# THE ECONOMIC BURDEN OF LONG COVID

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# OUTLINE

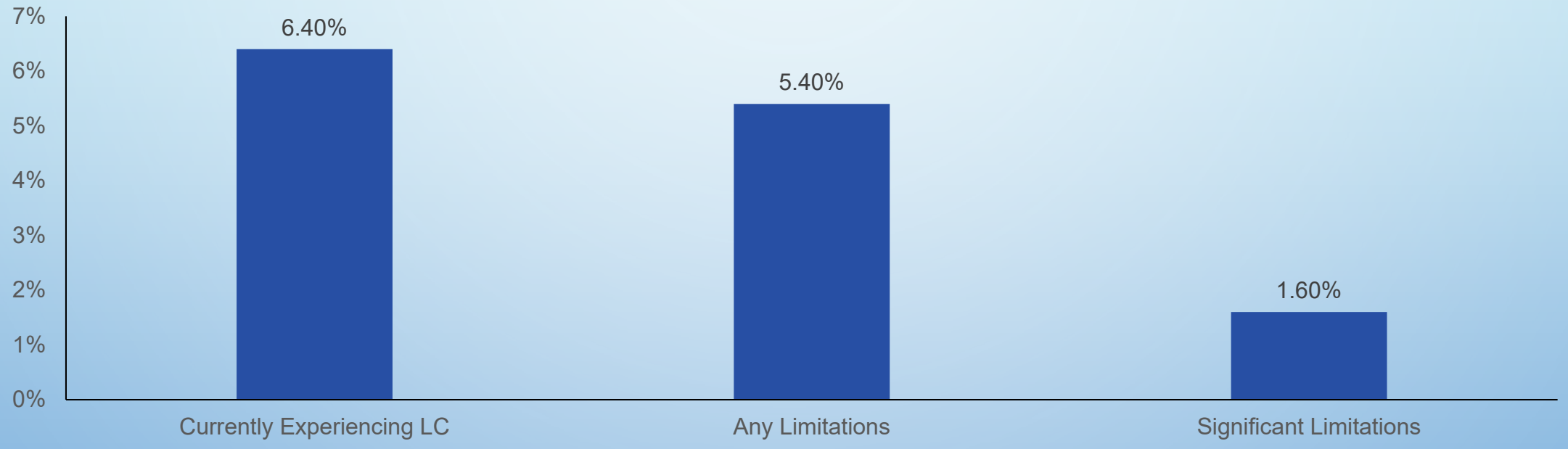
1. Prevalence

2. Costs to individuals and families

3. Aggregate costs

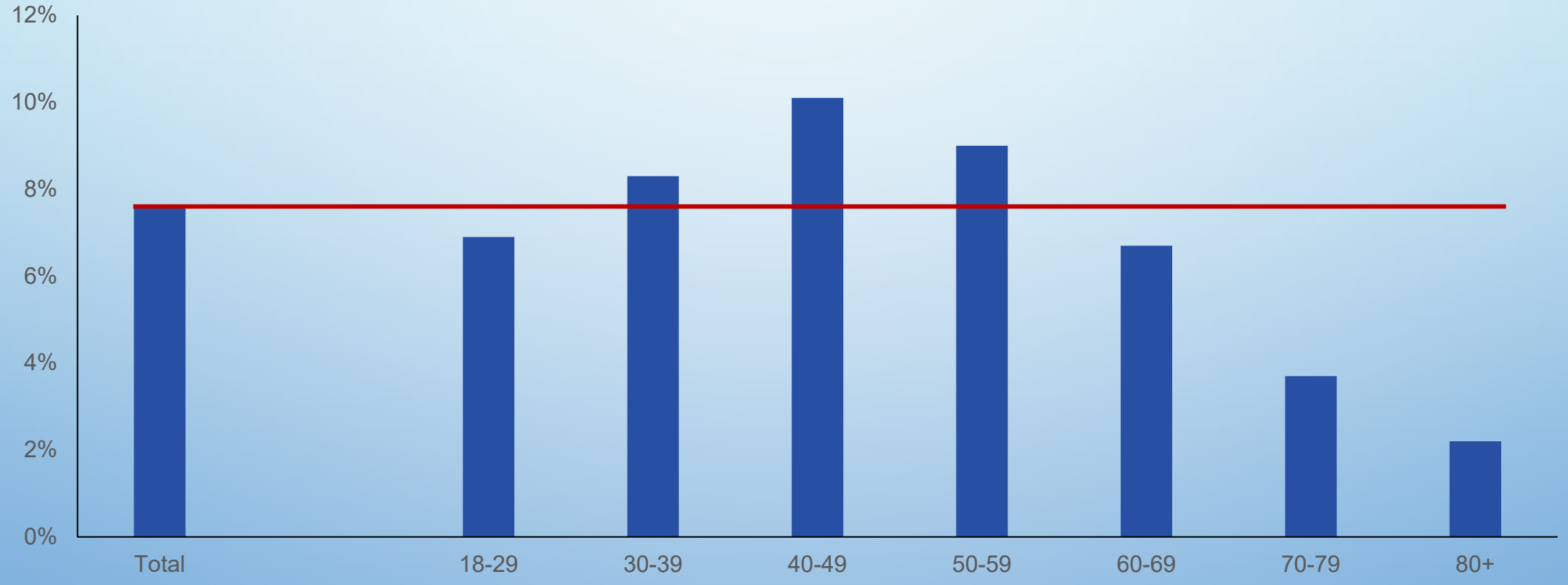
