THE ECONOMIC IMPACT OF CHRONIC DISEASE IN TENNESSEE

The Excess Cost of Diabetes, Hypertension, and Cardiovascular Disease to Tennessee Taxpayers and Businesses

Higher rates of chronic disease in Tennessee have a cost — including higher health care expenditures, lost productivity, decreased quality of life, and premature death. Many of these chronic diseases are considered preventable. To better understand how preventable chronic disease affects Tennessee, this study estimates the economic impact that achieving aspirational-but-realistic reductions in the prevalence of 3 chronic conditions might have on our state. Read the full study here.

OUR FINDINGS
Diabetes, hypertension, and cardiovascular disease (CVD) affected 460,000 additional Tennesseans in 2015 due to state prevalence rates exceeding the national rates.

The excess burden of these 3 diseases alone cost Tennessee nearly $5.3 billion in 2015 in direct medical care, lost productivity, and premature death. Excess rates of diabetes cost an estimated $1.0 billion, CVD $3.9 billion, and hypertension $336 million.

TENNESSEE’S EXCESS BURDEN OF 3 CHRONIC DISEASES COST $5.3 BILLION IN 2015

Numbers may not add up to totals due to rounding.
Source: U.S. Centers for Disease Control and Prevention and The Sycamore Institute’s analysis

The Sycamore Institute is an independent, nonpartisan public policy research center for Tennessee.
IMPLICATIONS FOR TENNESSEE’S TAXPAYERS, BUSINESSES, AND ECONOMY

Tennesseans’ health and our state’s economy have a complex and mutually influential relationship. Economic growth and prosperity are among the many factors that influence Tennesseans’ health and well-being. This study begins to quantify and shed light on one important way that Tennesseans’ health and well-being also affect our economy.

Tennessee’s increased burden of chronic disease results in higher health care costs in taxpayer-funded programs like TennCare, our state’s Medicaid program. Improving the health of Tennesseans could free up limited state taxpayer resources for other policy priorities like increased spending in other areas or state tax reductions.

Tennessee’s higher-than-average burden of chronic disease raises employers’ costs for health care and productivity loss. Improving Tennesseans’ health could save employers money and increase their productivity, which could lead to higher wages and greater economic output for the state. Research suggests that improving the health of Tennessee’s workers could also increase the productivity of their fellow co-workers, generating even larger economic gains.

BACKGROUND

Chronic disease is the leading cause of disability, morbidity, and mortality in the United States — accounting for 7 of the top 10 causes of death in 2014. Tennessee has higher rates of chronic disease and chronic disease-related mortality than the U.S. as a whole.

Like all health outcomes, chronic diseases are influenced by the drivers of health. Health behaviors and our social and economic environments are among the top factors driving chronic disease rates. For example, poor nutrition, a lack of physical activity, and tobacco use all increase one’s risk of developing a chronic condition. Populations and individuals with less income and education are also at greater risk. These factors interconnect in complex ways. For instance, while one’s health behaviors are a personal choice, our environments can encourage or discourage certain behaviors.

In Tennessee, rates of key factors that contribute to chronic health conditions are higher than the national rates. For example, Tennessee has higher rates of smoking, obesity, and poverty and lower rates of exercise and post-secondary educational attainment than the nation as a whole. In some areas, however, Tennessee performs better — including higher rates of fruit and vegetable consumption and lower rates of binge drinking.

PREVALENCE OF RISK FACTORS FOR CHRONIC CONDITIONS

Source: U.S. Centers for Disease Control and Prevention

Read the full study at http://www.sycamoreinstitutetn.org/2017/11/15/cost-chronic-disease-tennessee/.