

Contact: Christine Feheley (703) 549-1500 ext. 4374

cfeheley@diabetes.org

Lisa Tamara (703) 549-1500 ext. 4824

ltamara@diabetes.org

American Diabetes Association Releases New Research Estimating Annual Cost of Diabetes at \$245 billion

Cost represents a 41 percent increase from previous study conducted in 2007

ALEXANDRIA, VA (March 6, 2013) – [The American Diabetes Association](#) (Association) released new research today estimating the total costs of diagnosed diabetes have risen to \$245 billion in 2012 from \$174 billion in 2007, when the cost was last examined. This figure represents a 41 percent increase over a five year period. The study, *Economic Costs of Diabetes in the U.S. in 2012*, was commissioned by the Association and addresses the increased financial burden, health resources used and lost productivity associated with diabetes in 2012. The study includes a detailed breakdown of costs along gender, racial and ethnic lines, and also includes a breakdown of costs on a state-by-state basis.

“As the number of people with diabetes grows, so does the economic burden it places upon on this country,” said Robert Ratner, MD, Chief Scientific & Medical Officer, American Diabetes Association. “The cost of diabetes is rising at a rate higher than overall medical costs with more than one in 10 health care dollars in the country being spent directly on diabetes and its complications, and more than one in five health care dollars in the U.S. going to the care of people with diagnosed diabetes.”

Diabetes, a serious and life-threatening disease, has reached epidemic proportions in the U.S. with nearly 26 million adults and children living with the disease. An additional 79 million have prediabetes, placing them at increased risk for developing type 2 diabetes. The total cost includes direct medical costs of \$176 billion, which reflects costs for hospital and emergency care, office visits and medications, and indirect medical costs totaling \$69 billion, which includes absenteeism, reduced productivity, unemployment caused by diabetes-related disability and lost productivity due to early mortality.

In addition, the study found that:

- Medical expenditures for people with diabetes are 2.3 times higher than for those without diabetes.
- The primary driver of increased costs is the increasing prevalence of diabetes in the U.S. population.
- Despite the introduction of new classes of medication for the treatment of diabetes, antidiabetic agents and diabetes supplies continue to account for only 12 percent of medical expenditures in both 2007 and 2012.

“When it comes to the rising cost of diabetes, one of the key factors explaining the increase is that there are many more people that are now being treated for diabetes in the U.S.,” said Ratner. “It is important to note that while treating diabetes is expensive, it is the fact that the prevalence of the disease is increasing dramatically. Recent estimates project that as many as one in three American adults will have diabetes in 2050. These numbers are alarming and further highlight the need for our nation to address this epidemic.”

The research also examined costs along gender, racial and ethnic lines, and included state-by-state data. Key findings include:

- Most of the cost for diabetes care in the U.S., 62.4 percent, is provided by government insurance (including Medicare, Medicaid and the military). The rest is paid for by private insurance (34.4 percent) or by the uninsured (3.2 percent).
- Total per-capita health expenditures are higher among women than men (\$8,331 vs. \$7,458). Total per-capita health care expenditures are lower among Hispanics (\$5,930) and higher among non-Hispanic blacks (\$9,540) than among non-Hispanic whites (\$8,101).
- The per-capita cost of medical care attributed to diabetes was \$6,649 in 2007 and \$7,900 in 2012, a 19 percent increase. Overall, medical care costs in the U.S. rose by a comparable amount during the same time period, indicating that the increasing cost of diabetes care is driven by the overall increasing prevalence of diabetes.
- Among states, California has the largest population with diabetes and thus the highest costs, at \$27.6 billion. Although Florida's total population is fourth among states behind California, Texas and New York, it is second in costs at \$18.9 billion.

The findings were released at a press conference held today on Capitol Hill which coincided with the Association's premier advocacy event, Call to Congress, where more than 200 Diabetes Advocates from across the nation meet with legislators to educate them about the diabetes epidemic and help make diabetes a national priority.

The complete study will be published in the upcoming April issue of *Diabetes Care*.

The American Diabetes Association is leading the fight to Stop Diabetes and its deadly consequences and fighting for those affected by diabetes. The Association funds research to prevent, cure and manage diabetes; delivers services to hundreds of communities; provides objective and credible information; and gives voice to those denied their rights because of diabetes. Founded in 1940, our mission is to prevent and cure diabetes and to improve the lives of all people affected by diabetes. For more information please call the American Diabetes Association at 1-800-DIABETES (1-800-342-2383) or visit www.diabetes.org.

###