4. Policy choices that influence costs

# OVERALL PREVALENCE AND ACTIVITY LIMITATION

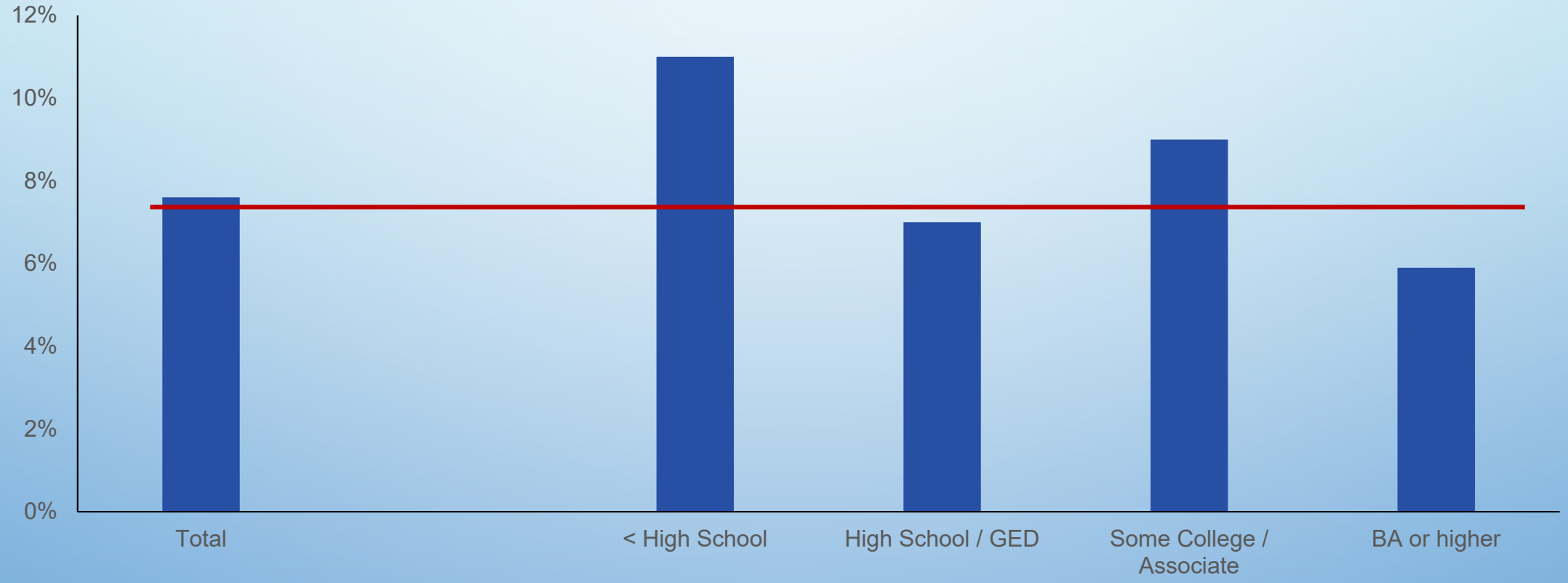



17.5M US adults experiencing Long Covid, 4.1M with “significant” activity limitations

