



# OECD'S WORK ON ECONOMICS OF PREVENTION

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# The Economics Behind Obesity (and Harmful Alcohol Consumption):

## Impact of risk factors on the economy

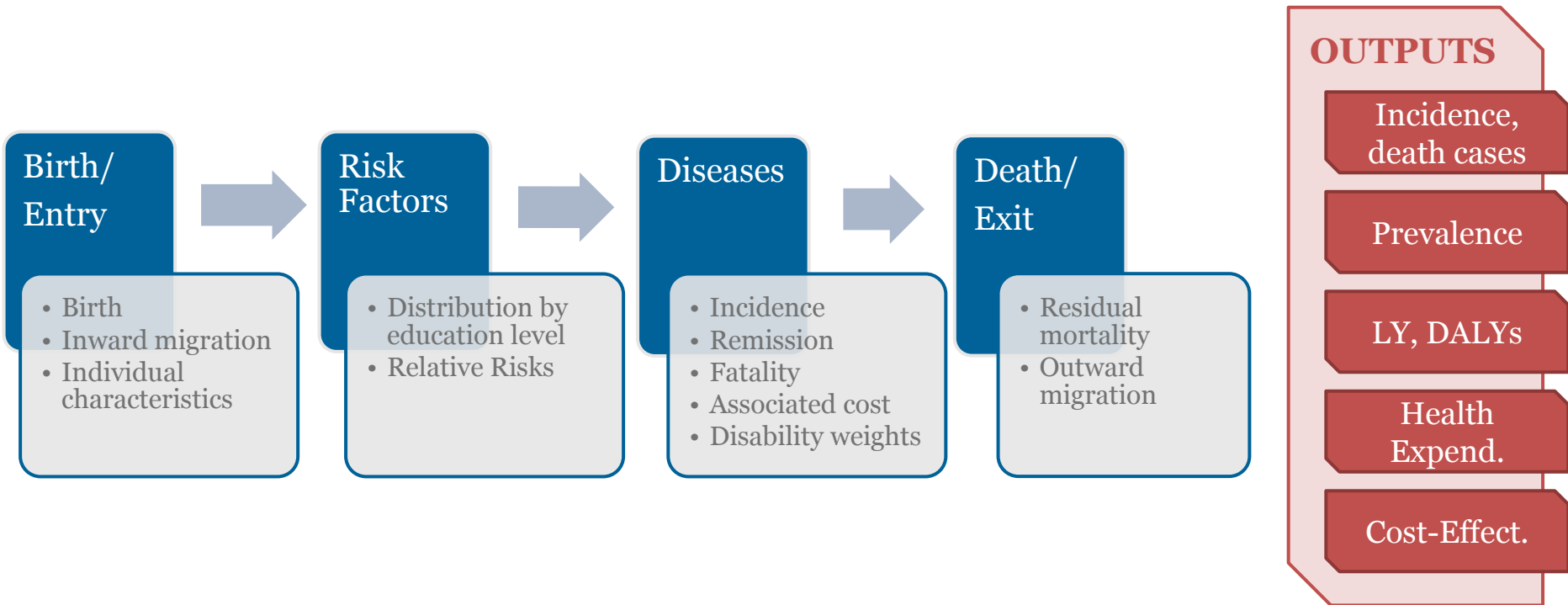
|                  |                      |  |                      |                               |
|------------------|----------------------|--|----------------------|-------------------------------|
| Healthcare costs | Labour market impact | Welfare benefits and other transfer payments | Other indirect costs | Morbidity and mortality costs |
|------------------|----------------------|--|----------------------|-------------------------------|

## The Economic Impact of Tackling RFs

|                                |   |   |                            |
|--------------------------------|---|---|----------------------------|
| Cost-effectiveness of policies | <i>[Costs incurred by the private sector to comply with new regulation]</i> | Impacts on the market for specific products | Consequences on employment |
|--------------------------------|---|---|----------------------------|



