



Background

PREVENTION FOR A HEALTHIER CALIFORNIA

**Joint Oversight Hearing of the
Assembly and Senate Committees on Health
Tuesday, March 6, 2012**

Overview

Seven out of 10 deaths among Americans each year are caused by chronic diseases such as heart disease, cancer, stroke and diabetes – diseases that could be prevented. These same chronic diseases account for more than 75% of our nation's health care spending.ⁱ Among many communities of color and low-income communities, the rates of chronic disease prevalence are higher than national averages and are increasing at accelerated rates.

A focus on community-wide health promotion and disease prevention will not only improve the health of Americans, but also help to reduce health care costs and improve quality of care. By addressing the causes of chronic disease and the factors that influence health, research indicates that the nation can move from a focus on sickness and disease to one based on wellness and prevention.

According to *Healthy People 2020: An Opportunity to Address the Societal Determinants of Health in the United States*ⁱⁱ, everyone does not have the same opportunities to make healthy choices. A person's health and chances of becoming sick and dying early are greatly influenced by powerful social factors such as education, income, nutrition, housing and neighborhoods. *Healthy People 2020* indicates that if we, as a state, develop strategies and programs to help more Californians become physically active and practice good nutrition, and create social and physical environments that promote good health for all, we could experience tremendous payoffs in improving health and reducing health care costs.

The goal of this oversight hearing is to highlight the health benefits and cost savings associated with investing in community-wide health promotion and disease prevention. The oversight hearing will also explain why it is important for the state to prioritize preventive health programs by shifting the emphasis of our current health care system away from managing disease and illness toward promoting prevention and wellness. This hearing will also highlight new developments with federal funding for health prevention that California has received as a result of the Affordable Care Act (ACA), as well as new findings about voter opinions on prevention. Finally, the hearing will highlight prevention activities currently underway across the state to implement successful strategies aimed at reducing health care costs and promoting health and wellness.

An Epidemic on the Rise

According to the California HealthCare Foundation report, *Chronic Disease in California: Facts and Figures*ⁱⁱⁱ, nearly half of all Americans live with a chronic medical condition, and that number is expected to rise by 25% in the next two decades as the baby boomers age. The report states, in California, 14 million people (38%) live with at least one chronic condition. More than half of this group has multiple chronic conditions, further affecting their quality of life and increasing health care costs.

It's no secret that obesity is a problem in America. According to the federal Centers for Disease Control and Prevention (CDC), more than one-third of U.S. adults (35.7%) are obese and approximately 12.5 million children and adolescents (17%) ages 2-19 years are now obese. Obesity-related conditions include heart disease, stroke, type 2 diabetes and certain types of cancer, all among the leading causes of death for Americans. Many obese children are now diagnosed with health problems previously considered to be "adult" illnesses, such as type 2 diabetes and high blood pressure. Obesity can affect a person's joints, breathing, sleep, mood and energy levels. It can also cause complications for other unrelated health conditions that may require longer hospital stays, longer recovery times, and increase risk to patients experiencing co-morbidities.

Many like to think of obesity as an individual's problem, yet mounting evidence suggests that effectively curbing the epidemic statewide and reversing the upward trend will require comprehensive approaches across sectors involving stakeholders at the local, state, and federal level, similar to the state's efforts to curb tobacco usage.

Social Determinants of Health

According to the report, *National Prevention Strategy: America's Plan for Better Health and Wellness*^{iv}, many of the strongest predictors of health and well-being fall outside of the health care setting. Social, economic and environmental factors all influence health. People with a quality education, stable employment, safe homes and neighborhoods, and access to high quality preventive services tend to be healthier throughout their lives and live longer. The National Prevention Strategy report explains that preventing disease requires more than providing people with information to make healthy choices. While this knowledge is critical, communities must reinforce and support health, for example, by making healthier choices easy and affordable. When sectors such as housing, transportation, labor and education promote prevention-oriented environments and policies, they all contribute to health. The report asserts that, to ensure that everyone shares in the benefits of prevention, it is important to focus on those who are disproportionately burdened by poor health. Significant health disparities exist and these disparities are closely linked with social, economic and environmental disadvantages, such as lack of access to quality affordable health care, healthful food, safe opportunities for physical activity and educational and employment opportunities.

Economic Benefits of Preventing Disease

Community-based prevention saves money and improves lives, according to the report, *Prevention for a Healthier California*^v, produced through a partnership between the Prevention Institute, Trust for America's Health and The California Endowment. This report demonstrates the following:

- **Prevention can produce significant health care savings in California:** An investment of \$10 per person per year, in programs to increase physical activity, improve nutrition, and prevent tobacco use could save the state more than \$1.7 billion in annual health care costs within five years.
- **The savings from investment in prevention accrue to both public and private health care payers:** Out of the \$1.7 billion, Medicare could save more than \$468 million, Medi-Cal could save more than \$168 million and private payers could save almost \$1.1 billion.
- **Focusing prevention investments on communities with the most compromised health status could potentially lead to even greater returns:** The report presents cumulative savings based on investments made statewide per capita, but if those investments were targeted toward communities with the highest rates of target conditions, the return on investment would likely be much greater.
- **Prevention has a number of financial and health benefits beyond the health care sector:** improved health has broad positive economic consequences such as improved productivity, reduced disability and increased school attendance.

