

10 Most Expensive Medical Conditions

By Jodi Rigotti

The nation's costliest conditions rack up a combined tab of more than \$500 billion a year.

What's the cost of poor health? A lot more than you may think. The nation's 10 most expensive medical conditions cost about \$500 billion to treat in 2005, according to the latest *News and Numbers* from the Agency for Healthcare Research and Quality (AHRQ). This includes money spent on visits to doctors' offices, clinics and emergency departments, hospital stays, home health care, and prescription medications. AHRQ calculated the costs of these health conditions using information gathered from a nationally representative sample of more than 32,000 people, as well as supplemental data from medical providers.

Many of the conditions, including heart disease, cancer and diabetes, are common, chronic diseases that also tend to be preventable. But experts say aging Americans, who are facing ever increasing health care costs, often underestimate their ability to prevent these illnesses and their costly complications. Here, the top 10 diseases that top the spending scale:

Condition: Heart disease and related conditions

Estimated Cost: \$76 billion

More than 80 million Americans are currently living with one or more types of cardiovascular disease, according to the Centers for Disease Control & Prevention (CDC), resulting in an equally astonishing number of trips to the doctor and hospital. Over 6 million hospitalizations occur each year because of cardiovascular diseases, and Americans also make more than 81 million cardiovascular disease-related doctor visits every year. As the population ages, the economic impact of cardiovascular diseases on the nation's health care system is expected to become even greater.

Condition: Trauma disorders

Estimated Cost: \$72 billion

Spending to treat trauma disorders, such as those resulting from automobile accidents and violence, nearly doubled between 1996 and 2003, according to AHRQ. This dramatic increase raised trauma medical expenditures up to a level comparable with that of heart disease. AHRQ estimates that, in 2005, \$29 billion was spent on hospital inpatient stays, \$26 billion on outpatient and office-based medical provider visits, and \$9 billion on emergency room visits to treat trauma disorders.

Condition: Cancer

Estimated Cost: \$70 billion

The second leading cause of death in the U.S., cancer is responsible for the deaths of more than half a million Americans every year, according to the CDC. Frighteningly, lack of health insurance and other barriers to health care prevent many Americans from even getting basic health care. According to *Cancer Facts & Figures 2008*, one in five people with health insurance who are diagnosed with cancer use all or most of their savings because of the financial cost of dealing with cancer. What's more, cancer patients who have no insurance or not enough health insurance have higher medical costs, poorer outcomes, and higher rates of death. Currently, the American Cancer Society and its sister

advocacy organization, the American Cancer Society Cancer Action NetworkSM, are working together to bring the need for meaningful health care reform to the forefront of public and political debate.

Condition: Mental disorders, including depression

Estimated Cost: \$56 billion

According to the American Psychiatric Association (APA), about 50 million Americans are diagnosed each year with a mental health problem that is disabling enough to interfere with their normal, daily functioning. Yet only about 20 percent actually receive the help they need. AHRQ estimates that, in 2005, \$23 billion was spent on prescription medication and \$6 billion on home health care services to treat mental disorders.

In addition to treating depression, lost labor time among those with mental disorders such as depression is staggering. In a recent issue of the *Journal of the American Medical Association*, the cost of labor loss due to depression was estimated at \$44 billion.

Condition: Asthma and chronic obstructive pulmonary disease (COPD)

Estimated Cost: \$54 billion

According to a 2003 study published in *The Journal of Allergy and Clinical Immunology*, the average annual cost of care for an asthma patient is \$4,912, with 65 percent going to direct expenses including medications, hospital admissions and nonemergency doctor visits, and the remaining 35 percent going to indirect costs, such as lost time at work. Prescriptions are often the biggest out-of-pocket expense, according to the American Lung Association, with insurance coverage of specific asthma medications differing among various insurance plans.

What's more, with 12 million people in the United States having been diagnosed with COPD (a lung disease that includes emphysema and chronic bronchitis), the hefty number of medications, tests, and treatment devices contribute significantly to the \$54 billion.

Condition: High blood pressure

Estimated Cost: \$42 billion

Often referred to as the silent killer, many people with high blood pressure, or hypertension, don't realize it until other serious health problems arise. But the truth is high blood pressure is a major risk factor for heart failure and stroke. AHRQ estimates that, in 2005, \$22 billion was spent on prescribed medications and \$10 billion on outpatient and office-based medical provider visits to treat hypertension.

Condition: Type 2 diabetes

Estimated Cost: \$34 billion

The number of Americans diagnosed with diabetes has more than doubled in the last 15 years, totaling 14.6 million in 2005, according to the CDC. Many factors have contributed to this increase including a higher prevalence of overweight and obesity, changes in diagnostic criteria, improved or enhanced detection, a growing elderly population, and growth in minority populations in whom the incidence of diabetes is increasing. AHRQ estimates that, in 2005, \$15 billion was spent on prescription medications and \$10 billion on outpatient and office-based medical provider visits to treat diabetes.

Condition: Osteoarthritis and other joint diseases**Estimated Cost: \$34 billion**

Approximately 46 million adults in the United States are living with arthritis or other chronic joint symptoms (and more than 39 million doctor visits a year are arthritis related), so it's no wonder that billions are spent on this condition. The major costs associated with treating osteoarthritis are mostly due to joint replacement surgery, according to the Arthritis Foundation. While aging, genetics, and past injuries will contribute to one's chances of being diagnosed with the disease, weight also plays a role in how quickly it progresses: Every pound of excess weight you carry amounts to four pounds weighing on your knees as you walk.

Condition: Back problems**Estimated Cost: \$32 billion**

Back problems are the leading reason for visits to neurologists and orthopedists, according to a Duke University study. In fact, research shows that 70 percent of adults suffer from back pain at some time in their lives. AHRQ estimates that \$17 billion was spent on outpatient and office-based medical provider visits and \$8 billion on hospital inpatient stays to treat back problems. In addition, back or spine problems lead to millions of disability cases among American adults, according to the CDC.

Condition: Normal childbirth**Estimated Cost: \$32 billion**

It's a different type of medical condition than the others on this list, but it definitely has its share of costs. AHRQ estimates that, in 2005, \$23 billion was spent on hospital inpatient stays for live born births, as well as \$7 billion on outpatient and office-based medical provider visits.

According to the American Pregnancy Association, 13 percent of women who become pregnant each year are not insured, which often results in inadequate medical care. Fortunately, many government funded programs and healthcare discount programs are available to help provide care for expectant mothers who couldn't otherwise afford it.