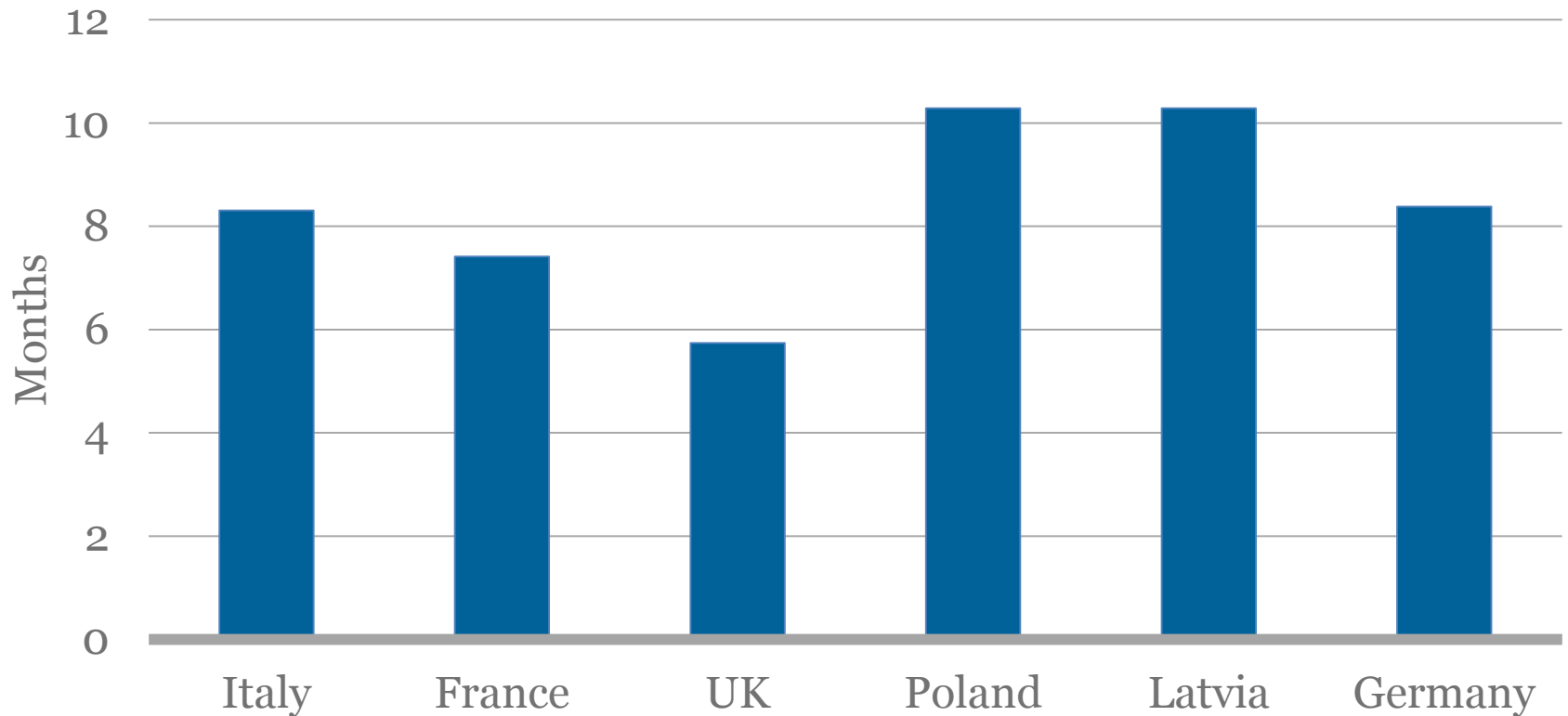
# The OECD-FRESHER Platform





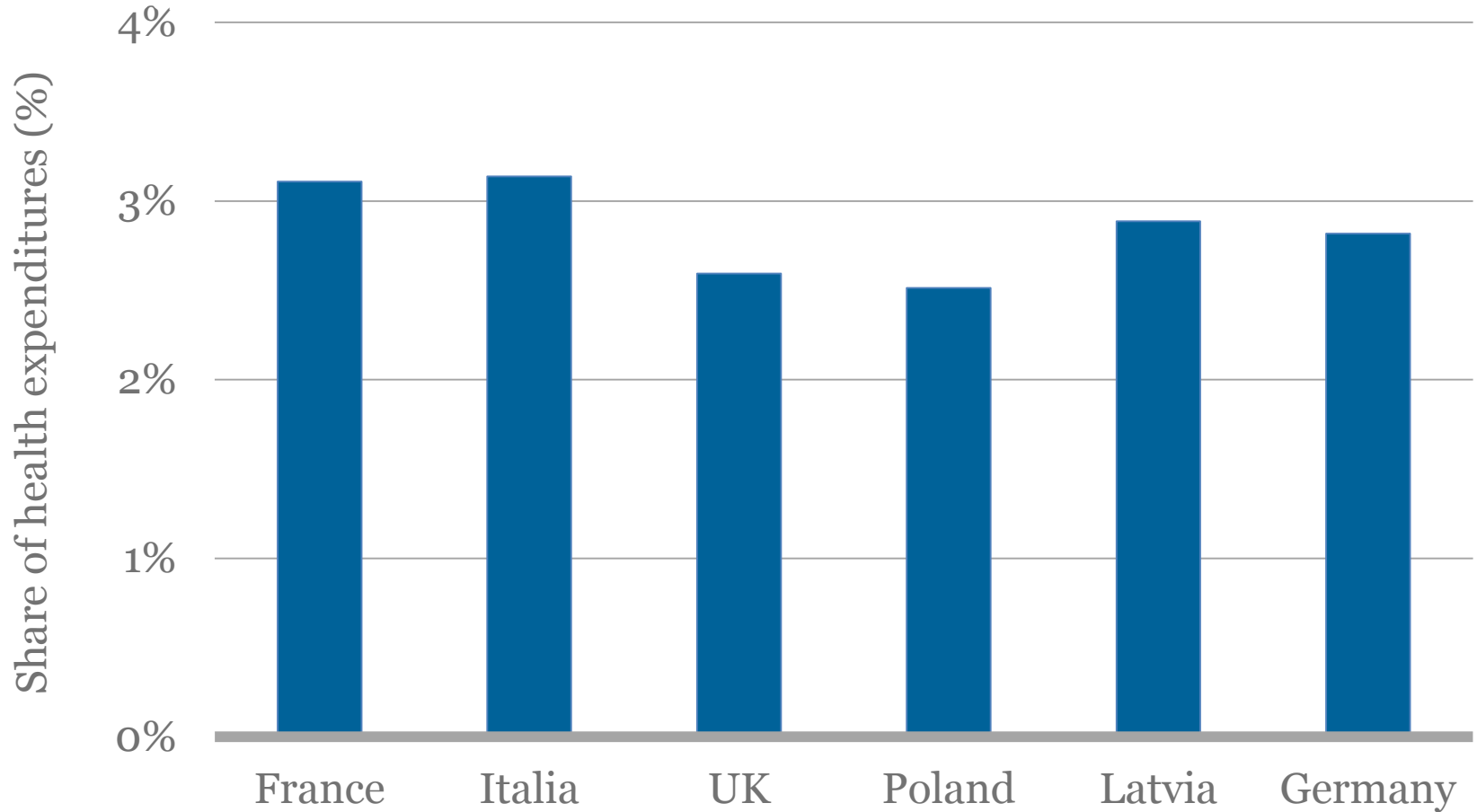
# Obesity and Overweight Reduce Life Expectancy at Birth by About 8 Months

Life expectancy gains in months (average per year 2018, 2051)





# Overweight and Obesity are Responsible for About 2.5% of Total Healthcare Expenditure





# Identifying Effective and Efficient Policy Options

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## Interventions already assessed

- Menu labelling
- Mobile apps to promote PA
- Food labelling
- PA prescriptions
- Advertising regulations
- Mass media campaigns to promote PA
- New public transportation options and PA
- Bike lanes and PA

