



Prevention & Public Health Fund An Investment in a Healthier America

The Prevention and Public Health Fund (Fund) created in the Affordable Care Act is a dedicated funding stream that will reorient our health system towards prevention of disease and injury, where our focus and our dollars should be expended, and supply a much-needed reliable funding stream for the nation's public health programs.

- Health reform isn't just about cutting costs – it's about keeping Americans healthier. Investing in prevention gives all Americans the opportunity to lead healthier lives and ensures our workforce is strong and healthy enough to compete with the rest of the world. The Prevention and Public Health Fund would lower disease rates, improve quality of life, and help reduce health care costs for millions of Americans.
- For too long, health care has focused on treating people after they've become sick, instead of keeping them well in the first place.
- We'll never reduce health care costs until we improve the health of Americans. Right now, 75 percent of all healthcare costs are spent on the treatment of chronic diseases, many of which could have been prevented, and obesity alone is estimated to cost us \$147 billion per year. Chronic diseases cost the U.S. an additional \$1 trillion each year in lost productivity. Injuries are the leading cause of death for Americans ages one through 44 and cost more than \$117 billion per year.
- The fund has been invested to build state, local, and tribal capacity to prevent, detect and respond to infectious disease outbreaks. The funds are also being used to support the training of current and next generation public health professionals.
- Already in Fiscal Year 2010, we have seen these funds invested for programs to promote tobacco control and implement tobacco cessation services and campaigns, as well as obesity prevention, better nutrition and physical activity, and HIV prevention.
- The Fund will strategically support disease prevention, public health, the health workforce, and research that would directly improve the health of Americans while reducing health care costs.
- The Fund will help finance the delivery of community-based prevention and wellness services grants. Research has shown that effective community level prevention activities focusing on nutrition, physical activity and smoking cessation can reduce chronic disease rates and have a significant return on investment.
- The Fund will build upon what works, but also test new approaches to promoting prevention and wellness. It would ensure accountability by evaluating new programs that

are funded and would enable us to prioritize prevention and health, instead of just treatment. But it does not earmark every dollar because the prevention needs of the nation may change over time. It is necessary to have the flexibility to direct money where it will do the most good, in proven health and safety interventions.

- The Fund could also support core public health infrastructure to help state, local and tribal health departments meet their growing responsibilities. We rely on health departments to provide immunizations, protect our food and water supply, conduct surveillance, detect and monitor emerging infectious diseases, prevent disease, and prepare for and respond to disasters, acts of bioterrorism and other health emergencies.
- In a public opinion survey conducted just prior to the passage of the Act, Trust for America's Health (TFAH) and the Robert Wood Johnson Foundation (RWJF) found that 71 percent of Americans favored an increased investment in disease prevention and that disease prevention was one of the most popular components of health reform.

Studies have shown the **cost-effectiveness** of the types of prevention supported by the Fund:

- A report from Trust for America's Health entitled *Prevention for a Healthier America* concluded that an investment of \$10 per person per year in proven community-based programs to increase physical activity, improve nutrition, and prevent smoking and other tobacco use could save the country more than \$16 billion annually within 5 years. This is a return of \$5.60 for every \$1.
- Several large research studies, including the U.S. Diabetes Prevention Program, have found that over half of new cases of type 2 diabetes could be prevented through evidence-driven, community-based prevention programs. An analysis by the Urban Institute estimates that a targeted national program modeled on the Diabetes Prevention Program approach could result in total savings over 10 years of \$191 billion – and 75 percent of this would be savings.
- For every \$1.00 spent on a vaccine: Diphtheria-Tetanus-acellular Pertussis (DTaP) saves \$27.00; Measles, Mumps, and Rubella (MMR) saves \$26.00; Perinatal Hepatitis B saves \$14.70; Varicella saves \$5.40; and Inactivated Polio (IPV) saves \$5.45.¹ For the first time, most health plans will cover vaccines under ACA without cost sharing.
- According to the Pacific Institute for Research and Evaluation, there are significant cost savings for proven childhood injury prevention strategies. Every \$46 dollar child safety seat saves \$1900 in medical costs, future earnings and other resource costs, and quality of life costs. Similarly, a \$33 smoke alarm provides cost savings of \$940.

¹ CDC Budget Justification FY 2010. <http://www.317coalition.org/learnmore>