

TESTIMONY OF
HOWARD K. KOH, M.D., M.P.H
ASSISTANT SECRETARY FOR HEALTH
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES



“THE STATE OF CHRONIC DISEASE PREVENTION”
COMMITTEE ON HEALTH, EDUCATION, LABOR AND PENSIONS
U.S. SENATE
OCTOBER 12, 2011

Good afternoon, Chairman Harkin and Ranking Member Enzi. I am Dr. Howard K. Koh, the Assistant Secretary for Health at the United States Department of Health and Human Services. I would like to thank you for holding this important hearing on the critical role of prevention in improving the health of Americans and how the Prevention and Public Health Fund that was created by the Affordable Care Act supports our efforts to prioritize prevention across our programs and policies. The passage of the Affordable Care Act and with it the creation of the Prevention and Public Health Fund represents one of the most important actions by Congress and the Federal government to promote prevention to improve the overall health and well-being of the American people. It manifests an unprecedented commitment to ensuring that all Americans are able to achieve their potential by realizing the highest standard of health. Also, I would like to take this opportunity to thank you, Senator Harkin, for your leadership on this important issue. You have been leading the charge to promote prevention and wellness for your entire career, and we are all indebted to you for your tremendous work on this important topic.

As the Assistant Secretary for Health, I am tasked with advancing prevention nationwide. Promoting prevention and its crucial role in improving the health of individuals, and communities, has truly been a life-long passion of mine. Before assuming my current position, I spent more than 30 years as a physician, caring for patients. When I began my career as a clinician, I set out to alleviate the pain and suffering of my patients to the best of my ability. However, as I provided care for more and more people facing serious medical problems, I came to realize that a significant number of the problems my patients faced were preventable. Thus, I became intensely interested in finding ways to educate my patients about prevention so that they, and their loved ones, could maintain healthy lifestyles and avoid unnecessary pain, sickness and early death.

During my tenure as the Commissioner of Public Health for the Commonwealth of Massachusetts, one of my key priorities was to promote prevention efforts throughout the State. I worked with the health care sector, the business sector, other government sectors, community based organizations and private citizens to raise awareness about community prevention and preventive health care services. To support these efforts, we worked closely with the Federal government, including the CDC, on many of these initiatives. The Federal government has been a partner for many years in promoting prevention, and I am committed to accelerating these efforts as the Assistant Secretary for Health.

Chronic Disease and the United States

Today, the United States is facing an epidemic of unprecedented magnitude: the sky-rocketing prevalence of chronic disease throughout our nation. Seven out of every 10 deaths in the United States are due to some form of chronic condition. Heart disease, cancer and stroke account for more than 50% of all deaths each year. Nearly half of all adults in our nation have at least one chronic illness. Rates of obesity are increasing, with more than 1 in 3 adults fitting the clinical definition of obese, and almost 1 in every 5 children being categorized as obese. Diabetes rates are also on the rise. If current trends continue, 1 out of every 3 babies born today will suffer from diabetes at some point in their life. Indeed, chronic disease impacts all Americans, but not equally. Rates of chronic disease among racial and ethnic minorities, and among lower-income Americans, are higher than the national average and thus are of particular concern. Racial and ethnic minority communities experience higher rates of heart disease, stroke, cancer, obesity and diabetes. Within the African American and Hispanic demographic, nearly 40 percent of children are overweight or obese.

Chronic disease impacts not only the health of the individual and their families, but it has a broader impact on our communities and the economy. Astoundingly, chronic disease is responsible for more than 75 percent of the more than \$2.5 trillion we spend annually on health care.¹ Specifically, nationwide health care costs for all cardiovascular diseases are \$442 billion annually;² diabetes-associated costs are approximately \$174 billion annually;³ obesity related costs are approximately \$147 billion annually;⁴ and lung disease costs are approximately \$154 billion annually.⁵ In fact, cigarette smoking costs the nation an astounding \$193 billion in health costs and lost productivity each year.⁶ Society—and business—also incurs the indirect costs of these conditions, including absenteeism, disability and reduced productivity.

