

NEVADA'S GROWING PROBLEM: CHILDHOOD OBESITY

Issue # 1

Spring 2011

EXECUTIVE SUMMARY

Childhood obesity is a large and growing problem in Nevada, which can be attributed to many factors. This policy brief examines two factors: uninformed decision making on the part of parents due to a lack of nutrition/health information and market issues that allow unhealthy foods to cost less than healthy foods. Obesity in childhood can carry over into adulthood. At least 70% of obese children remain obese as adults. Also, of concern, is that children are starting to develop more adult diseases at earlier ages due to obesity.

The 2010 Patient Protection and Affordable Care Act that requires calorie counts on menu signage should help ameliorate the information problem. The question arises as to how Nevada will implement the federal requirements. There are currently few laws regarding childhood obesity in the state.

Strategies could include: implementing long-term advertising campaigns; training family physicians on Body Mass Index (BMI), a measure of weight in proportion to size; screening and weight counseling; offering BMI screening at schools; and taking legal action where companies mislead consumers into believing an unhealthy option is

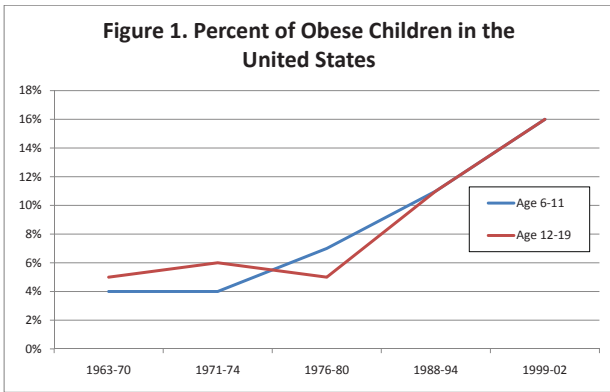
healthy. The recommended policies are those most likely to provide health and nutritional information to the public.

THE PROBLEM OF CHILDHOOD OBESITY

Childhood obesity in America is a problem that state and local governments are largely being asked to respond to in an effort to reverse the trend. Perhaps one of the more startling revelations about childhood obesity is that it is cutting the current generation's lifetime expectancy by two to five years, meaning the current generation could be the first to live shorter than their parents (Physorg 2011). How should Nevada political leaders react to the growing problem of childhood obesity?

BACKGROUND

The percentage of overweight children has tripled since the 1960s. An obese child is defined as having a Body Mass Index (BMI) in the 95th percentile. An overweight child is defined as having a BMI within the 85th to 95th percentile. To compound this problem, children who are in the highest weight category have gained more weight over time (U.S. Department of Health and Human Services).



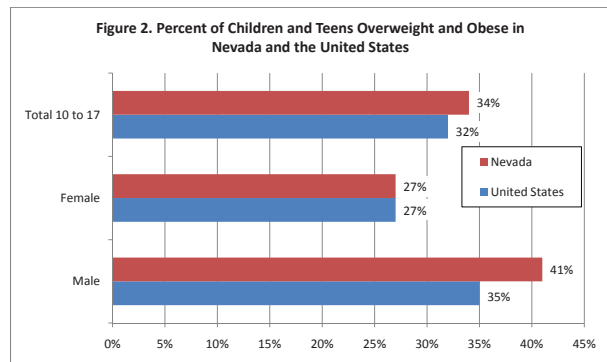
Source: U.S. Department of Health and Human Services

Many factors contribute to childhood obesity. Two major factors are considered in this brief: (1) a lack of health information and (2) market issues. Parents may not be making informed decisions when it comes to managing their child's health due to a lack of health information, such as going to restaurants that do not have readily accessible nutritional information or not knowing how much exercise is appropriate for children. In the former case, this lack of information can either be entirely omitted by a company, as a sort of hidden cost to the meal; hidden within a website; or on an information sheet that needs to be requested. Seeking out this information takes resources from parents, mostly measured in time, which by virtue of them taking their children out to eat is the resource they are least likely to have.