# PREVALENCE OF LONG COVID BY AGE



# PREVALENCE OF LONG COVID BY EDUCATION



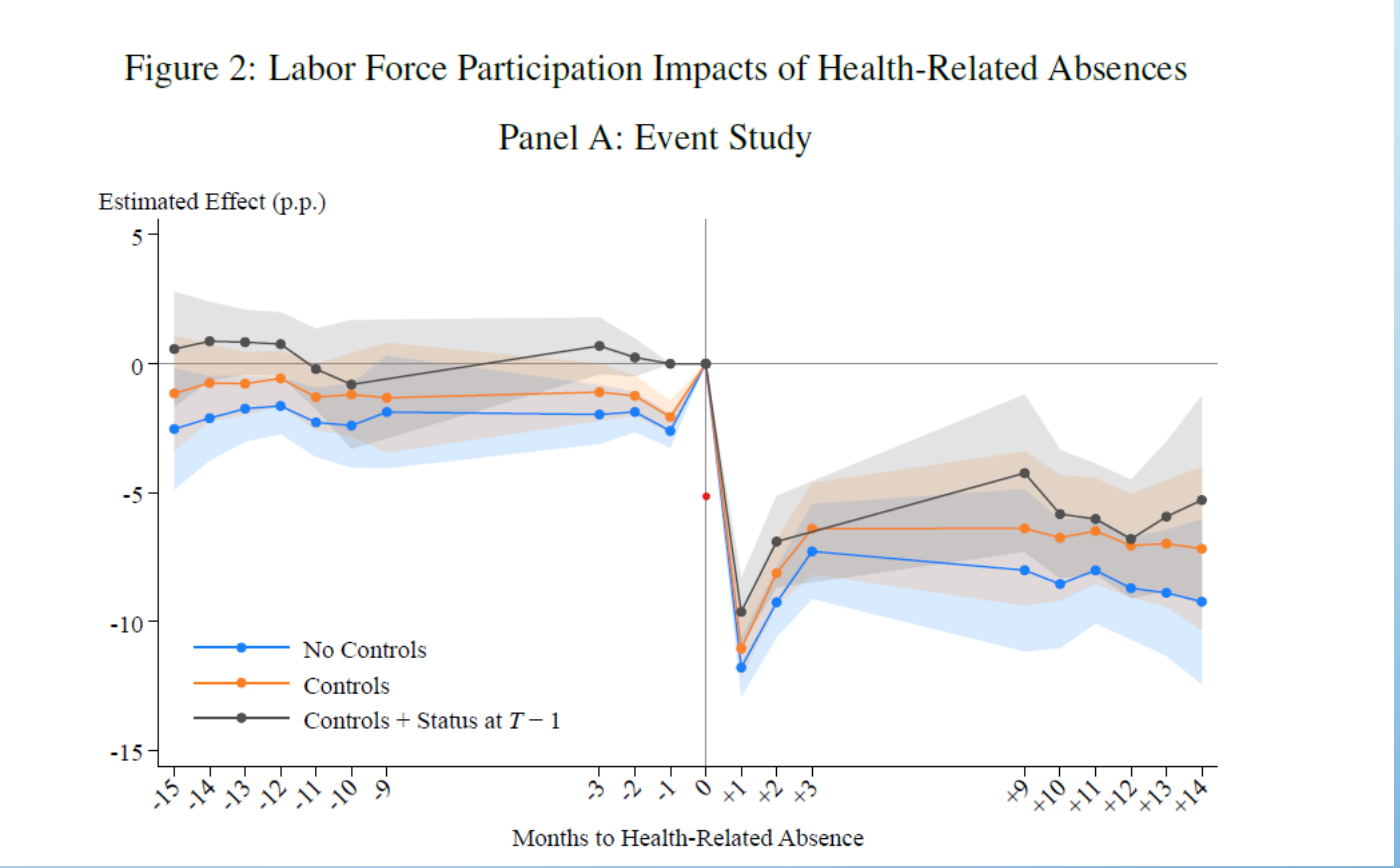
# COSTS TO INDIVIDUALS AND FAMILIES

- Income may decline…
  - UK's ONS: working-age LC patients 45% and 34% more likely to be out of work 30-39 or 40-51 weeks post-Covid vs pre-infection
  - Small longitudinal US analysis: 26% of LC patients had employment or work hours affected
  - US HHS points to decreased financial stability, increased risk of homelessness
- Just as health costs rise
  - ME/CFS proxy: ~$9,000 / yr in additional spending
  - Barriers: lack of insurance (incl with job loss), insurance not covering tests / treatment
- Where caregivers are impacted, families incur additional (non-LC) care costs

https://www.ons.gov.uk/peoplepopulationandcommunity/healthandsocialcare/conditionsanddiseases/bulletins/selfreportedlongcovidandlabourmarketoutcomesuk2022/selfreportedlongcovidandlabourmarketoutcomesuk2022
https://www.minneapolisfed.org/research/institute-working-papers/long-haulers-and-labor-market-outcomes
https://www.hhs.gov/sites/default/files/healthplus-long-covid-report.pdf
https://jamanetwork.com/journals/jama-health-forum/fullarticle/2792505

# NET EFFECT ON EMPLOYMENT

- 500,000-750,000 people out of labor force (conditional on being COVID-related work absence)
- Additional reduction in hours among those still employed




- Current Population Survey

Gopi Shah Goda and Evan Soltas, "The Impacts of COVID-19 Illnesses on Workers," NBER Working Paper No. 30435.

# LABOR MARKET IMPACT

The Impacts of Covid-19 Illnesses on Workers*

Gopi Shah Goda  Evan J. Soltas

September 2, 2022