With employer based health insurance covering almost 160 million workers under age 65, preventing disease and improving health outcomes is a financial imperative for many businesses. The Almanac of Chronic Disease by the Partnership to Fight Chronic Disease documented that chronic disease causes the loss of \$1 trillion⁷ in economic output annually. Furthermore, individuals serving as caregivers to loved ones suffering from chronic disease also represent an undercounted economic cost of chronic disease that runs into the tens of billions of dollars annually. The Almanac of Chronic Disease, for example, estimates that lost productivity associated with caregiving activities totals approximately \$91 billion annually. Confronting the

¹ <http://www.cdc.gov/chronicdisease/resources/publications/AAG/chronic.htm>

² AHA Policy Statement: Forecasting the Future of Cardiovascular Disease in the U.S. (January 2011): <http://circ.ahajournals.org/content/123/8/933.full.pdf+html>

³ American Diabetes Association. Direct and Indirect Costs of Diabetes in the United States. American Diabetes Association Web site. Available at <http://www.diabetes.org/diabetes-basics/diabetes-statistics/>

⁴ Finkelstein EA, Trogon JG, Cohen JW, Dietz W. Annual medical spending attributable to obesity: payer and service- specific estimates. Health Affairs 2009; 28:w822-w831

⁵ National Heart, Lung, and Blood Institute. Morbidity and Mortality: 2004 Chart Book on Cardiovascular, Lung, and Blood Diseases. Bethesda, MD: National Institutes of Health, 2004.

⁶ http://www.cdc.gov/tobacco/data_statistics/fact_sheets/fast_facts/

⁷ http://www.fightchronicdisease.org/sites/default/files/docs/2009AlmanacofChronicDisease_updated81009.pdf

massive impact of chronic disease on our nation's health, and our economy, is imperative to bringing down health care costs and improving the lives of our citizens.

Preventing Disease: Value for Health and the Economy

Preventing disease can save lives and money. With health care costs on the perpetual rise, investments that reduce costs and improve health outcomes are critically important. By focusing on the most prevalent chronic diseases (heart disease, cancer, stroke and diabetes) and addressing behaviors that contribute to these conditions (tobacco use, poor diet, physical inactivity and alcohol abuse), we can make a profound impact on reducing the harm caused by chronic disease.

Here are just a few examples:

- Health care costs for smokers, people who are obese, and those who have diabetes are \$2,000, \$1,400, and \$6,600 per year higher for each person with these conditions, respectively. Health care costs saved from preventing these diseases reduce health insurance premiums.
- A proven program that prevents diabetes can save costs within 3 years.⁸
- A 5% reduction in the prevalence of hypertension would save \$25 billion in 5 years.⁹

⁸ Rigorous economic models have demonstrated that structured lifestyle interventions to prevent diabetes can be cost saving within 2 to 3 years time if the direct costs of the intervention can be reduced to \$250 - \$300/participant/year. Ackermann, R. T., Marrero, D. G., Hicks, K. A., Hoerger, T. J., Sorensen, S., Zhang, P., Engalgau, M. M., Ratner, R. E., and Herman, W. H. (2006). An evaluation of cost sharing to finance a diet and physical activity intervention to prevent diabetes. *Diabetes care*, 29(6):1237-1241. And Ackermann, R. T., Finch, E. A., Brizendine, E., Zhou, H., and Marrero, D. G. (2008). Translating the diabetes prevention program into the community. the DEPLOY pilot study. *Am J Prev Med*, 35(4):357-363.

⁹ Ormond, B. A., Spillman, B. C., Waidmann, T. A., Caswell, K. J., and Tereschchenko, B. Potential National and State Medical Care Savings from Primary Disease Prevention. *Am J Public Health* 2011, 101(1): 157-164.

The economic argument for investing in prevention is compelling. The use of evidence-based interventions can improve health and prevent unnecessary suffering, while at the same time, save money for both the government and the private sector. According to the CDC, for example, there is a \$10 return on investment for every dollar spent on childhood vaccinations. Vaccination of children and adolescents prevent approximately 20 million cases of disease each year and save as many as 42,000 lives on an annual basis. Immunizing children born in the United States each year costs about \$7 billion and saves \$21 billion in direct costs and \$55 billion in indirect costs.¹⁰ In another example, the implementation of CDC's guidelines for preventing blood stream infections could potentially save \$414 million annually in excess health care costs and \$1.8 billion annually estimated cumulative excess health care costs prevents 25,000 infections from occurring; and saves approximately 4,500 lives.¹¹

Despite the indisputable wisdom of investing in prevention, currently less than one percent of all health care dollars spent in the United States are dedicated to these scientifically-proven, effective strategies. If we managed heart disease better, for example, by 2023 we could reduce associated health care costs by \$76 billion. And, if stronger prevention and care management systems are implemented across the nation for the seven leading chronic diseases, our economy could see \$1 trillion in savings by 2023.¹² By investing in prevention, we can transition our current medical care system from a sick care system to one based on prevention and wellness.