The market issue revolves around the possibility that unhealthy food that leads to weight gain has, perhaps, gotten cheaper than healthy food (Mazzocchi, Traill and Shogren 2009). The savings may not be just monetary but time saving as well. Americans eat more processed foods than most people in other countries (Fairfield 2011), and 41% of their food spending in 2010 was outside of the home (USDA Economic Research Service 2011). Processed foods can contain far more unhealthy ingredients than their fresh, homemade counterparts.

Other factors that also contribute to childhood obesity include: lack of exercise; busy parents; lack of parental input in school cafeteria service; wide variety of sedentary entertainment, such as video games and movies; food costs; and family incomes. Children who live in disadvantaged neighborhoods are more likely to be obese, possibly due to the lack of a safe location for play. A Seattle area study found that a census tract with a 10% decrease in female education, a 10% decrease in two-parent households, or a \$10,000 decline in household income will raise childhood obesity in the region by 17-24% (Physorg 2011).

A child who grows up overweight has a 70% chance of being overweight as an adult, 80% if at least one of their parents was also obese (U.S. Department of Health and Human Services 2011). Childhood obesity is especially problematic for young men in Nevada, with a male overweight rate in 2007 at 41%, the 5th highest in the country. Young women in Nevada, however, have an overweight rate comparable with the national average, 27%, but for both genders combined Nevada is the 11th worst state in the nation with an overweight rate of 34%, 2% above the national average (Annie E. Casey Foundation).



Source: Annie E. Casey Foundation

STATEMENT OF INTEREST IN THE ISSUE

In addition to the social and general welfare issues that childhood obesity presents, it can also lead to health complications in children previously found almost exclusively in adults, including high blood pressure, diabetes, and high cholesterol (Mayo Clinic 2011). These health problems can, in turn, incur higher health costs to the state.

CURRENT AND PRE-EXISTING POLICIES

Although some localities have taken up the fight against information problems through nutrition requirements for menus, any action in Nevada is likely to be superseded by the 2010 Patient Protection and Affordable Care Act signed into law as part of the overall healthcare reforms. One of the requirements of the law is that chain restaurants of 20 or more locations must post calories of their food directly on the menus with other nutritional information readily available to customers (Spencer 2011). However, due to the uncertainty afforded by the current political and legal standing of the law, it is certainly worth discussing the status quo of nutritional information in restaurants. Currently, it is up to the individual restaurants and chains whether to provide this information, though most do so through corporate websites or hidden flyers at their locations. However, this still places a high cost in time to access this information, a resource that families eating out are less likely to have. So while most parents might guess on the relative health of a meal for their children, accurate nutritional information provided by the company making the food is unlikely to be found.

The Child Nutrition Program of 2004 prohibited soft drink sales and contained rigorous nutritional standards for schools in the state (Clark County School District Food

Services). Current policy in Nevada has only established a task force to address the issues of childhood obesity, and has not established BMI screening, nor addressed school nutrition or childhood physical activity (Kaiser State Health Facts). At the local level, the Southern Nevada Health District website provided no easily accessible nutritional education (Southern Nevada Health District), which would be useful to educate parents.

In addition to federal regulation, First Lady Michelle Obama and acclaimed chef Jamie Oliver on his show, Food Revolutions, are putting a spotlight on childhood obesity. Michelle Obama's efforts in the Let's Move program have resulted in the passage of the Child Nutrition Reauthorization Health, Hunger-Free Kids Act of 2010, setting national nutritional standards for food sold at schools.

Regarding market issues, there is effectively no official intervention in Nevada. However, the mere threat of legislative action in Nevada and in other locales may be enough to compel the industry into self-regulation.