**Abstract**

We show that Covid-19 illnesses persistently reduce labor supply. Using an event study, we estimate that workers with week-long Covid-19 work absences are 7 percentage points less likely to be in the labor force one year later compared to otherwise-similar workers who do not miss a week of wor… reduced the U.S. labor f… ply an average forgone … which reflects lost labor…

**Keywords:** Covid-19, c…
**JEL Codes:** I12, J17, J…

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REPORT

**New data shows long Covid is keeping as many as 4 million people out of work**

Katie Bach · Wednesday, August 24, 2022

Since the depths of the COVID-19 pandemic through today, news about labor shortages and missing workers has dominated headlines. The question everyone still seems to be asking is: Why?

In January 2022, Brookings Metro published a report that assessed the impact of long Covid on the labor market. Data on the condition's prevalence was limited, so the report

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The Costs of Long COVID

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More than 6 million people have died from COVID-19 worldwide, including nearly 1 million in the US.[1] But mortality is not the only adverse consequence of COVID-19. Many survivors suffer long-term impairment, officially termed *postacute sequelae of SARS-CoV-2 infection* and commonly called *long COVID*.

Long COVID—typically defined as symptoms lasting more than 30 days after acute COVID infection—has received some public attention, but it is not nearly as intense as it is for acute COVID-19 infection. Support groups are devoted to the condition, and Congress has allocated more than $1 billion to the National Institutes of Health to study it. But the relatively meager attention that has been paid to long COVID is unfortunate because its health and economic consequences are likely to be every bit as substantial as those due to acute illness.

