

Reducing health costs through lower food prices

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(PhysOrg.com) -- A Lehigh researcher finds that lowering the cost of low-carbohydrate foods can reduce medical costs for diabetic patients.

Reducing the cost of low-carbohydrate foods for people with [diabetes](#) could significantly reduce medical costs associated with the disease that affects more than 23 million Americans, according to a recent study.

Chad Meyerhoefer, professor of economics at Lehigh University, and Ephraim Leibtag, a senior research economist at the U.S. Department of Agriculture's Economic Research Service, recently released the results of a study that evaluated the impact of prices of low- and high-carbohydrate foods on the prevalence and medical cost of diabetes. The study was published in the [American Journal of Agricultural Economics](#).

“We found that subsidizing the cost of low-carbohydrate foods through vouchers or coupons could help improve the health of people with diabetes and reduce their expenditures on medical care,” says Meyerhoefer, a health economist who studies obesity, [food](#) consumption decisions and public policy. “This is a new way to think about using food prices as a mechanism to improve health.”

For example, Meyerhoefer and Leibtag found that a 10 percent subsidy on the low-carbohydrate food purchases of people with diabetes would reduce medical costs in the U.S. by \$6.3 billion annually.

Other studies have shown diabetic patients, who rely on low-

carbohydrate foods to control their blood sugar levels, have [medical costs](#) 2.4 to 2.6 times higher than those without diabetes. According to the American Diabetes Association, total costs associated with diabetes including disability and lost productivity were \$174 billion in 2007.

More effective than 'sugar tax'

Meyerhoefer and Leibtag's findings also suggest subsidizing the cost of low-carbohydrate foods is more effective than taxing high-carbohydrate foods like soda, often referred to as a "sugar tax."

"Our research shows that people with diabetes are more likely to respond positively to a decrease in the cost of healthier, low-carbohydrate foods than a price increase or tax on high-carbohydrate foods," Meyerhoefer says. "If you want to help improve the health of people with chronic conditions by influencing their behavior rather than increasing their use of medical services, this provides a means of doing so."

Insurers already are enrolling patients with diabetes in disease management programs that could serve as a means for subsidy interventions, Meyerhoefer says.

Provided by Lehigh University

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