POLICY OPTIONS & THE RAMIFICATIONS OF EACH

Advertising

Using advertising campaigns to increase awareness of healthy diets and exercise is one strategy to counter the obesity crisis. The evidence of success is mixed, however, suggesting that although such campaigns increase awareness they do not necessarily induce long-term change (Mazzocchi, Traill and Shogren 2009). Such campaigns are possibly more effective when measured over decades, reinforcing and instilling these behaviors over long periods of time, though scant evidence exists on the actual effectiveness of such a

program due to the problems of funding such a campaign (Mazzocchi, Traill and Shogren 2009).

One popular and recent campaign is the National Dairy Council and NFL's Play 60 movement, a \$200 million campaign involving public-service announcements, an online presence, and in-school activities to help fight childhood obesity. Though the measures of this campaign's effectiveness in lowering childhood obesity are currently unknown, over 10 dozen schools in the Las Vegas area alone are participating in the program.

Health Counseling

Another possible avenue is health counseling. This can be as simple as implementing family physician training to better utilize existing BMI tools to identify overweight children and ways to talk to a family about improving a child's health. A recent survey found that many physicians found it difficult to discuss obesity with patients (Sesselberg, Klein and O'Connor 2010).

In addition to educating physicians, a further step could be for providing direct BMI screening in schools and using the results to counsel children and their parents regarding the child's health. This has the added benefit of being able to target those who can't afford to go to the doctor and who might be missed without this free service.

Bans

The third possible policy is banning free items, such as small plastic toys, with the purchase of food in restaurants. A recent and widely known example is San Francisco's ban on child toys with unhealthy fast-food meals. The effect of

such an action is to reduce the attractiveness of unhealthy food options to children and parents (Knight). Such bans have been deemed draconian and can prove fairly unpopular. Two states, Florida and Arizona, have banned their municipalities from imposing a similar ban on free items with food purchases to their citizens (Knight 2011). Additionally, this measure only addresses the debatable financial savings associated with children eating at fast-food restaurants and fails to address the main issue, the dramatic time savings.

Stricter consumer laws would allow Nevada to pursue legal action against companies that mislead consumers into believing nonexistent health benefits of their products. For example, an industry food certification called "Smart Choices" will endorse any cereal with less than three tablespoons of sugar per serving. This allows a large health endorsement on the boxes of some of the unhealthiest children's cereals (Blackmon 2009). Although Fruit Loops now only contain three tablespoons of sugar, it is a sign of slow but moving progress. Perhaps because of consumer advocacy or the mere threats of legislation, companies on their own accord have started to make their foods healthier for children without actual legislation being needed.

POLICY RECOMMENDATIONS

Recommended policies to lower childhood obesity in Nevada should focus on providing health information. Policies directed at the market issues are either too costly to implement or too authoritarian.

First and foremost, offering state-funded physician health counseling programs would be relatively inexpensive and effective. Providing BMI screening and counseling to all public school children would be even more

effective, but would increase the cost to the state exponentially.

Second, if the measures approved in President Obama's Healthcare bill regarding added signage do not become law, Nevada should consider implementing them anyway. Such information being readily available would allow precise nutritional facts to be considered at the time of purchase, something that is simply not currently possible.

Another possible alternative are state lawsuits against companies for providing misleading information. Such misinformation is harmful and will lead consumers to less nutritious food for their children. However, such a lawsuit might also have chilling effects on businesses within Nevada. Companies may choose not to sell their products in the small market of Nevada rather than face the threat of legal action. However, a possibility is to copy the more proactive policies of California to avoid this type of situation. It remains a reasonable and possible action if the lawsuits are well-thought out and targeted to avoid a negative response from companies.

The last recommended policy is to implement advertising campaigns similar to the Dairy Council and NFL effort. The effectiveness of campaigns in changing behavior is debatable, but campaigns have been proven to increase awareness. Long-term campaigns are more likely, but unproven, to affect behavior, but due to the volatile nature of Nevada's budget may be difficult to implement during the post-recessionary period or any time.