¹⁰ Preliminary results, updated from Zhou, F, Arch of Pediatric and Adolescent Medicine

¹¹ <http://www.cdc.gov/mmwr/pdf/wk/mm60e0301.pdf>

¹² <http://www.fightchronicdisease.org/resources/almanac-chronic-disease-0>

Prevention and the Affordable Care Act

The passage of the Affordable Care Act was an historic moment that represented a major commitment to ensure all Americans have access to high quality and affordable health care while focusing on promoting the health and well-being of communities. The Affordable Care Act is a landmark law that grants individuals more control over their health care, and brings down the cost of health care for both families and businesses. At the same time, the Affordable Care Act also represents a once in a generation opportunity to bring prevention to the forefront of the dialogue about health care and the cost of care. Under the Affordable Care Act, people in traditional Medicare as well as individuals joining private insurance plans will receive recommended preventive services with no cost-sharing requirements for patients. The Affordable Care Act also provides States the option to provide these services in Medicaid, with incentives for eliminating cost sharing. The law also requires new health plans to cover important services for infants and children as outlined in the Bright Futures Guidelines and preventive services for women across their lifespan, included as part of HRSA supported Guidelines for Women's Preventive Services, without co-pays, co-insurance rates, or deductibles. So far in 2011, nearly 20.5 million people with Medicare reviewed their health status at a free Annual Wellness Visit or received other preventive services with no deductible or cost sharing this year, and as many as 41 million Americans in new health plans are also benefitting from free preventive services because of the law.

The Affordable Care Act, however, recognizes health goes beyond the clinical setting. As such, the Affordable Care Act creates the National Prevention, Health Promotion, and Public Health Council (National Prevention Council) to provide coordination and leadership at the federal level and among all executive agencies regarding prevention, wellness, and health

promotion practices. It is composed of the heads of 17 Federal agencies and chaired by Surgeon General Regina Benjamin. The National Prevention Council released the National Prevention and Health Promotion Strategy as a comprehensive plan for Federal, State, local and private partners to work together to help increase the number of Americans who are healthy at every stage of life. The Strategy recognizes good health comes not just from receiving quality medical care but from stopping disease before it starts. Good health also comes from clean air and water, safe outdoor spaces for physical activity, safe worksites, healthy foods, violence-free environments and healthy homes. Prevention should be woven into all aspects of our lives, including where and how we live, learn, work and play. Everyone—businesses, educators, health care institutions, government, communities and every single American—has a role in creating a healthier nation. Investments in prevention across the life span complement and support treatment and care. Prevention policies and programs can be cost-effective, reduce health care costs, and improve productivity.

The Strategy provides four broad strategic directions to improve prevention and wellness in order to have a healthier America, including building healthy and safe community environments; expanding quality preventive services in both clinical and community settings; empowering people to make healthy choices; and eliminating health disparities.

One of the most important commitments in the Affordable Care Act to help HHS achieve such goals is the investment in public health and community prevention programs made possible by the creation of the Prevention and Public Health Fund (the Prevention Fund, or Fund). The Fund represents our most significant investment to promote and scale up effective public health and prevention measures in our Nation's history. Despite only being in existence for two years,

the Fund is already making a positive impact on public health, prevention and wellness across the nation.

The Fund allows us to make targeted, high priority investments across a spectrum of prevention and public health initiatives. Primary prevention programs work at the community level, and they employ local scientists, epidemiologists, laboratorians, and others to control diseases before people end up in a hospital or acute care centers. Fund investments represent a unique blend of federal expertise, technical assistance and data with State and local, on-the-ground experts who best understand the needs of their respective communities. With the Fund, we are supporting, expanding and accelerating our commitment to innovative and effective prevention programs that impact people's lives on a daily basis.

The Fund currently supports public health programs to prevent and reduce obesity, tobacco use, heart disease, diabetes and cancer, strengthen the public health workforce, modernize and improve vaccine systems, and track outbreaks of disease across the country. Our partners in health organizations across the nation are having a real impact that will be felt in both lives saved and costs avoided.

