Calculating Societal Benefits of Reducing Lead Exposure

2025 National Lead and Healthy Housing Conference August 5, 2025 in Kansas City, Missouri

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Unleaded Kids – www.unleadedkids.org



Agenda

- Why monetize societal benefits?
- Health effects of low-level lead exposure
- Studies monetizing societal benefits
- Why IQ, CVD, ADHD, and low birthweight?
- EPA's All Ages Lead Model (AALM)
- Putting it into practice
- Next steps



Why monetize societal benefits?



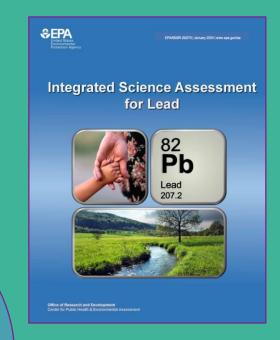
Causal health effects of low-level lead exposure

Cognitive effects: Recent epidemiologic studies add to the evidence of harm below 5 microgram per deciliter (µg/dL) blood lead levels (BLLs). Recent animal studies support the finding.

Attention, impulsivity, and hyperactivity behaviors:

Recent studies of children with mean BLLs at or below 5 µg/dL support and extend 2013 conclusions.





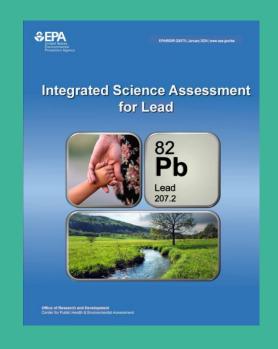
January 2024



Cognitive effects: Recent epidemiologic studies provide additional evidence of association with cumulative and early childhood exposure.

Causal health effects – beyond the brain

- Harmful health effects of lead found to be causal (cont.)
 - Cardiovascular effects and cardiovascular-related mortality: Strongest new evidence comes from studies demonstrating that lead increases blood pressure. There is substantially more evidence of cardiovascular-related death and changes in physiology.
 - **Renal effects:** Recent studies support and extend 2013 conclusions particularly for mean BLLs at or below 5 µg/dL.
 - **Development effects:** Recent studies show delays in onset of puberty in both boys and girls, particularly at lower BLLs.
 - Male reproductive function effects: Recent epidemiologic studies show consistent association with decreased sperm/semen production and quality.
 - Total nonaccidental mortality: Recent epidemiologic studies build on evidence including at mean BLLs less than 2.5 µg/dL.





Studies monetizing societal benefits

Levin & Schwartz (2023)

- 16 health endpoints EPA determined are causally related to lead exposure
- 1 health endpoint that EPA has used elsewhere: preterm birth
- See https://pubmed.ncbi.nlm.nih.gov/37080271/

USAID (2024)

- Claims a staggering 1.6 million lives each year
- Accounts for upwards of one fifth of the educational gap between rich and poor countries
- Creates at least a \$1 trillion drag on the global economy





Why IQ, CVD, ADHD, and low birthweight?

- EPA completed rigorous review process for these four harms:
 - Reviewed all available studies that could be used to develop quantitative relationships between changes in lead exposure and/or changes in blood lead levels and changes in key health endpoints.
 - Evaluated the studies for quality and potential biases.
 - Developed a separate report for each health endpoint. In addition to the quality review findings, each report provides quantitative estimates, based on the identified functions, of potential changes in the health endpoint.
 - Had the reports for quantified health endpoints reviewed by EPA experts and external peers.
 - Successfully completed inter-agency review of the approaches through White House's Office of Management and Budget.

- https://unleadedkids.org/special-series-iq/2025/03/04/
- EPA first used in 1998 for proposed lead-hazard standards

Type of Effect	Description	Estimate ('95 USD)
Effect of a 1-point reduction in IQ	2.379% of avg lifetime earning lost	\$9,360
Cost of additional education	Direct costs (\$316) & opportunity costs (\$627) of additional education	\$1,014
Total effect of 1-Point Reduction in IQ	Additional education from the effects on earnings lost	\$8,346
Special Education (IQ < 70 points)	Cost of special education beginning at age 7 and ending at age 18	\$53,836
Compensatory Education (Blood lead > 20 mcg/dL)	Cost of compensatory education beginning at age 7 and ending at age 9	\$15,298
Medical Intervention (for several blood lead ranges)	Cost of blood lead screening and medical intervention for children less than 6 years old	\$58 to \$9,843



