

The big picture in health care costs

BY DR. BOB RAUNER

Hopefully the rest of you are getting as tired of the partisan fighting over the Public Option as I am. We do both public and private options poorly in the United States, and expanding either of them in their current form is the wrong solution. Our combination of both systems leaves millions uncovered (we have more citizens without insurance than Canada has citizens). Our public option is failing. We already are seeing this in Lincoln with more primary care physicians no longer accepting new Medicaid and Medicare patients because the reimbursements are no longer covering their overhead. Our private option in the United States also is failing. Thousands of individuals are being dropped from coverage for dubious reasons, and more small businesses are being priced out of the system.



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Unfortunately, both sides of the political spectrum are missing the big picture. Partisan fighting over public versus private insurance misses the main source of increasing health care costs. The biggest reason for increasing health care costs is our poor health from our lifestyle, not our health care system. Our diet and lack of exercise has led to skyrocketing rates of obesity, diabetes and heart disease. Much has been written about how Europeans have health care costs less than half of ours. Although part of this may be because of more efficient health care, another key difference is Europeans are about a decade behind us in the obesity epidemic.

LOCAL VIEW

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A look at some obesity statistics puts this in perspective. In Nebraska, our rate of obesity has risen from 11.6 percent in 1990 to 27.2 percent today (twice the rate of most European countries). A recent analysis shows the national direct health costs from obesity alone are expected to increase from \$79 billion per year in 2008 to \$344 billion per year by 2018. For Nebraskans, these costs for each of us are projected to increase from about \$394 per person now to \$1,486 per person in 2018.

The good news is that we already know how to solve the obesity problem — less sugar in our diets, more exercise, less processed food, less food advertising to kids and less time spent in front of a TV. The bad news is there is very little being done about it. We can reproduce the successful public health efforts that reduced smoking rates, but it will be more difficult because obesity has more than one cause. However, we have several quick fixes for addressing the single largest contributor, which is the increasing consumption of sugar-sweetened beverages (pop, sports drinks and energy drinks).

A simple, and I would hope noncontroversial, start would be changing our food stamp program in Nebraska (now called the Supplemental Nutrition Assistance Program, or SNAP). With a name like that, you would think it would only cover food that is nutritious. Unfortunately, SNAP also covers soda (both diet and regular) and other sugar-sweetened beverages. Changing SNAP so that it only covers food with real nutritional value seems like a no-brainer to me.

Another major change that could affect the obesity epidemic is removing the sales tax exemption from pop and sugar-sweetened beverages in Nebraska. Why should the single largest contributor to the obesity epidemic receive the same favorable tax exemption as staple items such as pasta, vegetables or milk? In these tight budget times, removing this sales tax exemption could bring millions of dollars into the state budget. For example, changing to a one cent an ounce tax to pop and other sugar-sweetened beverages would bring in more than \$137 million per year (<http://yaleruddcenter.org/sodatx.aspx>) to the Nebraska state budget. Ideally, this revenue could be directed to our schools to fund healthy lunches and adequate amounts of physical education time, but some also could be used to plug holes in our state budget until the economy improves.

There will be two main challenges to this solution. First, we Nebraskans are averse to any talk of taxes. A conservative answer to this is that it is better to tax things we would rather have less of (soda, cigarettes, alcohol, etc.) so that we can lower taxes on things we would rather not reduce (property or income). Another challenge will be the massive amount of counter marketing that will be funded by the beverage industry if we make an honest effort at doing this. You already may have seen the ads on TV from the corn syrup manufacturers trying to prevent this effort and improve their image. Despite these obstacles, this is something we need to start addressing here in Nebraska with our own state government and quit waiting on Washington to fix things for us.

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