Imposing a San Francisco-type ban on children's incentives most likely would not help the obesity crisis. There are financial and time constraints that force parents to choose fast food to feed their children. A 50 cent

toy hardly seems like much of an incentive. However, pressure from consumer activists and a somewhat credible threat of legislative action are perhaps enough to induce companies to provide healthier options for consumers.

Childhood obesity is a problem in Nevada and the United States as a whole. Solving it would help children in our state, lower health costs, and, in general, increase the welfare of our citizens.

BIBLIOGRAPHY

- Annie E. Casey Foundation. Kids Count Data Center. 21 March 2011 <<http://datacenter.kidscount.org/data/acrossstates/Rankings.aspx?ind=27>>.
- Blackmon, Julie. *Sweet Spot*. 2 November 2009. 21 March 2011 <<http://www.time.com/time/magazine/article/0,9171,1931730,00.html>>.
- Clark County School District Food Services. *Nutritional Policy*. 21 March 2011 <<http://ccsd.net/foodservice/2-Nutpolicy.html>>.
- Fairfield, Hannah. *Metrics: Factory Food*. 3 April 2010. 21 March 2011 <http://www.nytimes.com/2010/04/04/business/04metrics.html?_r=1>.
- Kaiser State Health Facts*. 2010. 21 March 2011 <<http://www.statehealthfacts.org/profileind.jsp?ind=52&cat=2&rgn=30>>.
- Knight, Heather. *City Insider: Happy Meal Toy Ban Prompts Ban on Bans in Other States*. 20 March 2011. 21 March 2011 <http://www.sfgate.com/cgi-bin/blogs/cityinsider/detail?entry_id=85154>.
- Let's Move!* 16 April 2011 <<http://www.letsmove.gov/>>.
- Mayo Clinic. *Childhood Obesity*. 21 March 2011.
- Mazzocchi, Mario, W. Bruce Traill, and Jason F. Shogren. *Fat Economics*. Oxford University Press, 2009.
- Obesity Cuts U.S. Children's Life Expectancy Short*. 13 January 2011. 20 April 2011 <<http://www.physorg.com/news/2011-01-obesity-children-life-short.html>>.
- Physorg. *Childhood Obesity Linked to Neighborhood Social and Economic Status*. 11 June 2010. 21 March 2011 <<http://www.physorg.com/news195486014.html>>.
- Sassie, Franco. *Obesity and the Economics of Prevention: Fit Not Fat*. OECD Publishing, 2010.
- Sesselberg, Tracy, MA, et al. "Screening and Counseling for Childhood Obesity: Results from a National Survey." *Journal of the American Board of Family Medicine* (2010).
- Southern Nevada Health District. 21 March 2011 <<http://www.southernnevadahealthdistrict.org/>>.
- Spencer, Jean. *Wall Street Journal Blogs*. 22 March 2010. 21 March 2011 <<http://blogs.wsj.com/washwire/2010/03/22/menu-measure-health-bill-requires-calorie-disclosure/>>.
- U.S. Department of Health and Human Services. *Childhood Obesity*. 21 March 2011 <http://aspe.hhs.gov/health/reports/child_obesity/#_ftn11>.
- USDA Economic Research Service. *Diet Quality*. 21 March 2011 <<http://www.ers.usda.gov/Briefing/DietQuality/FAFH.htm>>.

*Christopher Drury, Graduate Student
Department of Economics
College of Business
University of Nevada, Las Vegas*

If you need more specific information about the children and youth in your local area, contact Stephen P. A. Brown, PhD, Director of CBER and Executive Director of Nevada KIDS COUNT or Rennae Daneshvary, PhD, Associate Director of Research and Administration and Nevada KIDS COUNT Director.

Phone: (702) 895-3191

Fax: (702) 895-3606

E-mail: rennae.daneshvary@unlv.edu

The Center for Business and Economic Research
Box 456002, 4505 S. Maryland Parkway
Las Vegas, Nevada 89154-6002

UNLV

CENTER FOR BUSINESS &
ECONOMIC RESEARCH

COLLEGE OF BUSINESS