Preventive health:

How much does Australia spend and is it enough?

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PREVENTION 1ST

Elevating preventive health policies to tackle chronic disease:
Australia's greatest health challenge

LA TROBE UNIVERSITY

Chronic disease accounts for:

- 83% of premature deaths
- 85% of the burden of disease
- $25 billion health care costs

As much as two-thirds of this is preventable

Government spending on prevention is $2 billion per annum

- $90 per person
- 1.75% of total health spending
- 0.15% GDP

	Per capita (US dollars, 2010)		Share of GDP		Share of current expenditure on health	
	US dollars, 2010	Rank	Percentage %	Rank	Percentage %	Rank
Canada	**256.50**	**1**	**0.62**	**1**	**6.06**	**1**
United States	247.23	2	0.50	2	3.03	4
Norway	135.40	3	0.22	11	2.44	12
Netherlands	127.41	4	0.29	5	2.63	8
Germany	123.94	5	0.30	4	2.70	7
Sweden	121.32	6	0.29	6	2.59	10
United Kingdom	118.02	7	0.32	3	3.21	3
Denmark	104.49	8	0.25	8	2.43	13
Iceland	89.36	9	0.22	10	2.51	11
Italy	82.98	10	0.25	7	2.87	5
Belgium	81.97	11	0.21	12	2.02	15
Luxembourg	79.99	12	0.13	24	2.05	14
Ireland	79.14	13	0.18	18	1.69	21
Switzerland	78.82	14	0.15	20	1.35	26
Finland	72.29	15	0.19	14	2.01	17
Australia	**68.42**	**16**	**0.15**	**19**	**1.75**	**20**
Japan	66.45	17	0.19	15	1.68	22
Austria	64.32	18	0.15	21	1.48	25
Korea	62.11	19	0.19	16	2.79	6

The official accounts understate the total spend on prevention

How *much* is spent is a poor guide to how much *should* be spent

A simple test

How does the added value from any increase in spending on prevention compare with the benefits currently enjoyed from activities that would have to be curtailed in order to release the necessary resources (opportunity cost)

If value-added exceeds opportunity cost then reallocate resources

The Role of Cost-Effectiveness Analysis in Developing Nutrition Policy

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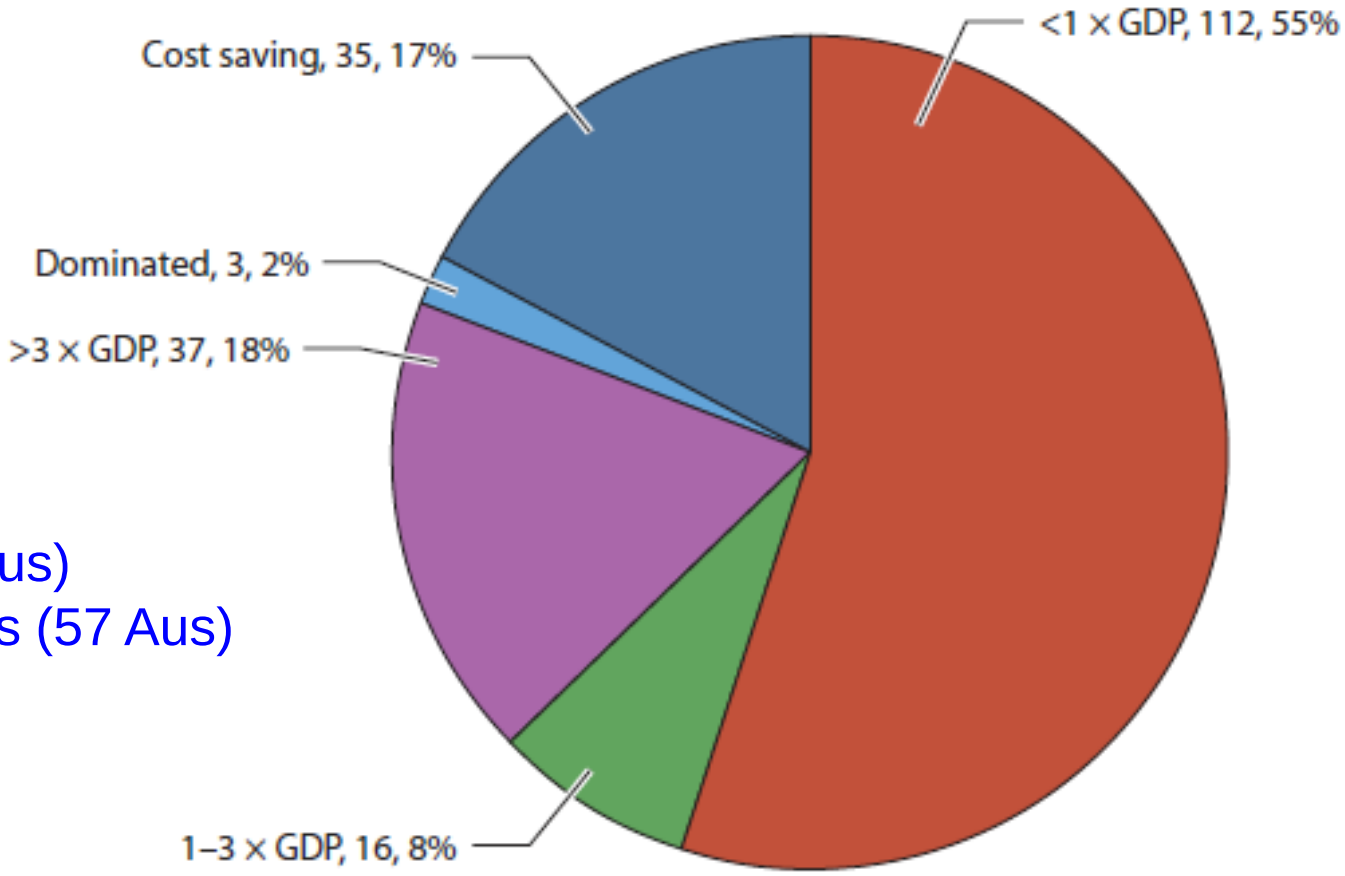
diet, cost-effectiveness, primary prevention

