

Boost K-12 completion, lower health costs, group says

A recent report from the [Alliance for Excellent Education](#) asserts that increasing the numbers of high school completers presents national and state-by-state Medicare savings and "societal savings" from costs of illnesses that could be realized by a 50 percent reduction in non-completion.

The authors observed, "States' health-care costs could be greatly reduced if more students graduated from high school and college and were ready for a career. These savings would not be realized immediately, since most eighteen-year-olds, high school graduates or not, do not incur high medical costs. Like any good investment, however, increasing the number of graduates pays off in later years."

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[Well and Well-Off: Decreasing Medicaid and Health-Care Costs by Increasing Educational Attainment](#) uses analysis by Peter Muennig, an assistant professor at [Columbia University Mailman School of Public Health](#). Medicaid savings are based on differences in its use by high school completers and non-completers. The report considers both high school graduates and GED recipients as high school completers.

Medicaid savings

Given that 15 percent of the U.S. population aged 25 or older has not completed high school, the analysis said that more than \$7 billion could have been saved from Medicaid in 2012 if half of those persons had completed high school.

Moreover, state Medicaid expenditures are expected to increase due to the [Patient Protection and Affordable Care Act](#), P.L. 111-148. The authors also noted that in FY 2012, K-12 education and Medicaid spending were the first- and second-highest portions, respectively, of state general funds.

"Federal and state policymakers searching for means to address health-care costs could produce billions in health-care-related savings for taxpayers simply by directing legislative efforts at improving educational outcomes and increasing graduation rates," the report said.

"In the national effort to reduce health-care costs and boost health outcomes for individuals, dramatically increasing the number of high school graduates is a meaningful strategy," Alliance President Bob Wise said in a statement.

"Had the investment been made many years ago to have more students earn diplomas, the United States would be realizing major savings in health-related costs today," the report said. "Societal costs include the impact of a disease or condition on one's productivity at work, the monetary value of lost leisure time and estimates of the value of pain and suffering caused by disease."

In addition, life expectancy improves with increased education levels. "Those with higher educational attainment are more able to follow doctors' instructions successfully and navigate medical bureaucracy. In addition, the occupations of people with lower educational attainment are generally more dangerous and expose workers to greater health hazards," according to the report.

"On average, a high school graduate lives six to nine years longer than a high school dropout."

-- [Jean Gossman](#) covers education research and secondary school reform for LRP Publications.

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