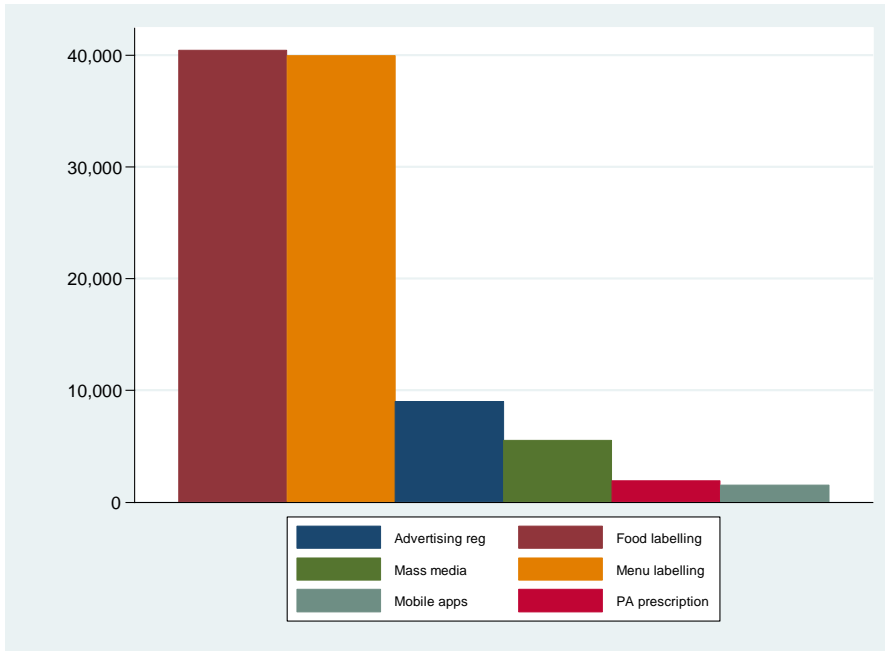
## Options for new interventions

- Preventing obesity in children (e.g. school meals, education, advertising restrictions in schools, PA promotion, community and family-based programs)
- Workplace interventions (e.g. promoting PA, environmental changes for healthier eating)
- Fiscal policies (e.g. taxation of foods high in sugar/saturated fats, healthy eating subsidies)
- Nutritional reformulation (e.g. salt/sugar or other nutrient reformulation)