Abstract

Concern about the overconsumption of unhealthy foods is growing worldwide. With high global rates of noncommunicable diseases related to poor nutrition and projections of more rapid increases of rates in low- and middle-income countries, it is vital to identify effective but low-cost interventions. Cost-effectiveness studies show that individually targeted dietary interventions can be effective and cost-effective, but a growing number of modeling studies suggest that population-wide approaches may bring larger and more sustained benefits for population health at a lower cost to society. Mandatory regulation of salt in processed foods, in particular, is highly recommended. Future research should focus on lacunae in the current evidence base: effectiveness of interventions addressing the marketing, availability, and price of healthy and unhealthy foods; modeling health impacts of complex dietary changes and multi-intervention strategies; and modeling health implications in diverse subpopulations to identify interventions that will most efficiently and effectively reduce health inequalities.

The Role of Cost-Effectiveness Analysis in Developing Nutrition Policy



54 studies (14 Aus)
205 interventions (57 Aus)

SOURCE: Cobiac L et al., Ann Rev Nutr, 2013

Assessing Cost-Effectiveness in Prevention

ACE–Prevention

September 2010

Theo Vos[1], Rob Carter[2], Jan Barendregt[1], Cathrine Mihalopoulos[2], Lennert Veerman[1], Anne Magnus[2], Linda Cobiac[1], Melanie Bertram[1], Angela Wallace[1]

For the ACE–Prevention team

Topic area	Total	Dominant	Very cost-effective ($0–10,000/DALY)	Cost-effective ($10,000–50,000/DALY)	Not cost-effective (>$50,000/DALY)	Dominated	Insufficient evidence
Preventive interventions							
Alcohol	9	4	3	2	–	–	–
Tobacco*	8	2	3	–	–	–	–
Physical activity	6	2	2	2	–	–	–
Nutrition	26	3	1	3	19		–
Body mass	9	1	1	2	4	–	1
Blood pressure/ cholesterol	13	2	2	7	–	2	
Osteoporosis	3	1	–	1	1	–	–
Illicit drugs	2	–	–	1	1	–	–
Cancer	9	–	–	5	3	1	–
Diabetes	7	–	–	5	1	1	–
Kidney disease	2	1	–	1	–	–	–
Mental disorders	11	2	5	2	1	–	1
Cardiovascular disease	1	–	–	–	–	–	1
Other prevention	11	4	1	–	5	–	1
Infectious disease	6	1	2	–	3	–	–
Total	**123**	**23**	**20**	**31**	**38**	**4**	**4**

Source: Vos et al., 2010

Summarising the evidence

Scope to reallocate resources within prevention to improve health outcomes and reduce overall health spending

Many health promotion interventions are cost-effective – they enable Australians to live longer and better quality lives and do so at reasonable cost

On grounds of cost-effectiveness Australia *could* invest more in prevention and probably *should* do so …

Final word

But cost-effectiveness is not the only criterion …

Equity, political acceptability, and public acceptability are also important considerations.