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# Rebutting the CBO's Preventative Care Cost Analysis

By Chris Fey

On August 7, 2009, the Congressional Budget Office (CBO) published a letter to the U.S. House of Representatives Committee on Energy and Commerce, Subcommittee on Health. The letter summarized a CBO analysis of potential reductions in federal costs from health improvements gained through preventive medical care and wellness services.

While the report recognized that most preventive care is "cost-effective," meaning that the costs are considered "reasonable relative to their clinical benefits," it concluded that "providing preventive care represents a net use of resources rather than a source of funding for other activities." We consider that assessment inaccurate because it rests on the premise that "expanded utilization leads to higher, not lower, medical spending overall."

The disciplines of wellness and preventive health care are based on the principle that improving health-related behaviors, detecting conditions at earlier stages and slowing the progression of chronic conditions will save lives and reduce health care costs. Today's clinically-based preventive health care programs reduce, not increase, utilization and can potentially save billions of dollars in health care costs.

Clinical prevention, as defined by the American Medical Association in *Clinical Preventive Medicine* by Richard S. Lang and Donald D. Hensrud, includes primary, secondary and tertiary prevention. Primary prevention, also called wellness, identifies risks and recommends behavior changes, such as healthy eating, exercise and immunizations, to reduce those risks. Secondary prevention detects diseases in the earliest stages when treatments are more effective. Tertiary prevention encourages adherence to recommended treatment and promotes specific lifestyle changes, such as healthy eating and exercise, to slow or even reverse the progression of an existing disease.

The CBO analysis and many legislative approaches to prevention focus on secondary prevention with subsequent medical interventions. They do not address primary and tertiary prevention, which represent a significant portion of health care cost savings.

The main challenge to secondary prevention has been widely discussed and provides the basis for the CBO assessment. The report states, "to avert one case of acute illness, it is usually necessary to provide preventive care to many patients, most of whom would not have suffered that illness anyway." We agree that some early prevention efforts, while effective at improving outcomes, were cost prohibitive because they produced widespread screening for multiple diseases. However, the discipline of preventive health care has progressed beyond its early stages to incorporate risk-based targeting and clinical recommendations. Programs such as The Prevention Plan™ combine simple blood tests with online health history and lifestyle questionnaires to identify each individual's top risks and then recommend an action plan to address only those risks. The CBO report states that preventive care "can have the largest benefits relative to costs when it is targeted at people who are most likely to suffer from a particular medical problem." These capabilities are available in the marketplace today, but not included in the analysis.

It is also important to note that the CBO report excludes the entire spectrum of wellness services from its calculations, citing that "evidence regarding the effect of wellness services on subsequent spending on health care is limited." In fact, studies have documented the benefits of wellness programs. "An Unhealthy America: The Economic Burden of Chronic Disease" by the Milken Institute estimated that modest reductions in avoidable factors -- unhealthy behavior, environmental risks and the failure to make modest gains in early detection and innovative treatment -- will lead to 40 million fewer cases of illness and gain over \$1 trillion annual in labor supply and efficiency by 2023." This represents a 27 percent reduction in total economic impact.

Studies by Dr. Dean Ornish with Mutual of Omaha and Highmark Blue Cross Blue Shield have shown that people with severe coronary heart disease can stop or reverse their condition without drugs or surgery by making healthy lifestyle changes. Almost 80 percent of patients eligible for bypass surgery or angioplasty were able to safely avoid it by making lifestyle changes, saving almost \$30,000 per patient in the first year. In a second study, lifestyle changes reduced total health care costs in coronary heart disease patients by 50 percent after one year and by an additional 20 to 30 percent in years two and three.

To achieve these savings, however, the United States must look beyond the current model of health screenings and medical interventions. We must develop comprehensive programs to change behavior. Preventive health care entrepreneurs have taken up the challenge. The same American ingenuity that brought us the airplane and the artificial heart is now focused on helping people lead longer, healthier lives. These programs are designed to complement, not duplicate, current health care services. The CBO report cautions, "a new government policy to encourage prevention could end up paying for preventive services that many individuals are already receiving -- which would add to federal costs but not reduce total future spending on health care." Programs such as The Prevention Plan, however, are designed to assess risks and make recommendations while members' regular health care providers administer screenings and treatment. This third-party approach provides a model for increasing preventive health care while avoiding duplicated services.

The United States can no longer afford a system where 70 percent of deaths and nearly 80 percent of health care costs stem from the same preventable chronic conditions. At this crossroads in health policy, the United States government has a rare opportunity to nurture a movement that can save hundreds of billions, make our workforce more competitive and improve the quality of our lives. We commend the CBO for its thoughtful analysis of this important issue and encourage further exploration to incorporate both recent advances in risk-based targeting and the role of wellness programs in reducing health care costs.

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