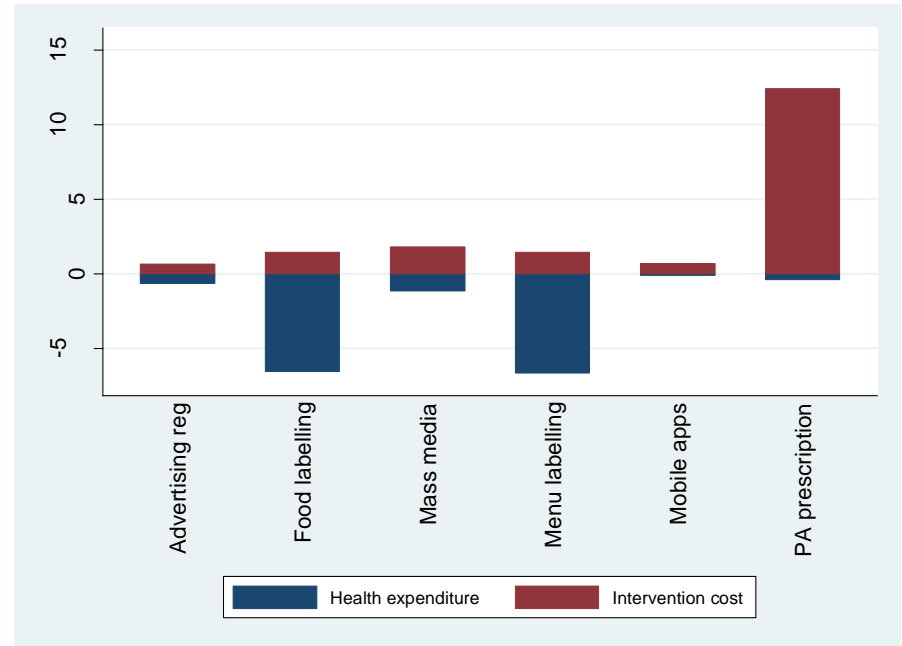


# Modelling Policy Cost-effectiveness

Annual effect of interventions on DALYs in Italy, 2018-2100



Total cost of intervention in Italy, 2018-2100, 3% discount

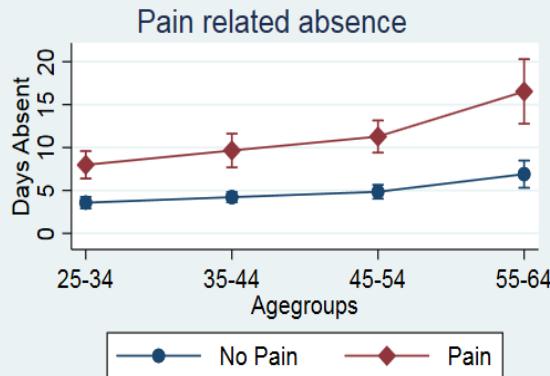
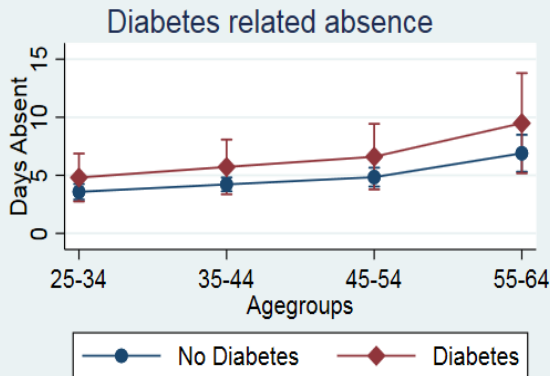
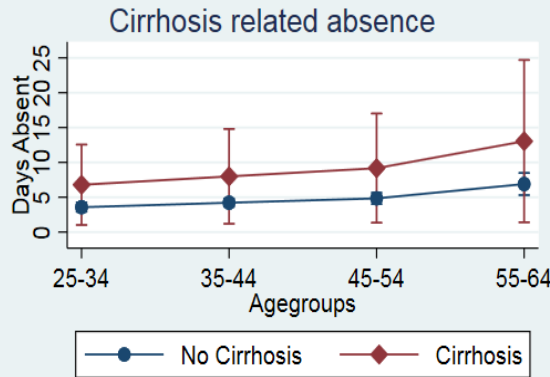
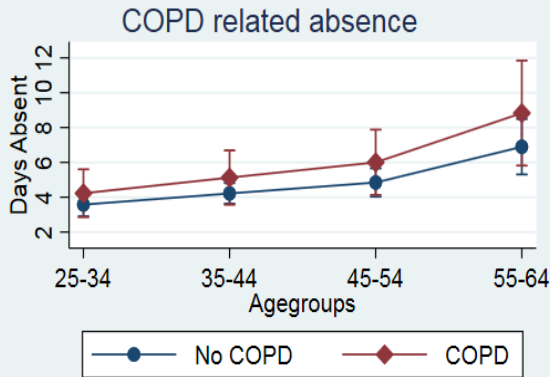


Source: OECD microsimulation model, 2017



# Greater Absenteeism with Obesity/Alcohol-related NCDs

## Absence with NCDs - EHIS 2



Absenteeism rates for employees with diabetes, back- and neck-pain, COPD, or Cirrhosis were higher at all modelled age groups compared to employees without these conditions in EHIS 2 countries