The Fund provided \$500 million in FY 10 funding for critical initiatives focused on the training of new primary care providers to help meet the needs of a growing and aging population, and provide essential primary and preventive care. Funding also is enabling us to embrace smarter more strategic approaches within current programs. As just one example, to further the goals of the *National HIV/AIDS Strategy for the United States* which calls for improved coordination across all levels of government, CDC used resources from the fund to launch a pilot initiative in the 12 communities with the highest AIDS prevalence to test and

evaluate new approaches to integrating planning for prevention and care services. In addition to the investment in building our primary care workforce, our FY 10 investments laid the groundwork for achieving three primary objectives:

- Empower communities to reduce heart attacks, cancer, stroke, injuries and more—the leading causes of disability and death
- Enhance State and local capacity to detect and respond to disease threats and manage scarce resources.
- Produce information for action—what prevention programs work and performance of the health system—so we can increase the health value of our health investments.

These objectives were the focus of our FY 11 investments, when the size of the fund increased to \$750 million, enabling HHS to work with States, tribes and local governments to continue many of the strategic investments made in the previous year, and at the same time expand investments to support prevention and public health initiatives at every level of government. In FY 11, the Fund continued support for community and clinical prevention efforts, public health infrastructure development, and research and tracking initiatives to evaluate the efficacy of efforts related to the program. Initiatives receiving funding include:

- **Community and State Prevention (\$222 million).** Implement the Community Transformation Grant (CTG) program and strengthen other programs to support State and community initiatives to use evidence-based interventions to prevent heart attacks, strokes, cancer and other conditions by reducing tobacco use, preventing obesity, and

reducing health disparities. Launch a consolidated chronic disease prevention grant program.

- **Tobacco Prevention (\$60 million).** Implement anti-tobacco media campaigns that have been proven to reduce tobacco use, telephone-based tobacco cessation services, and outreach programs targeted toward vulnerable populations, consistent with HHS' Tobacco Control Strategic Action Plan.
- **Obesity Prevention and Fitness (\$16 million).** Advance activities to improve nutrition and increase physical activity to promote healthy lifestyles and reduce obesity related conditions and costs. These activities will implement recommendations of the President's Childhood Obesity Task Force.
- **Access to Critical Wellness and Preventive Health Services (\$112 million).** Increase awareness of new prevention benefits made available by the Affordable Care Act. Expand immunization and strengthen employer participation in wellness programs.
- **Reduce the Impact of Substance Abuse and Mental Illness (\$70 million).** Assist communities with the coordination and integration of primary care services into publicly-funded community mental health and other community-based behavioral health settings.
- **Public Health Infrastructure and Capacity (\$92 million).** Support State, local, and tribal public health infrastructure to advance health promotion and disease prevention and improve detection and response to disease outbreaks by improving epidemiology and laboratory capacity, information technology, public health workforce training, and policy development.

- **Public Health Workforce (\$45 million).** Support training of public health providers to advance preventive medicine, health promotion and disease prevention and epidemiology in medically underserved communities.
- **Health Care Surveillance and Research (\$133 million).** Improve the evidence base for prevention and public health by improving data collection and analysis (including on environmental health hazards), and investing in rigorous review of evidence on the effectiveness of both clinical prevention services and community interventions.

Already, the Fund has made strides in prevention and public health in a way that will leave a legacy of commitment and success for the future. This year, we invested over \$100 million of the Fund in Community Transformation Grants (CTGs). This program provides direct support to State and local communities to help tackle the root causes of poor health so Americans can lead healthier, more productive lives. The grantees will work to implement proven prevention activities and build capacity in their community to support sustainable initiatives in the future. Grantees will work to address the following priority areas: tobacco-free living; active living and healthy eating; and quality clinical and other preventive services, specifically prevention and control of high blood pressure and high cholesterol. Grantees, who are expected to have a direct impact on up to 120 million Americans, will use these funds to improve where Americans live, work, play, and go to school, and to reduce chronic diseases, such as heart disease, stroke and diabetes, which account for a significant portion of the health care costs in the United States.

By promoting healthy lifestyles, especially among population groups experiencing the highest rates of chronic disease, these grants will help improve health, reduce health disparities, and control health care spending. Within the CTG program, there is a clear focus on addressing

health care disparities. More than half of the recipients intend to target African American and Latino populations, and over 1 in 3 of the grantees will focus specifically on American Indians/Alaska Natives. Almost all grantees will include initiatives focused on children, and nearly 20 percent of the programs will include efforts to improve the health of older adults. And consistent with the program's authorization, at least 20% of grant funds are directed to rural and frontier areas to help them address their unique health issues. The CTG program is a direct investment of Prevention and Public Health Fund dollars into our communities that will improve the health of our society. CTGs will allow cities and States to innovate and implement specifically tailored interventions in their own communities in order to promote health, increase prevention and reduce the burden of chronic disease throughout our nation.

