers and employers:

State policymakers can (1) advocate for state employee health insurance to cover comprehensive, evidence-based obesity treatments, including intensive behavioral counseling, nutrition support, pharmacotherapy, and metabolic/bariatric surgery; (2) expand Medicaid coverage for obesity treatment; and (3) invest in community-based programs and education campaigns.

Employers can (1) offer insurance coverage and wellness programs for obesity care at parity with other chronic diseases; (2) foster a culture of support and inclusion that recognizes and accommodates the needs of employees with obesity; and (3) 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 the potential to alleviate the economic burden on South Carolina and foster a healthier and more prosperous future for its residents and employers.

The study was supported by Eli Lilly and Company.

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Notes to Editors

- Quote provided by [James Chappell](#), President and CEO of [SCbio](#)
- Access the [report](#) and [infographic](#).

- 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 [guidelines](#) and [bias-free image gallery](#).

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.