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## **Arthritis - Count the Costs and Bank the Savings**

***Major report shows the growing multi-billion dollar costs of arthritis to the economy, individuals and to the healthcare system and how relatively small investments could yield savings of more than \$170 million a year.***

“Four years ago, I was in a lot of pain, needed a walking stick to get around and was on the verge of having surgery on both knees,” said Anne Ashford who has lived with osteoarthritis for over a decade.

“But then my life was transformed for the better by arthritis appropriate exercise and a weight loss program. I have now discarded my walking stick, stopped taking arthritis drugs and joint replacement surgery is not even on the horizon anymore.”

“Anne’s experience is a perfect example of how better care and support for people with arthritis could save health system costs by reducing the need for joint replacement surgery,” says Franca Marine, Policy and Government Relations Manager at Arthritis Australia.

“We spend more on joint replacements than on any other hospital procedures, yet little priority is given to programs that can prevent or delay these expensive surgeries. Our report finds that supporting better non-surgical management for people with knee osteoarthritis could save the health system more than \$170 million in reduced knee replacements alone. This could be achieved with an investment of as little as \$11 million a year.

“Arthritis already costs the health system \$5.5 billion and this will grow to \$7.6 billion by 2030 unless more is done to prevent and better manage the condition.”

Professor Danny Liew, a physician and clinical epidemiologist at the University of Melbourne, agrees: “As the Australian population becomes older on average, the healthcare burden of arthritis threatens to significantly increase. It is important that we put more focus into preventive and early interventions. These are not only beneficial for patients, they are also more cost-effective.”

The report also highlights the economic impact of arthritis in terms of people’s work capacity, finding that early retirement due to arthritis costs \$7.2 billion in lost GDP alone.

“When I was first diagnosed with rheumatoid arthritis at the age of 36, it was the most difficult time of my life. I think I cried every single day. I didn't know how bad my disease would be or what impact it would have on my life,” says Cheryl Dines who has lived with the condition for the last nine years.

“I was working for an international bank, studying law and my career was on track but by 2010, my body wouldn't do what I needed it to do to perform at the level required so I was forced to make the devastating decision to stop work. It has now been 6 years and I am still unable to work due to the high levels of pain and fatigue and the unpredictable nature of my disease. I am now a solicitor - who cannot work.

“More support from a specialist nurse would have been fantastic and might have helped me cope better.”

“Cheryl is not alone in her experience. The modeling behind the Counting the Cost report has found that 52,000 people aged 15-64 years are unable to work due to their arthritis,” said Professor Deborah Schofield, a respected health economist from the University of Sydney.

“This leads to a loss of personal income of \$955 a week, or \$1.8 billion a year nationally rising to \$2.6 billion by 2030. The cost to the government of early retirement due to arthritis is over \$1.1 billion a year in extra welfare payments and lost taxation revenue. Lost GDP due to arthritis-related early retirement was \$7.2 billion in 2015 and this will reach \$9.4 billion a year by 2030.”

“These are big numbers but by providing better care and support for people with arthritis, we think they can be reduced’, said Ms Marine.

### **As a first step Arthritis Australia is urging all political parties to commit to:**

- 1) \$11m to support non-surgical management for people with osteoarthritis
- 2) \$3m for specialist nurses to support people with auto-immune and inflammatory forms of arthritis such as rheumatoid arthritis and juvenile arthritis
- 3) \$10m a year to boost research funding, including \$1m for research into juvenile arthritis which currently receives very little research funding.

People affected by arthritis are encouraged to join the **SpeakUp4Arthritis** campaign in the lead up to the Federal election [www.speakup4arthritis.org.au](http://www.speakup4arthritis.org.au) to urge political parties to commit to programs for better care for people with arthritis.

### **Background**

***Counting the cost: the current and future burden of arthritis***, is a report prepared by Professors Deborah Schofield of the University of Sydney and Danny Liew of the Melbourne EpiCentre at the University of Melbourne and their teams for Arthritis Australia.

The report is published in two parts and is available from

<http://www.arthritisaustralia.com.au/index.php/reports/counting-the-cost.html>

### **In relation to the health system, the report shows that:**

- Nearly 4 million Australians currently live with arthritis; this will rise to 5.4 million by 2030

- Arthritis costs the health system \$5.5 billion in 2015 and this will grow to \$7.6 billion by 2030 unless more is done to prevent and better manage the condition
- Programs to support better care for people with arthritis could save the health system \$170 million a year by reducing the need for joint replacement surgery. This is important because we spend more on joint replacements than on any other hospital procedures, yet little priority is given to programs that can prevent or delay these expensive procedures
  - Modelling shows that supporting non-surgical management for people with knee osteoarthritis can substantially reduce demand for expensive knee replacements, saving \$170 million a year within 12 months. This saving is projected to grow to \$234 million a year by 2030.

### **In relation to productivity, the report shows**

- 52,000 people (aged 15-64 years) are unable to work due to their arthritis. This leads to a loss of personal income of \$955 a week, or \$1.8 billion a year nationally. By 2030, lost personal income due to arthritis related early retirement is projected to reach \$2.6 billion. The cost to the government of early retirement due to arthritis is also substantial, at over \$1.1 billion a year in extra welfare payments and lost taxation revenue, rising to nearly \$1.5 billion by 2030
- Lost GDP due to arthritis-related early retirement was \$7.4 billion in 2015 and this will reach \$9.4 billion a year by 2030.

Arthritis is one of the most common, costly and disabling chronic conditions in Australia, but the personal, social, and economic costs of the condition are poorly recognised. There is also a mistaken perception that arthritis is an inevitable part of ageing and nothing can be done about it. As a result programs to support people living with arthritis do not receive the priority they deserve. Governments need to do much more to address the burden and cost of arthritis.

### **Acknowledgement**

The research reported in ***Counting the Cost: the current and future burden of arthritis*** was made possible by an unrestricted grant from The Medicines Australia Community Chest to Arthritis Australia. The Community Chest supporters are AbbVie Pty Ltd, AstraZeneca Pty Ltd, Eli Lilly Australia Pty Ltd, Janssen-Cilag Pty Ltd, Pfizer Australia Pty Ltd, and Roche Products Pty Ltd.

### **About Arthritis Australia**

Arthritis Australia is the peak arthritis organisation in Australia and is supported by affiliate offices in the ACT, New South Wales, Northern Territory, Queensland, South Australia, Tasmania and Western Australia.

Arthritis Australia provides support and information to people with arthritis as well as their families and friends. The organisation promotes awareness of the

challenges facing people with arthritis to the community and to leaders in business, industry, and government. In addition, Arthritis Australia funds research into potential causes and possible cures as well as better ways to live with arthritis.

[www.arthritisaustralia.com.au](http://www.arthritisaustralia.com.au)

Issued on behalf of Arthritis Australia

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