- Values in 2024
- As an example of the new formula, a 10% reduction in a blood lead level:
 - Increase the average per child's IQ from 0.14 to 0.36 points resulting in increased lifetime earnings from \$5,900 to \$15,100
 - If increase typical for all 3.6 million children born in a year, the societal benefit would be \$21 billion to \$54 billion/year
- Estimated IQ-related societal benefits for EPA's:
 - Lead and Copper Rule Improvements were \$6.8 billion to \$11 billion/year
 - <u>Dust Lead Standard</u> and \$831 million to \$3.1 billion/year



 Based on EPA Economic Analysis for Lead and Copper Rule at § 5.5.1

Exhibit 5-25 Updated Estimates for Lifetime Earnings, Additional Education Costs, and Lost Earnings from Additional Education (2022 USD), discounted at 2 percent to age 7

	Updated Salkever Estimates				
Estimate	Male	Female	Male and Female Combined		
1. Lifetime Earnings	\$2,174,849	\$1,424,497	-		
2. IQ Effect	1.87%	3.41%	-		
3. IQ Effect*Lifetime Earnings	\$40,700	\$48,559	\$44,551		
4. Additional Education Costs	\$1,702	\$1,940	\$1,819		
5. Lost Earnings (from additional education)	\$594	\$415	\$506		
6. Value of an IQ Point (3 - (4+5))	\$38,404	\$46,204	\$42,226		

Note: The EPA uses of the term "2 percent discount rate" with regard to the calculation of the IQ point high and low estimates is shorthand for a declining discount rate which begins with a 2 percent discount rate for the years 2024-2079, a 1.9 percent discount rate used for the years 2080-2096, and a 1.8 percent discount rate used in years 2095-2102. This declining rate structure was implemented to comply with updates to OMB Circular A-4 guidance.



High benefits calculation based on Lanphear et al. 2019

$$IQ \ Loss = \beta \times \ln\left(\frac{PbB_1}{PbB_2}\right)$$
 (Equation 9)

Where:

 β = Corrected lifetime beta estimate from Lanphear et al. (-3.25)

 PbB_1 = Pre-rule BLL

 PbB_2 = Post-rule BLL

Low benefits calculation based on Lanphear et al. 2019

$$IQ \ Loss = \beta \times \ln \left(\frac{PbB_1 + 1}{PbB_2 + 1} \right)$$
 (Equation 10)

Where:

 β = Lifetime beta estimate from Crump et al. (2013) independent analysis (-3.25)

 PbB_1 = Pre-rule BLL

 PbB_2 = Post-rule BLL



Download <u>spreadsheet</u>

4	Α	В	С	D	E
14	Variable	Value	Description		
15	PbB ₁	2.75	Pre-Rule Blood Lead Lev	rel in μg/dL	
16	PbB ₂	1.22	Post-Rule Blood Lead Le	vel in μg/dL	
17					
18	Equation 9 - LCRI H	ligh Benefits C	alculation based on correcte	d Lanphear et al (2005, errat	um 2019)
19	(PbB1)/(PbB2)	2.254098361	-2.64		
20	β =	-3.25	See Exhibit 5-24 below.		
21					
22	Change in lifetime earn	ings from IQ poi	nt change discounted at 2% to age	7	
	Value of IQ Point -	440.005	\$ 111,537	Average Societal Benefits Per Chi	ld
23	Exhibit 5-25 Row 6	\$42,226	\$ 111,557	Average societal beliefits Fel elli	ıu
24					
25	Equation 10 - LCRI	Low Benefits (Calculation based on Crump	et al. (2013)	
26	(PbB1+1)/(PbB2+1)	1.69	-1.70		
27	β =	-3.25	See Exhibit 5-24 below.		
28					
29	Change in lifetime earn	ings from IQ poi	nt change discounted at 2% to age	7	
	Value of IQ Point -		ć 74.04E	Average Costatel Benefits Des Chi	14
30	Exhibit 5-25 Row 6	\$42,226	\$ 71,945	Average Societal Benefits Per Chi	ia
31					
-00					



- First used in 2024 rules on dust-lead and lead in drinking water
- As an example, a 10% reduction in the adult median blood lead level would reduce:
 - Cardiovascular disease (CVD)-related premature deaths between 6,213 and 16,344 nationally for societal benefits of \$80 billion to \$212 billion/year
- For context, the estimated CVD-related societal benefits for EPA's
 - Lead and Copper Rule Improvements were \$9.5 billion to \$25 billion/year
 - <u>Dust Lead Standard</u> were \$614 million to \$6.9 billion/year.