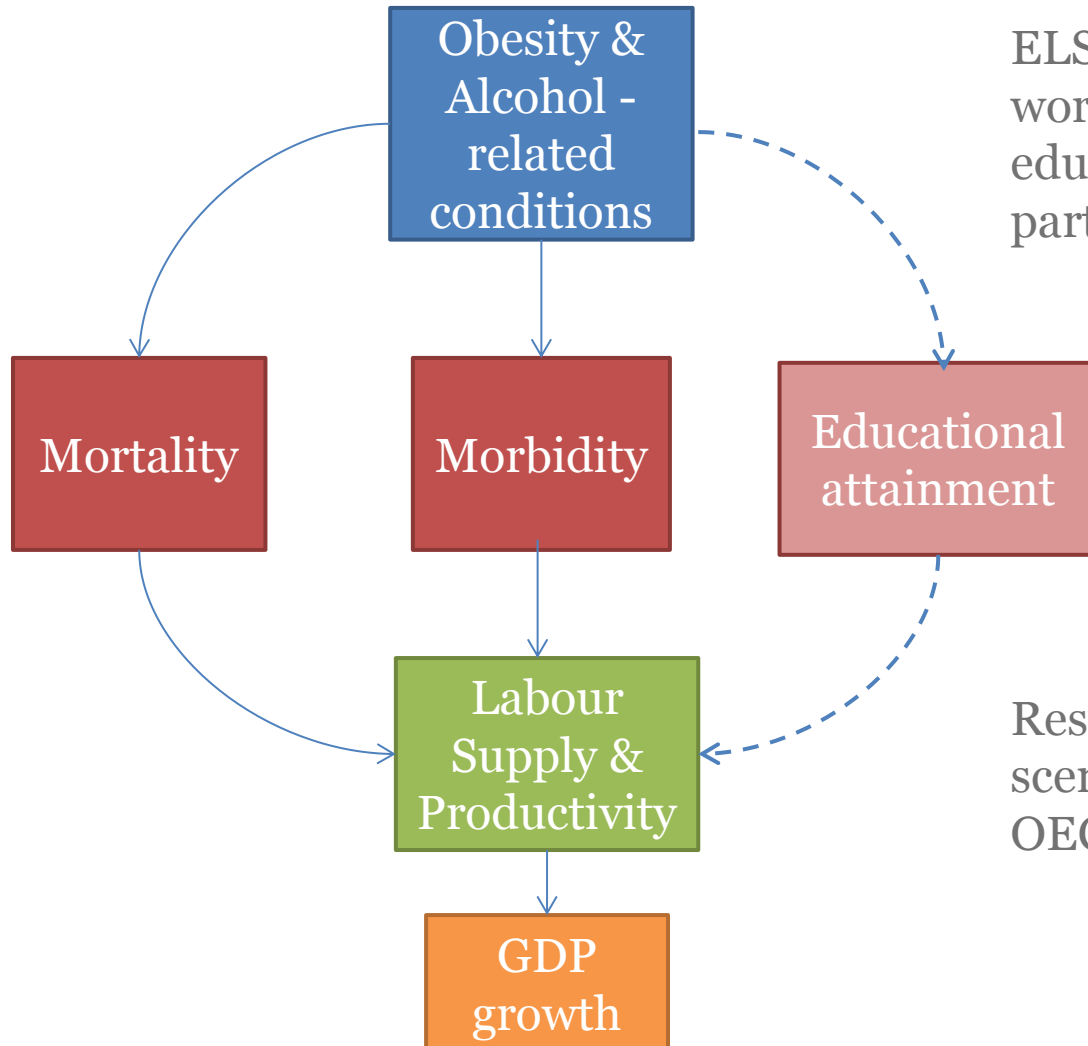
Note: Results based on a zero-inflated Poisson model, and adjusted for sex, age, education, household size, year of the survey, and country.

Source: Analysis on EHIS 2 data from Austria, Greece, Lithuania, and Spain.





# All This Data Will Feed the OECD Model to Forecast GDP



ELS model forecasts productivity, working age population, education (TBD), and labor force participation impacts

Results under different policy scenarios serve as input into the OECD Economic Forecast of GDP



