

Report: Obesity Cost Employers and Employees Over \$400 Billion in 2023

A new [report](#) by data and analytics company GlobalData revealed that obesity and overweight are estimated to have caused \$425.5 billion in economic costs to U.S. businesses and employees in 2023. Excess body weight is linked to a heightened risk of chronic disease, including cardiovascular disease, Type 2 diabetes and some cancers.

GlobalData researchers estimate that 3 in 10 working adults are classified as obese, and one-third meet the criteria for being overweight.

Obesity is a major public health challenge with extreme implications for employers. The overall workplace cost includes the following:

- \$146.5 billion in **higher medical costs** to employers (\$89.8 billion) and employees (\$56.7 billion), associated with obesity (\$115 billion) and overweight (\$31.5 billion)
- \$31.1 billion in **higher disability payments**
- \$5.2 billion in **higher workers' compensation** program costs
- \$82.3 billion in **higher absenteeism** associated with obesity

- \$160.3 billion in **higher presenteeism** associated with obesity (\$113.8 billion) and overweight (\$46.5 billion)

The report also broke down the annual cost per worker (totaling \$6,472) with obesity as follows:

- \$1,514 in higher medical costs
- \$664 in higher disability costs
- \$112 in higher injury workers' compensation
- \$1,755 in higher absenteeism costs
- \$2,427 in higher presenteeism costs

Employer Takeaway

Obesity is a progressive and serious disease that's associated with a wide range of other diseases. Obesity's economic implications for employers will vary across industries and geographic regions. However, there are general ways employers can increase access to and utilization of comprehensive obesity care for their employees. GlobalData recommends the following steps for employers:

- Offer insurance coverage for obesity care at parity with other chronic diseases.
- Implement wellness programs.
- Foster a culture of support and inclusion that recognizes and accommodates the needs of employees with obesity.
- Provide resources to educate employees about weight management strategies and the health risks of obesity.

Employers should continue to monitor health care trends. Contact us for more resources.