

Between 2005 and 2015, Ethiopia could lose \$6 billion from iodine deficiency in pregnant women, according to the AED Profiles model.



AED Staff Photo

Quantifying the Economic Impact of Health Issues

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**GLOBAL HEALTH,
POPULATION, &
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When you stay home from work sick, your employer's productivity goes down and your family loses your wages. If you have to care for a sick child, the same thing happens. Health conditions, especially those that are often overlooked, such as malnutrition and poor maternal health, affect more than individual families and businesses; they have devastating impacts on national economies as well.

To reveal the extent of the connection between health and economic productivity, AED

developed three computer-aided advocacy tools that have been used to expand dialogue about the level of financial commitments needed to address specific health issues in Africa, Asia, and Latin America.

"In order to improve advocacy for public health we must focus on the kinds of evidence that concern ministries of finance, as well as ministries of health, said Margaret Burns Parlato, senior vice president and director of the AED Global Health, Population, & Nutrition Group.

COST OF POOR HEALTH

AED's computer-aided advocacy processes target three different health afflictions: MoreNets estimates the high cost of malaria to African countries; Profiles focuses on poor nutrition; and the Reduce/Alive tool addresses the effects of maternal and newborn mortality. The models also use pertinent data to demonstrate economic benefits of implementing proven interventions on a large scale.

Even though highly effective interventions are available for these conditions, policy-makers are often reluctant to pay for them because the enormous benefits are not understood. Sometimes those suffering are not visibly sick. And some illnesses are so common as to seem inevitable (such as malaria).

"Until recently, statistics showing the alarming mortality and morbidity rates have not told the full story," Parlato said. "AED's tools provide evidence for a paradigm shift in thinking about poor health by quantifying the massive economic impact of maternal mortality and morbidity, malnutrition, and malaria."

AED uses its advocacy tools to help increase the problem's prominence. This ability to quantify the magnitude of mortality and morbidity, translate it into economic productivity losses, and engage in advocacy, enhances other efforts to improve health policies, increase resource allocation, and implement improved nutrition, maternal-care services, and malaria control and prevention.

BILLIONS LOST

Application of the Profiles model in Ethiopia estimated that between 2005 and 2015, the country could lose \$6 billion from iodine

deficiency in pregnant women, \$4 billion from slowed growth in malnourished children, and \$3.5 billion because of iron deficiency in children and working adults.

Ethiopian decision makers responded by including nutrition in national strategies to improve health and lower poverty. They also adopted guidelines for proper feeding of infants and young children, and trained professionals in every region on the importance of proper nutrition.

In Burkina Faso a multi-disciplinary country team using AED's Reduce/Alive approach estimated that every day, eight women die and 240 suffer disabilities from complications of pregnancy or delivery—costing the country \$266 million in lost productivity over 10 years.

As a result of this new information, the government increased funding for reproductive health, subsidized emergency cesarean sections, and raised the overall budget for health from 7 percent in 2005 to 11 percent in 2008.

"Lawmakers are frequently surprised by the extent of economic loss revealed by these models," said Parlato. "Often they understand for the first time that nutrition, malaria, or maternal health has a broader context than just health."

Agnes Guyon, senior public health adviser; Renuka Bery, dissemination and advocacy manager; and Elisabeth Sommerfelt, senior specialist in the AED Center for Health Policy and Capacity Development, all work in the AED Global Health, Population, & Nutrition Group.

Learn more about
PROFILES: www.aedprofiles.org
Reduce/Alive: www.reduce-alive.org
MoreNets: www.netmarkafrica.org

"Yes...but it must be based on sound public policy that addresses the health of the population."

HALIMA MWENESI
Director, Public Policy Initiatives, AED Global Health, Population, & Nutrition Group



Yes, social development can lower unemployment, but it must be based on sound public policy that addresses the health of the population. A healthy community is a productive community. A healthy person is able to contribute better to social development and his or her own development at every level.

One of the biggest challenges we are facing now is malaria. It is one of the scourges of our time and has been shown to profoundly affect the GDPs of developing countries. When it is not present, kids go to school on an almost daily basis, which helps mothers concentrate on what they have to do for their children rather than running backward and forward to the hospitals and clinics.

In a healthy society, parents have more productive lives at whatever level of employment they have because they don't have to deal with their own illness or the illness of their loved ones.



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