- CDC's Lead Exposure and Prevention Advisory Committee (LEPAC) adopted a Protecting Lead Exposure in Adults Draft Report that found that
 - Lead exposure is a cardiovascular risk factor on par with high cholesterol, smoking, and high blood pressure
 - Risk "has received relatively sparse attention in health professional education and outreach to the lay public."
- Value of Statistical Life (VSL) is an estimate of the public's willingness to pay for small reductions in mortality risks.
 - Based on the aggregate dollar amount that a large group of people would be willing to pay for a reduction in their individual risks of dying in a year.
- Use only for BLLs < 5 mcg/dL



Based on EPA Economic Analysis for Lead and Copper Rule at § § 5.5.7 and 5.5.8

Exhibit 22. Age- and Sex-Specific Cardiovascular Disease Mortality Rates in the United States in 2014, Based on CDC's WONDER Database

Age (years)	Sex	Number of Deaths	Total Population	CVD Mortality Rate, Y ₁
40-49	M	16,164	20,566,856	7.86E-04
40-49	F	7,886	20,912,669	3.77E-04
50-59	M	47,045	21,521,569	2.19E-03
30-39	F	21,930	22,560,689	9.72E-04
60-69	M	74,155	16,127,000	4.60E-03
00-09	F	39,275	17,764,398	2.21E-03
70-80	M	98,852	9,151,537	1.08E-02
70-60	F	74,989	11,107,883	6.75E-03
T-4-1	М	236,216	67,366,962	3.51E-03
Total (40-80 years)	F	144,080	72,345,639	1.99E-03
(40-00 years)	Both	380,296	139,712,601	2.72E-03

Source: CDC - National Center for Health Statistics (2014)



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7	Instructio	ns:						
8	1. Use EPA's All Ages Lead Model to Estimate Pre-Rule and Post-Rule Blood Lead Levels for Typical Child							
9	2. Enter Pr	e-Rule and Post-Lea	ad Blood Lead Levels in Yellow Highlighted Cell					
10	3. Enter Po	pulation Expected	to Benefit from Change in Blood Lead Level in Yellow Highlighed Cell					
11	4. Use the	Central Estimate fo	r Both Aoki et al 2016 and Lanphear et al. 2018 from Blue Highlighted Box					
12	5. See Low	-End and High-End	Estimated Changes in Lifetime Earnings in Blue Highlighted Box.					
13								
14	Variable	Value	CVD Mortality Risk Reduction					
15	x ₁ =	1.17	Baseline blood lead level					
16	x ₂ =	1.053	Post-rule blood lead level					
17	рор	139,712,601	Population for whom the change in blood lead occurs.					
18	У1	0.00272	0.00272 Baseline hazard rate of CVD premature mortality for 40-80 year olds in baseline scenario (i.e., without the rule)					
19	β = See below for each Beta coefficient, which represents the change in CVD mortality risk per unit change in blood lead							
20	Logz =	10	Log transformation to the base z (e.g., log10)					
24								



High benefits calculation based on Lanphear et al. 2018

31	Lanphear et al	. 2018 (High Benefit Estin	nates) (blood lead levels	< 5 µg/dL			
32	Central β	0.96	Central beta estimate				
33	Lower B	0.54	Lower beta estimate (ba	sed on lower bound	of 959	% confidence interval for hazard ratio)	
34	Upper β	1.37	Upper beta estimate (ba	sed on upper bound	of 95	% confidence interval for hazard ratio;)
35							
			CVD Mortality	CVD Deaths	CVD Deaths Avoided		
			Risk Reduction	Avoided			
36							
37		Central	0.00011690	16,332	\$	211,986,817,320	
38		Lower	0.00006639	9,275	\$	120,387,301,577	
39		Upper	0.00016528	23,091	\$	299,723,347,714	

Low benefits calculation based on Aoki et al. 2016

22	Aoki et al. 201	6 (Low Benefit Estimates)				
23	Central β	0.36	Central beta estimate				
24	Lower B	0.05	Lower beta estimate (ba	sed on lower bound	of 95% co	nfidence interval for hazard ratio)	
25	Upper β	0.68	Upper beta estimate (ba	sed on upper bound	l of 95% co	nfidence interval for hazard ratio)	
			CVD Mortality	CVD Deaths	Value		
			Risk Reduction	Avoided			
26							
27		Central	0.00004444	6,209	\$	80,588,260,862	
28		Lower	0.00000622	868	\$	11,272,355,235	
29		Upper	0.00008333	11,642	\$	151,116,277,971	



- First used in 2024 rules on dust-lead and lead in drinking water
- As an example, a 10% reduction in the median blood lead level of children aged 6 to 11 years would reduce diagnosed attention deficit hyperactive disorder (ADHD) cases
 - Between 7,410 and 18,809/year nationally for societal benefits of \$953 million to \$3.46 billion per year.
- For context, the estimated ADHD-related societal benefits for EPA's:
 - <u>Lead and Copper Rule Improvements</u> were \$196 million to \$600 million/year
 - <u>Dust Lead Standard</u> were \$129 million to \$274 million/year.