# Work in Progress: a Web Interface for Interactive Analysis

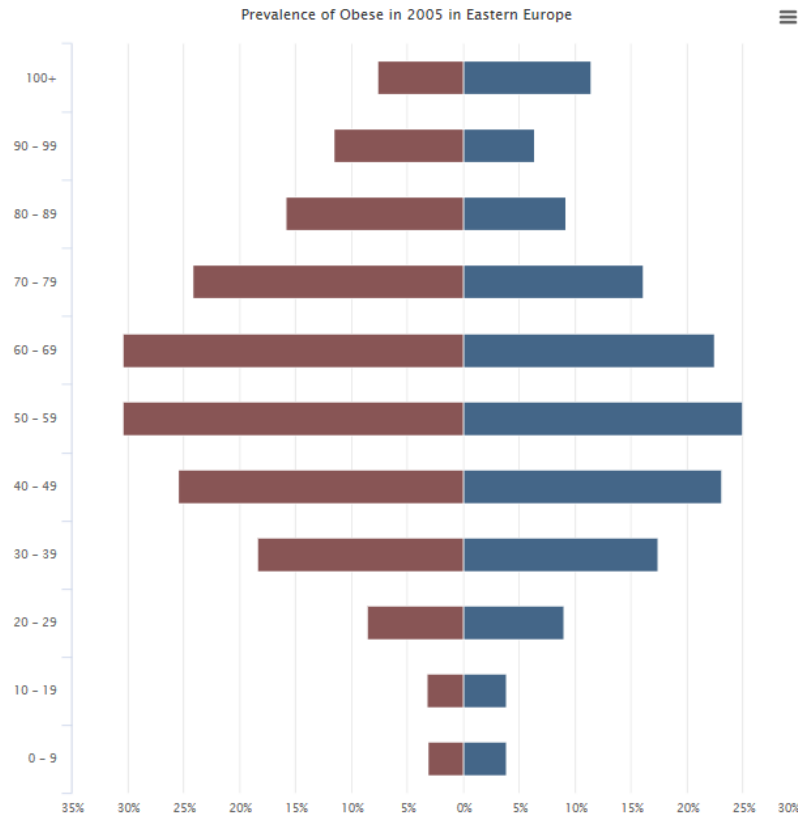
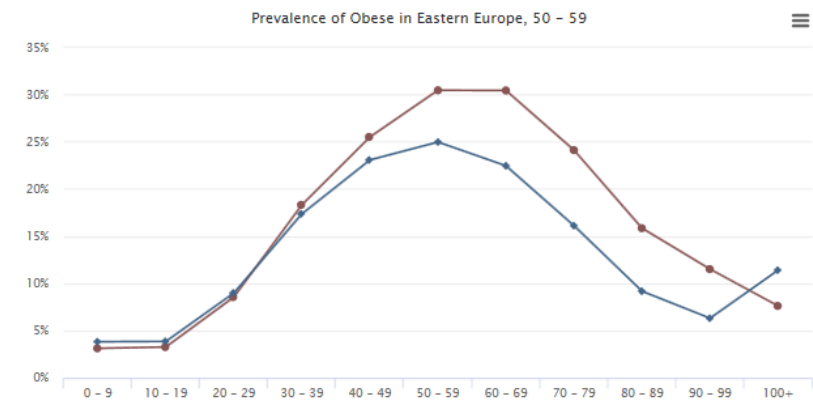
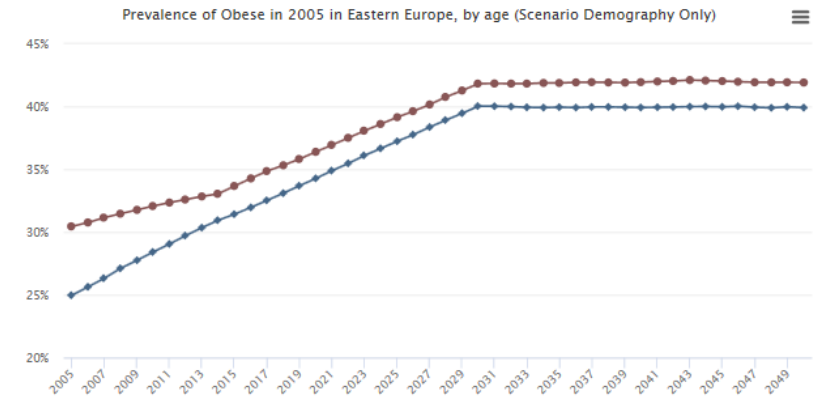
Population Risk Factors Epidemiology Health Expenditures

Country: Eastern Europe  
age\_group: 50 - 59

scenarios: TheRichGetHealthier  
first\_year: 2005

interventions: baseline  
in\_rate: %

risks: Obese





# A New Project on Physical Activity (PA) is Going to Start Soon

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- Analysis of trends and inequalities in the level of PA
- Split of PA levels into four domains: work, transport, domestic, discretionary time (e.g. sport)
- Analysis based on time use surveys and our microsimulation platform
- Analysis of selected policy actions to increase PA, and leisure-time PA
- Interested countries are invited to contact the Secretariat






