


Merrick School of Business
University of Baltimore

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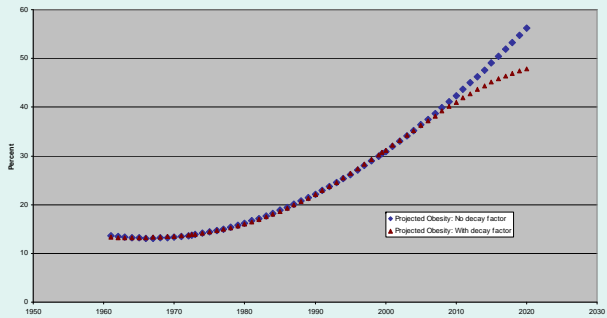
Infrastructure of Obesity



Kenneth R. Stanton 2007
Jacob France Institute, University of Baltimore

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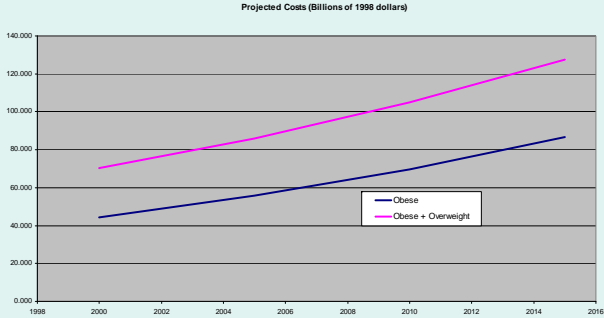
Why Worry? Obesity prevalence.



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Direct health care cost projections



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Overall cost estimates

- ◆ Economic impact of chronic disease
 - \$1.1 trillion
- ◆ Reducing obesity prevalence could save
 - \$60 billion reduction in treatment costs
 - \$254 billion in productivity gains

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Maryland on the back of an envelope...

- ◆ The arithmetic:
 - Population Maryland = approximately 5.6 million
 - Population USA = approximately 300 million
 - $5.6/300 = 0.0187$ or 1.9%
 - 1.87 percent of \$130 billion = \$2.4 billion
- ◆ Direct medical costs only...
- ◆ Maryland's structural deficit = \$1.7 billion

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Why Worry II

- ◆ Human Costs
 - Diabetes II
 - » Often combined with poverty
- ◆ Cardiovascular Disease
- ◆ Cancer
- ◆ Early onset of puberty
- ◆ Other serious health problems

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East Harlem

- ◆ Estimates of 16 to 20 percent with Type 2 diabetes (as many as 1 in 5)
- ◆ Combined with poverty and other social disadvantages
 - Limb amputations and blindness
- ◆ Importance of access to adequate medical care

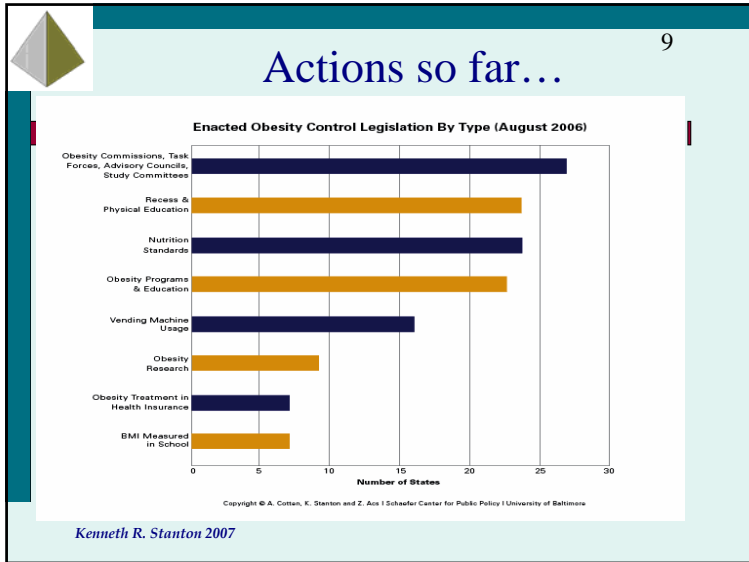
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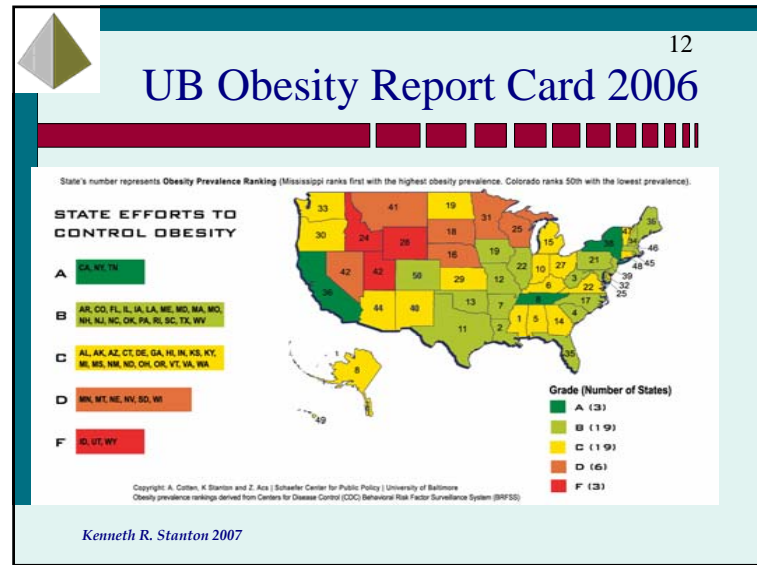
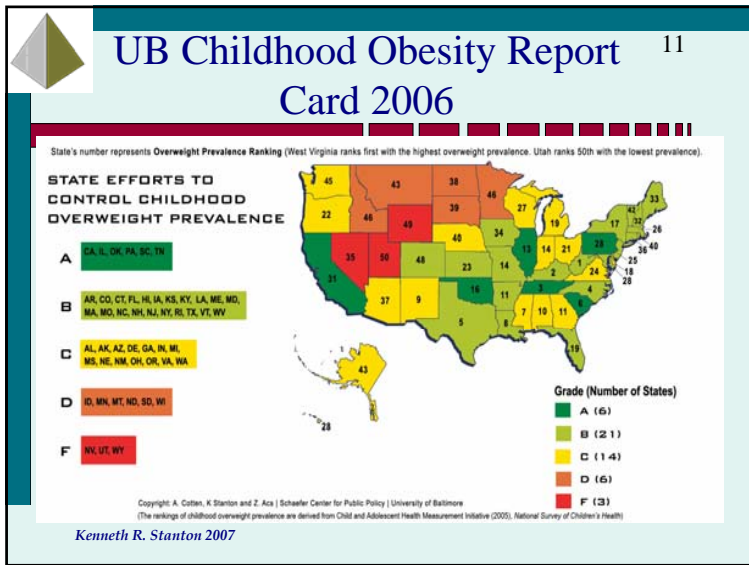
Access to medical care

- ◆ Sloan Kettering and Johns Hopkins
- ◆ Simultaneously, the uninsured are growing in number
 - Zero access
 - Death because of preventable dental infection right here in Baltimore in 2007 because of the barrier imposed by cost

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- ## The Challenges
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- ◆ State versus state arbitrage
 - ◆ Examples:
 - Snack tax and politics
 - Lobbying
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Farm Policy



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1970s, Big Bud



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