Based on EPA Economic Analysis for Lead and Copper Rule at § § 5.5.3 and 5.5.4

Exhibit 5-26: Present Value of Avoided ADHD Cases 2022 USD, Per Case

Assumed Persistence of ADHD Into Adulthood	Age at ADHD Diagnosis	2% Discount Rate	
90%	11 (High- Froelich)	\$184,149	
29.3%	7 (Low- Ji)	\$128,559	

Note: The EPA uses of the term "2 percent discount rate" with regard to the calculation of the ADHD high and low estimates is shorthand for a declining discount rate which begins with a 2 percent discount rate for the years 2024-2079, a 1.9 percent discount rate used for the years 2080-2085. This declining rate structure was implemented to comply with updates to OMB Circular A-4 guidance.

Download <u>spreadsheet</u>

7	Instructions:					
8	1. Use EPA's All Ages Le	ead Model to Estimate Pre-Rule and Po	ost-Rule Blood Lea	d Levels for 6 to 1	1 Year Old Child	
9	2. Enter Pre-Rule and P	ost-Lead Blood Lead Levels in Yellow	Highlighted Cell			
10	3. Enter Population Exp	pected to Benefit from Change in Bloo	d Lead Level in Yel	llow Highlighed Co	ell	
11	4. See Low-End and Hi	gh-End Estimated Changes in Lifetime	Earnings in Blue H	lighlighted Box.		
12						
13						
		sponse Function for Lead and ADHD				
15	Variable	Value				
16	Blood Pb _i	0.475	Initial blood leal	(µg/dL)		
17	Blood Pb _f	0.4275	Final blood leal ([μg/dL)		
18	Population	3,600,000	Number of child	ren in the popula	ation of interest	
19	ln(Blood Pb _i)	-0.744				
20	In(Blood Pb _f)	-0.850				
21	X	0.105	ln(Blood Pb _i)-ln(Blood P	b _f)		
22	p ₀	0.096	Baseline rate of AHDH in	n the population of inte	rest (assumed to be 9.6% based on	Danielson et al (2018).

High benefits calculation based on Froelich et al. 2009

36	Equation 11 using Froelich et al. (2009) - High-End Risk and High-End Value							
37	β1	0.558	0.558 Beta estimate from study: 0.223 using Ji et al. (2018) or 0.588 using Froelich et al. (2009)					
38	e ^{-β(x)}	0.943						
39	Υ	0.948	$(1-p_0)*e^{-\beta(x)}+p_0$					
40	Z	0.103	$p_0/((1-p_0)*e^{-\beta(x)}+p_0)$					
41	у	-0.005	Estimate for one child	(18,809.00)				
42	ΔADHD	(18,809)	Change in number of children with ADHD among popu	ulation of interest with change in blood lead level				
43	Benefits of Avoided ADHD	\$ 184,149	Present value of avoided ADHD cases in 2022 USD at 2	2% discount rate)				
44	Age at AHDH Diagnosis	11						
45	Societal Benefits	\$ 3,463,659,457	Per year Per year					

Low benefits calculation based on Ji et al. 2018

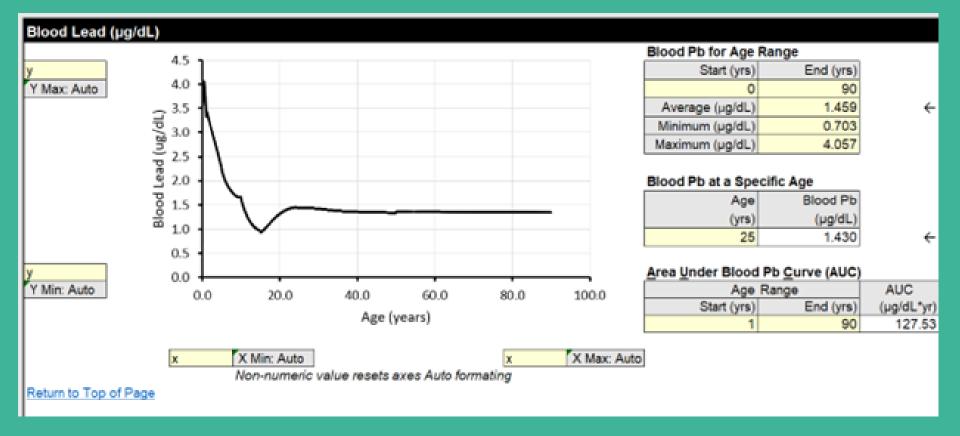
24	Equation 11 using Ji et al. (201	al. (2018) - Low-End Risk and Low-End Value							
25	β_1	0.223	Beta estimate from study: 0.223 using Ji et al	. (2018) or 0.588 using Froelich et al. (2009)					
26	e ^{-β(x)}	0.977	,						
27	Υ	0.979	$(1-p_0)*e^{-\beta(x)}+p_0$						
28	Z	0.098	$p_0/((1-p_0)*e^{-\beta(x)}+p_0)$						
29	у	-0.002	Estimate for one child	(7,410.49)					
30	ΔADHD	(7,410)	Change in number of children with ADHD an	nong population of interest with change in blood lead level					
31	Benefits of Avoided ADHD	\$ 128,559	Present value of avoided ADHD cases in 2022	2 USD at 2% discount rate)					
32	Age at AHDH Diagnosis	7		2					
33	Societal Benefits	\$ 952,684,950	Per year	2					