# Prevention spending in the System of Health Accounts (SHA)

- Revised SHA framework includes a revised prevention category
- Survey to identify main challenges in reporting prevention spending
- Updated guidelines on accounting for prevention spending under SHA



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**EXPENDITURE ON  
PREVENTION ACTIVITIES  
UNDER SHA 2011:  
SUPPLEMENTARY GUIDANCE**  
March 2017 Version

 **OECD**  
BETTER POLICIES FOR BETTER LIVES

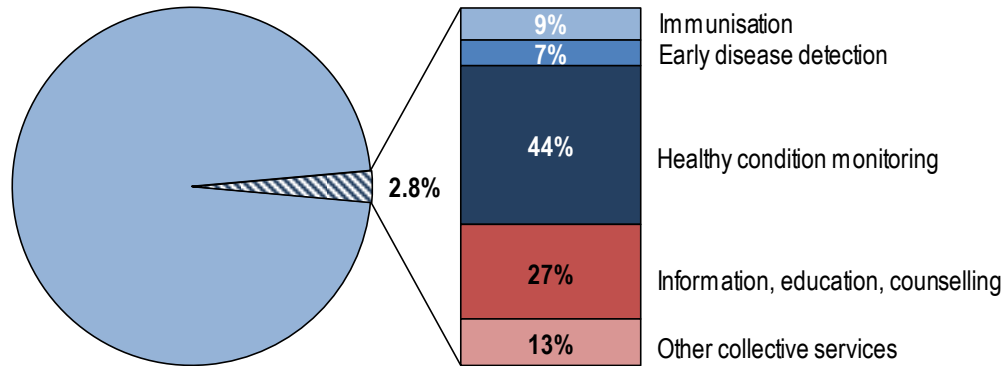
Health Division  
[www.oecd.org/health](http://www.oecd.org/health)  
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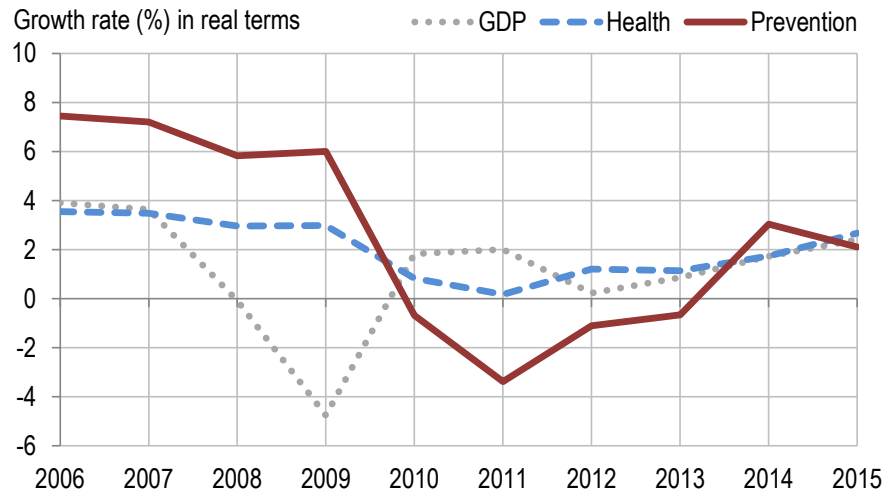


# Prevention spending in the System of Health Accounts (SHA)

Prevention as a share of health spending and by service type, 2015 (or nearest year)



Growth of GDP, health and prevention spending per capita, OECD average, 2005-2015





# OECD Modelling Work to Trigger Policy Change



- Applying modelling to improve health and economic policy decisions in the Americas
- Tackling harmful alcohol use – economics and public health policy
- Lancet papers on NCDs and priority interventions
- WHO/OECD “Best buys” paper for the UN Summit on NCDs
- Obesity and the Economics of prevention – fit not fat
- OECD Health working papers