

Chronic Cost of Diabetes

Effectively treating this epidemic could mean big savings for states and healthier patients.



BY KATHERINE MASON

Diabetes is killing us.

More and more Americans suffer from it, and estimates are that the 26 million people with the disease will cost the nation more than \$200 billion this year.

Expanded health programs aimed at tipping the scales against obesity, pre-diabetes and diabetes could help prevent many new cases, help those suffering from it, and save state governments millions.

Michigan Representative Stacy Erwin Oakes (D) knows about diabetes all too well. She was recently diagnosed as having prediabetes while being screened for what she thought was a pregnancy. Young and seemingly healthy, Oakes is a 5-foot-9-inch former basketball player. She has never struggled with weight or health issues until recently, and believes you'd never know her condition just by looking at her.



*Representative
Stacy Erwin
Oakes
Michigan (D)*

"It doesn't look the same for every person," Oakes says.

Cost Driver

Diabetes accounts for more than 10 percent of all U.S. health care spending—a troubling omen for our health care economy. The medical bills of people with diabetes often are 2.3 times

higher than those who do not have the condition. Nearly 1-in-5 hospitalizations in 2008 was related to diabetes, totaling more than 7.7 million hospital stays and \$83 billion in hospital costs.

The disease was the seventh leading cause of death in the United States in 2007, the most recent year for which statistics are available, according to the Centers for Disease Control and Prevention. The CDC notes that a person with diabetes also has a shorter life expectancy than someone of similar age without the disease, often because of complications that may include cardiovascular disease, kidney failure, blindness and lower limb amputations.

The steady increase in the number of cases is troubling. If current trends continue, by 2050, the CDC estimates that as many as 1-in-3 U.S. adults could have diabetes. State budgets will feel the effect. The estimated 10-year cost just to state budgets for Medicaid clients with diabetes or pre-diabetes is a whopping \$111 billion.

"Ultimately, whether states or the federal government are addressing the issue, we are facing cost and revenue issues that must be shared," says Oakes. "In conjunction with the states and insurance companies, we also need to make sure people are getting tested."

People with diabetes are more susceptible to all kinds of other diseases and maladies, and once a diabetic, always a diabetic. There is no cure. However, prevention strategies and proper treatment can help reduce the incidence of the disease and complications that add to the personal and fiscal burdens.

"As chair of the Senate's Health and Human Services Com-

Katherine Mason tracked diabetes for NCSL in 2011. Kara Hinkley now covers the issue for NCSL.

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Senator
Jane Nelson
Texas (R)

mittee, and a mother and grandmother, my primary concern with this condition is its prevalence among Texas youth,” says Senator Jane Nelson (R). “About 26,000 children have been diagnosed with diabetes, and the number of adult Texans diagnosed with the condition is expected to quadruple within 30 years—encompassing nearly a fourth of our state’s population by 2040.”

Prevention First

Most helpful in preventing or delaying the onset of Type 2 diabetes is a healthy lifestyle.

One-third of U.S. adults—72 million people—and 17 percent of U.S. children are obese, and that is a major risk factor for diabetes, as well as for cardiovascular disease and some types of cancer.

State strategies to reduce the incidence of obesity, such as promoting access to healthy foods and physical activity in communities and schools, help reduce the risk of diabetes.

In addition, the federal health reform law contains numerous provisions to promote health and wellness, including grants to states to invest in prevention and incentives in Medicaid to help enrollees adopt healthy behaviors. The law also increased incentive levels for employer-based wellness plans that offer employee rewards of up to 30 percent of the cost of insurance coverage for participating in a wellness program and meeting certain standards, such as weight control.

Some states also have created statewide diabetes action plans. In 2011, Kentucky and Texas passed legislation to develop such plans.

“CDC estimates that 79 million Americans have pre-diabetes and another 26 million have diabetes,” says Ann Albright, director of the Centers for Disease Control and Prevention’s Division of Diabetes Translation.” Strong community programs and policies that support healthy eating and physical activity can help many of them avoid the devastating toll of diabetes. The stakes are too high to fail.”

A Promising Model

The use of medical homes is a promising model for treating diabetes. It teams primary care doctors with specialists, nurse practitioners, physician assistants, nurses, dietitians, pharmacists and mental health professionals to treat all aspects of the patient’s health. The approach considers not only medical problems, but also the social and emotional issues that may be contributing to the patient’s poor health. Patients receive more coor-

minated care through a system that allows them to easily schedule appointments, and also offers expanded doctors’ hours and better communication with providers.

Proponents of this model of care see its significant potential for reducing overuse and misuse of services and improving patients’ health, all of which reduce costs.

At least 29 state legislatures have enacted legislation on medical homes in the last several years. Twenty-two states have tested one or more public, private or public-private medical home pilot programs.

In recent years, lawmakers have enacted measures dealing with the certification of medical homes, authorized Medicaid pilot programs, appropriated funds to create them, established advisory panels to study them, and protected them from anti-trust litigation.

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Training and Education

Other efforts include education programs for people with diabetes to help them better self-manage the disease to prevent serious complications. Self-management programs may be the first line of defense in preventing these pricey and debilitating conditions, and also in thwarting expensive emergency room visits from low or high blood sugar reactions.

A few states provide self-management training through their Medicaid programs. In 2009, New York lawmakers gave the state’s nearly 300,000 diabetic Medicaid patients the opportunity to learn how to better self-manage their disease. In January 2011, the state expanded its Medicaid reimbursement criteria to allow diabetes self-management training.

Texas lawmakers created an educational pilot program for about 2,000 people with diabetes in 2009. The program allows Medicaid to cover 10 hours of self-management education, with the option for further follow-up care.

Pharmacists, too, are playing a role in fighting diabetes, since medication is so important in its treatment. When pharmacists from Asheville, N.C., were allowed to work with patients covered by a city health plan, the diabetics’ health improved. For every \$1 the city invested in the plan, it saved about \$4.

New Mexico is one of the few states that licenses “pharmacist clinicians”—pharmacists who receive additional training in certain diseases and can prescribe medication. They are particularly helpful in managing diabetes.

SL ONLINE

Learn more about state efforts to combat the diabetes epidemic, including prevention and treatment strategies, at www.ncsl.org/magazine.