Preventing low birthweight babies

- First used in 2024 rules on dust-lead and lead in drinking water
- For context, the estimated ADHD-related societal benefits for EPA's:
 - Lead and Copper Rule Improvements were \$3.9 to \$4,4 million/year
 - <u>Dust Lead Standard</u> could not be monetized using cost-of-illness approach

EPA's All Ages Lead Model

• Version 3 released by EPA in 2024 at https://www.epa.gov/land-research/all-ages-lead-model-aalm

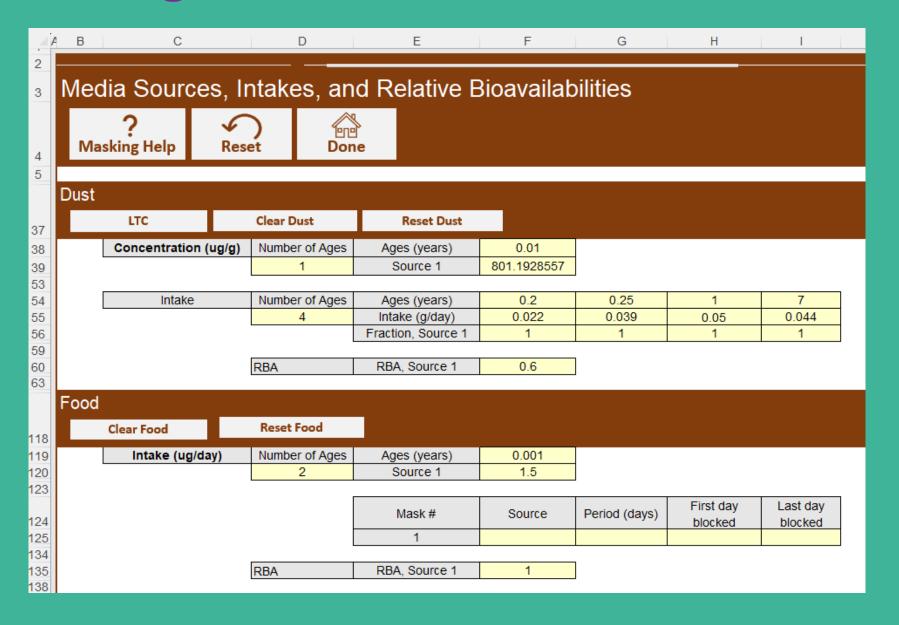


EPA's All Ages Lead Model

Import		All Ages	Lead	Mode	I (AALM)	√ Reset
Simu	ılation Setup						
	Simulation Name	SimName	○ 32-b				
1. Set Ba	se Parameters					Select to see advanced time op	otions:
	Age at end (yrs)	7	?				
	Sex	Female	?				
2 Set Gr	owth and Physiology						
	Adjust growth parameters?	No (default)	?				
	st physiology parameters?	No (default)	(P)				
		(
3. Set Ac	tive Media						
		Media	Number of Sources	Number of Periodic "Time Masks"			
	Soil	No	0	0	?	6	
	Dust	Yes	1	0	②	Go to Media	
	Water	No	0	0	(?) (?)		
	Air	No	0	0			
	Food	Yes	1	1	0		
	Other	No No	0	0	?		
	Solution type	Forward	2				
	Stepwise or Interpolated?	Stepwise	?				
	Linear or Non-linear RBC?	Non-linear RBC	(?)				
	·						
> Si	mulation Control Fo	ortran input file Explore	Data	tailed Output	Daily Out	put Summary +	



EPA's All Ages Lead Model





Putting it into Practice



Calculating Societal Benefits of Reducing Lead Exposure

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