The findings are based on a model developed by researchers at the Urban Institute and a review of evidence-based studies conducted by The New York Academy of Medicine. The researchers focused on: 1) Prevention programs that do not require medical treatment; 2) Programs that target communities rather than individuals; and/or, 3) Evidence-based programs that have been shown to reduce disease through improving physical activity and nutrition and preventing smoking and other tobacco use in communities. Examples of the types of programs studied for this report that demonstrated cost savings include those that:

- Keep schools open after hours where children can play with adult supervision;
- Provide access to fresh produce through farmers' markets;
- Make nutritious foods more affordable and accessible in low-income areas;
- Require clear calorie and nutrition labeling of foods;
- Provide young mothers with information about how to make good choices about nutrition;
- Offer information and support for people trying to quit smoking and other tobacco use; and,
- Raise cigarette and other tobacco tax rates.

Smoking Cessation – A Case Study for Community Health Promotion and Disease Prevention

In the not-so-distant past, smoking had been a part of everyday life for most Californians and Americans, primarily due to the popularity of cigarette smoking pre- and post-World Wars I and II. People could smoke everywhere, including in restaurants, airplanes, and in hospitals. Some schools had designated smoking areas for students and teachers. It was not unusual to see

parents smoking near their children and tobacco advertising and cigarette vending machines were commonly displayed. According to the American Lung Association, the incidence and mortality attributed to lung cancer had also been rising steadily since the 1930s. Lung cancer was quickly becoming the leading cause of cancer deaths among men in the early 1950s and, in 1987, surpassed breast cancer to become the leading cause of cancer deaths among women in the United States.

In response to growing concerns and awareness about the negative health effects of tobacco use and smoking, California voters passed the Tobacco Tax and Health Promotion Act in 1988. Typically known as Proposition 99, this initiative raised taxes on cigarettes in an effort to discourage smoking. The tax revenue was used to create the California Tobacco Control Program (CTCP), which is currently housed within the California Department of Public Health. Five cents of the 25-cent tax funds California's tobacco control efforts, including providing funding for local health departments and community organizations, supporting a groundbreaking media campaign and performing tobacco-related evaluation and surveillance. Since Proposition 99 was passed, California has implemented a variety of grassroots efforts to educate consumers about the harmful effects of tobacco use including aggressive enforcement of anti-tobacco laws, such as, local and statewide policies to limit smoking in public places, prohibit the incidence of tobacco sales to minors, and restrictions on tobacco advertising; all designed to address smoking prevalence.

These efforts have paid off. At CTCP's inception, more than one in five adults in California smoked cigarettes; today, that number is less than one in eight. Similarly, the number of cigarettes smoked by Californians has fallen by more than 62%. Estimated smoking prevalence in California declined on average by 0.35 percentage points per year between 1990 and 2008, compared to an average 0.24 percentage points per year decline in the rest of the United States. Several studies have shown tobacco control efforts in California have effectively decreased the number of people that start smoking, increased the number of young adults that quit smoking, and decreased cigarette consumption among continuing smokers.

California's early efforts have shaped best practices for comprehensive tobacco control efforts throughout the nation and the world. According to CTCP, these efforts have so far saved more than one million lives and over \$86 billion in health care costs. While tobacco use continues to be pervasive and costly, California has been successful at significantly curbing the burden of tobacco use on California families, our health care system and our economy.

The ACA and Community Health Promotion and Disease Prevention

On March 23, 2010, President Barack Obama signed the Patient Protection and Affordable Care Act (ACA) (Public Law 111-148) which included the creation of the Prevention and Public Health Investment Fund (Prevention Fund) to provide communities around the country with more than \$15 billion over the next 10 years to invest in effective, proven prevention efforts, like childhood obesity prevention and tobacco cessation. Last month, however, Congress and the President agreed to fund short-term extensions of the payroll tax cut, unemployment benefits, and a 10-month delay in scheduled cuts to Medicare physician payments. A portion of the cost of this agreement, \$5 billion, will come from the Prevention Fund.

The Prevention Fund started in 2010 at \$500 million with each year's allocation increasing until it was scheduled to reach \$2 billion each year by 2015 and thereafter. Under the new agreement, according to the Congressional conference report, the Prevention Fund will not reach an annual allocation of \$2 billion until 2022 at the earliest.

Potentially impacted are the ACA's Community Transformation Grants (CTGs), a program that supports community-level efforts to reduce chronic diseases by promoting healthy lifestyles, especially among population groups experiencing the greatest burden of chronic disease. To date, California has received CTG funding totaling \$22.3 million per year, for up to five years. It is currently unclear how the loss from the new agreement will impact future funding of the CTG program.

Conclusion

In an effort to find viable policy solutions that will tackle this growing public health problem, the Assembly and Senate Committees on Health have requested that stakeholders representing diverse communities and sectors provide testimony to inform the Legislature of the challenges faced in addressing the chronic disease epidemic through community-wide health promotion and disease prevention, convey promising strategies working across the state, and make policy recommendations.

According to the research cited above, if the Legislature works toward establishing policies that positively influence social and economic conditions and those that support changes in individual behavior, health can be improved for large numbers of people in ways that can be sustained over time. Improving the conditions in which people live, learn, work, and play will create a healthier population, society and workforce.

ⁱ U.S. Department of Health and Human Services. *Prevention Makes Common "Cents."* September 2003.

ⁱⁱ Secretary's Advisory Committee on Health Promotion and Disease Prevention Objectives for 2020. *Healthy People 2020: An Opportunity to Address the Societal Determinants of Health in the United States.* July 26, 2010.

ⁱⁱⁱ California HealthCare Foundation. *Chronic Disease in California: Facts and Figures.* 2006.

^{iv} The National Prevention and Health Promotion Strategy. *The National Prevention Strategy: America's Plan for Better Health and Wellness,* June 2011.

^v The Trust for America's Health, The Prevention Institute, and The California Endowment. *Prevention for a Healthier California: Investments in Disease Prevention Yield Significant Savings, Stronger Communities.* October 2008.