With funding recently awarded, communities across America are initiating work to tackle critical health problems. Selected examples include:

- In Minnesota, the Hennepin County Human Services and Public Health Department is implementing comprehensive tobacco-free policies in public housing, and increasing daily physical activity in school-settings by implementing a Safe Routes to School program and adopting Active Recess systems at elementary and middle schools.
- The Iowa Department of Public Health is improving school based nutrition and the quality and amount of physical activity in schools. Iowa is also increasing health provider awareness of high blood pressure and high cholesterol through new clinical tools and systems.
- The North Carolina Division of Public Health will work toward increasing the number of convenience stores that offer fresh produce, and increase the number of communities that support farmers' markets, mobile markets, and farm stands. North Carolina will also

increase the number of healthcare organizations that support tobacco use screening, referral and cessation.

- The Sault Saint Marie Tribe of Chippewa Indians will create a region-wide Food Policy Council to increase accessibility, availability, affordability and identification of healthful foods in communities; improve the quality and amount of physical education and physical activity in schools; and support workplace policies and programs that increase physical activity and work to increase bicycling and walking for transportation and pleasure
- The West Virginia Bureau for Public Health is working with the states' clinical sector to assure improvement in control of high blood pressure and high LDL-cholesterol.

In addition to partnering with State and local governments, and others working in communities across the U.S., the Department is committed to partnering with the private sector to promote prevention and reduce the prevalence of chronic disease. At the end of last month, the Department announced a workplace wellness initiative to improve the health of workers and their families. The CDC recently awarded a contract that will help an estimated 70 to 100 small, mid-size, and large employers create and expand workplace programs aimed at achieving three goals: reduce the risk of chronic disease among employees and their families through evidence-based workplace health interventions and promising practices; promote sustainable and replicable workplace health activities; and promote peer-to-peer healthy business mentoring. These efforts – focused on changing programs, policies, benefits, environmental supports and links to outside community prevention efforts – will help CDC learn about best practices and replicable models that can be disseminated to the business community to inform their efforts to adopt cost-saving preventive measures.

The President included recommendations to the Joint Select Committee on Deficit Reduction that would prioritize investments within the Prevention and Public Health Fund. At the same time, the Federal government will continue to invest strategically in areas of national importance, such as prevention. To this end, President Obama's recently released deficit reduction plan would allow for significant investments in prevention and public health activities of more than \$6 billion over five years and \$13.8 billion over 10 years, while providing \$3.5 billion in savings. Even with this reduction in the Fund's size, the Federal government will still be able to make significant investments in prevention and tackle the urgent threat and challenge chronic disease presents to our society. We, at the Department, look forward to continuing to execute this important.

In addition to the Prevention and Public Health Fund, the Obama Administration has made a significant commitment to combating childhood obesity so that children born today can grow up healthier and able to pursue their dreams. The First Lady has already been successful in bringing nutrition and healthy lifestyle messages to the forefront of the national conversation through *Let's Move!*, a comprehensive initiative dedicated to solving the challenge of childhood obesity within a generation.

Building on the strong foundation of the Affordable Care Act, the Department of Health and Human Services launched the "Million Hearts™" initiative with other Federal, State and local government agencies, and a broad range of private-sector partners. The goal of this program is to prevent one million heart attacks and strokes over the next 5 years by implementing proven, effective, inexpensive interventions. The Department is committed to developing and implementing robust and multi-faceted approaches to prevention. By

coordinating the multiple initiatives focused on prevention and wellness across the government, and joining with partners at the State and local level, we can bring about fundamental change that ensures a brighter and healthier future for all Americans.

Conclusion

In closing, the burden and urgent threat of chronic disease constitutes one of the major public health challenges of the twenty-first century. The incidence and impacts of preventable diseases can be largely reduced with an approach that incorporates evidence-based, affordable population-wide interventions. The Affordable Care Act and, especially, the Prevention and Public Health Fund, is helping us make significant progress in our efforts to transition our nation's health care system away from being a sick care system. In the last two years, the Department has used the Prevention and Public Health Fund to make important strategic investments in promoting preventive health care and community health, and to improving our nation's public health infrastructure. We are committed to continuing this important work and look forward to sharing more success stories with you in the future. Thank you. I am now happy to take questions.