People who have more severe COVID-19 are more likely to experience long COVID, but severe acute disease is not a prerequisite. Long COVID has been found in people with only mild initial illness. The most common symptom of long COVID is fatigue.[2] More severe cases involve damage to a variety of organ systems (the lungs, heart, nervous system, kidneys, and liver have all been implicated), along with mental health impairment. Researchers have hypothesized that physiological pathways may involve direct consequences of the viral infection along with inflammatory or autoimmune responses.

Because many prevalence estimates are based on convenience samples of members of …ho had severe acute disease, the population prevalence of long …population data suggest that 22% to 38% of people with the …symptom 12 weeks after initial symptom onset, and 12% to 17%

…ormous number of people with long COVID. The US Centers for …ates that as of May 5, 2022, the US has had roughly 81 million …0 deaths. Even the lower-end estimate of 12% of people with 3 …olies that 9.6 million people in the US may have developed long …of COVID-19 deaths. It is not known how long people with long …very in the first year of long COVID for affected individuals may

…onsequence of long COVID. People with the condition work and …wise. One survey found that 44% of people with long COVID …orked fewer hours.[5] In the economy as a whole, more than 1 …force at any given time because of long COVID.[6] …a direct earning loss. If 1 million people are out of the labor force

## *Back of envelope example…*

- 4.1M limited a lot
- 62% LFPR
- 25% reduction in hours

Would =

- 0.6M FT equiv.

- Likely range ~ (500,000-2M)

# AGGREGATE COSTS OF LONG COVID

| Area | Concept |
| --- | --- |
| Health loss | Welfare loss from reduced health |
| Earnings loss | Fewer people at work; people working earn less |
| Health spending | More money spent on treating people |
| Note: Things like DI receipt, workers compensation, etc. are transfers, not net reductions in welfare. | |

# CUTLER ESTIMATE

- Total cost = $3.8 trillion, $11,000 per person, 17% of GDP.

- Note: Part of the shortage of low wage workers in the economy may be because some of these workers are out with long COVID.
  - There are other reasons as well, including immigration and saved COVID stimulus $s.

**Table 1: The Economic Cost of Long COVID**

| Impact | Value ($ billion) |
|---|---|
| Reduced quality of life | $2,195 |
| Reduced earnings | $997 |
| Increased medical spending | $528 |
| | |
| Total cost | $3,719 |
| Cost per capita | $11,189 |
| Percent of 2019 GDP | 17% |

