

Diabetes Prevention Program Return on Investment

What is the Diabetes Prevention Program?

Cases of diabetes are increasing substantially every year, along with treatment costs. There is a critical need to adopt proven programs that stem rising diabetes rates and lower costs. The CDC-led National Diabetes Prevention Program (DPP) is an evidence-based lifestyle change program designed to identify prediabetes and prevent the onset of Type 2 diabetes. During this year-long program, participants work with a trained lifestyle coach and other participants to learn the skills needed to make lasting lifestyle changes. DPP has been shown to enhance care and reduce diabetes risk. Providing this program produces savings for payers within only a few years, as diabetes onset is prevented or delayed.

Why is the Diabetes Prevention Program Needed?

Diabetes is expensive:

- **Direct medical costs for those with diabetes are 2.3 times higher than costs without diabetes.** In 2012, care for people with diabetes accounted for a fifth of US health care dollars, and over half of this spending was directly attributed to diabetes.^{1,2}

Diabetes incidence is increasing:

- Nationally, 29.1 million (9.3%) have diabetes and 86 million (37%) have prediabetes.³
- In California, 3.9 million (13.8%) have diabetes and 11.4 million (41%) have prediabetes.⁴
- New cases of diabetes will increase from 8 per every 1,000 people in 2008 to 15 in 2050. **Total diabetes prevalence is expected to increase between 25%-28% by 2050.**⁵

And treatment costs are rising:

- In 2007 the medical cost of diabetes in the United States was \$116 billion, but by 2012 this cost had risen to \$176 billion.^{6,7}

DPP has proven successful:

DPP is effective in reducing diabetes risk in both the short and long term:

- Following lifestyle intervention, diabetes incidence decreased by 58%.^{8,9}
- 10 years after the start of the intervention, diabetes incidence decreased by 34%.¹⁰
- Over a participants' lifetime, lifestyle interventions delayed the onset of type 2 diabetes by 11 years and reduced incidence by 20%.¹¹

DPP is cost-effective:

Research has established that DPP **“provides good value for the money spent”**¹² and is unanimous on the long-term economic return from lifestyle interventions. DPP creates cost savings, provides a substantial return on investment, and makes economic sense for payers:

- A systematic review of 56 studies found intensive lifestyle interventions to be **“very cost effective.”**¹³
- DPP lowers health care costs. Studies have found average savings over 10 years ranging from \$4,250 to \$6,300 per participant.^{14,15,16}

- The Montana Department of Public Health estimated an annual return on investment of \$1,132,394 assuming 700 people with pre-diabetes enrolled in DPP and DPP leads to a 58% risk reduction in Type 2 diabetes incidence over 3 years follow up as the research indicates.¹⁷ With increased participation in the program, the return on investment would likely be even higher. Based in part on the return on investment, Montana’s Medicaid program opted to provide DPP as a covered benefit starting in 2012.¹⁸

Insurers experience lower costs by offering DPP:

- Implementing DPP has been cost saving for UnitedHealth Group and their employer partners. According to Dianne Howard, director of Risk and Benefits Management for the School District of Palm Beach County: “In one year, we’ve experienced a 9 percent reduction in our total net costs, saving about \$2.9 million.”¹⁹
- When the UnitedHealth Group and YMCA’s DPP lifestyle interventions were scaled up nationally, the UnitedHealth Group anticipated that savings from reduced diabetes medical spending would outweigh the initial costs of the intervention within 3 years.²⁰
- A study that explored how DPP might be funded among pre-Medicare populations to provide savings for both insurers and Medicare payers found that by partnering to cover DPP for at-risk patients age 50-64, both insurers and Medicare would experience a return on investment. One hypothetical projected that private health insurers paying 24% of intervention costs for the first 3 intervention years would recover these costs in the form of medical expenses avoided within these 3 years.²¹

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- ³ 2014 National Diabetes Statistics Report. 2012 data. Centers for Disease Control and Prevention.
www.cdc.gov/diabetes/data/statistics/2014statisticsreport.html
- ⁴ 2012 California Diabetes Program Fact Sheet. California Diabetes Program Diabetes Information Resource Center. California Department of Public Health and University of California, San Francisco. www.crihb.org/wp-content/uploads/2014/12/CDP_Fact_Sheet_2012-1.pdf
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