# IMPLICATIONS – PUBLIC POLICY

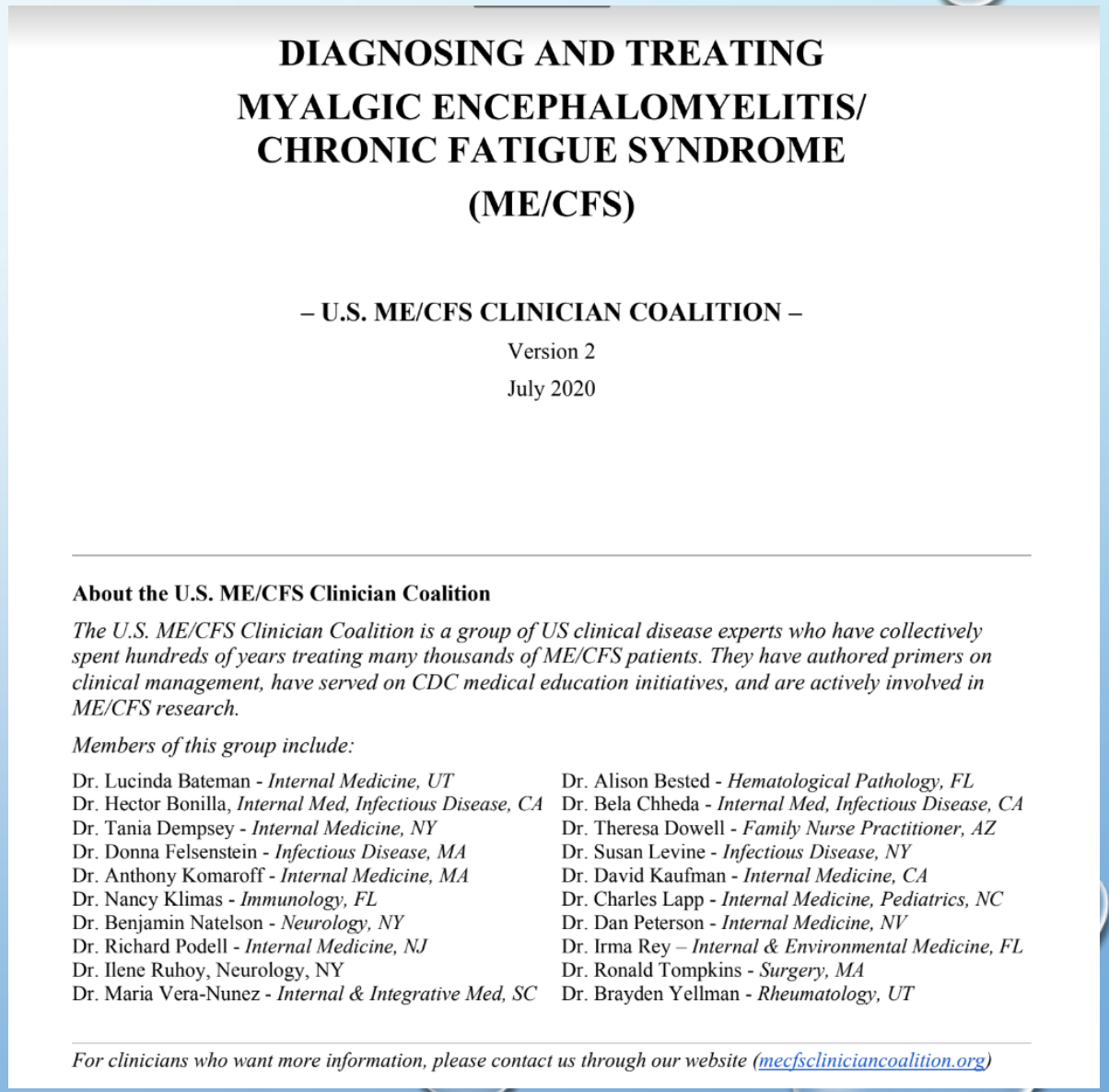
- We desperately need to know more.
  - NIH was allocated $1B for long COVID research, but it has been very slow going
- The strain on SSDI could be large.
  - But, so far there has been no increase in SSDI enrollment or applications
  - Quite anomalous

# IMPLICATIONS – EMPLOYERS

- Will need to make accommodations for workers with long COVID
  - Telework
  - Flexibility on working hours / deadlines
  - More frequent breaks
  - Stand → sit
  - “Brain fog”-related prompts (e.g., fast casual recipes, checklists…)
- …But not all jobs are easily amenable to accommodations

# IMPLICATIONS – CLINICIANS

- Few clinicians have experience with ME/CFS (most closely related to LC)
- Anecdotally (from clinicians), there are treatments that help some LC patients (MCAS, POTS, and more) – but no good studies
- Need LC-literate PCPs & specialists that take insurance



**DIAGNOSING AND TREATING**
**MYALGIC ENCEPHALOMYELITIS/**
**CHRONIC FATIGUE SYNDROME**
**(ME/CFS)**

**– U.S. ME/CFS CLINICIAN COALITION –**

Version 2

July 2020

**About the U.S. ME/CFS Clinician Coalition**

*The U.S. ME/CFS Clinician Coalition is a group of US clinical disease experts who have collectively spent hundreds of years treating many thousands of ME/CFS patients. They have authored primers on clinical management, have served on CDC medical education initiatives, and are actively involved in ME/CFS research.*

*Members of this group include:*

Dr. Lucinda Bateman - *Internal Medicine, UT*
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Dr. Tania Dempsey - *Internal Medicine, NY*
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*For clinicians who want more information, please contact us through our website (mecfscliniciancoalition.org)*