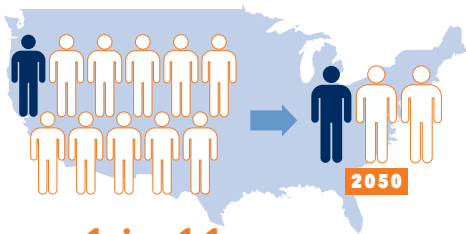


# The Spike in Drug Costs: Diabetes

Advancements in pharmaceuticals can result in drugs that offer fewer side effects, improve a patient's quality of life and save lives, but what if not everyone can afford them?

## GENERAL STATISTICS...



**1 in 11 people**

in the U.S. has diagnosed or undiagnosed diabetes.<sup>1</sup>

This is expected to increase to **1 in 3 people by 2050.**<sup>2</sup>



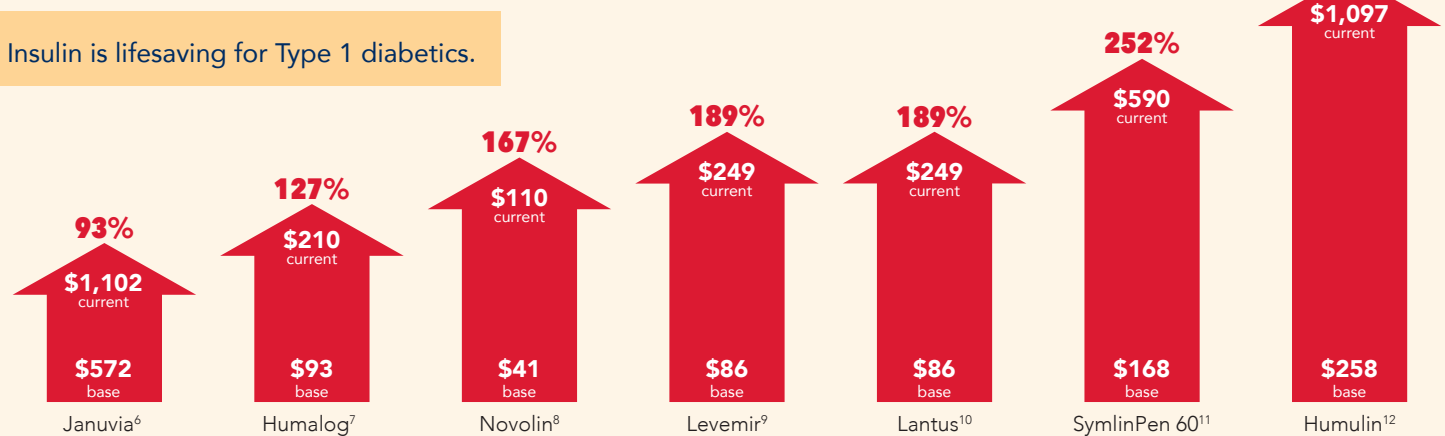
The cost of diagnosed diabetes in 2012 was **\$245 billion.**<sup>3</sup>



Primarily because of escalating drug costs, spending on insulin and other diabetes medications is expected to rise **18.3 percent over the next three years,**<sup>4</sup> a rate of increase **60 times greater than the recent income growth** average of just 0.3 percent across all households.<sup>5</sup>

## DRUG PRICES ARE RISING AT AN UNSUSTAINABLE AND SEEMINGLY IRRATIONAL RATE.

### Diabetes Drugs with Significant Percent Price Changes Over Five Years (3/1/2010 – 2/28/2015)



Note: Price modifications will alter the values reflected above. Source: Medi-Span<sup>®</sup> Price Rx<sup>®</sup>. Figures reflect wholesale acquisition cost.

High costs affect both brand-name and generic drugs and span therapeutic areas. This graphic focuses on brand-name diabetes drugs, with no generic options yet available for insulin in the U.S.

## THERE'S ENORMOUS PRESSURE ON...



**Consumers and their families,** who may be faced with the difficult choice between paying for diabetes medications and other necessities.



**Employers,** who may be forced to make cuts to their overall benefits package in order to fund rising drug costs.



**Health care providers,** who treat an increase in uncontrolled diabetes & disease-related complications due in part to non-adherence to costly medications.



**Health plans and other payers,** who want to ensure the right people get the right drugs, yet whose budgets cannot finance the high cost of drugs.



**Federal government,** which is bearing an ever-growing share of the costs of these drugs, placing increasing pressure on the federal budget.

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## SOURCES

<sup>1</sup> <http://www.cdc.gov/diabetes/data/statistics/2014statisticsreport.html>

<sup>2</sup> <http://www.cdc.gov/media/pressrel/2010/r101022.html>

<sup>3</sup> <http://www.cdc.gov/diabetes/pubs/statsreport14/national-diabetes-report-web.pdf>

<sup>4</sup> <http://lab.express-scripts.com/drug-trend-report/>

<sup>5</sup> <http://www.census.gov/newsroom/press-releases/2014/cb14-169.html>

<sup>6</sup> Januvia Oral Tablet, Bottle of 100 (25MG, 50MG, or 100MG)

<sup>7</sup> Humalog Mix Subcutaneous Suspension 100 UNIT/ML, 10ML vial of suspension (50/50 mix or 75/25 mix)

<sup>8</sup> Novolin 70/30 Subcutaneous Suspension (70-30) 100 UNIT/ML, 10 ML vial of suspension; Novolin N Subcutaneous Suspension 100 UNIT/ML, 10 ML vial of suspension; and Novolin R Injection Solution 100 UNIT/ML, 10 ML vial of solution

<sup>9</sup> Levemir Subcutaneous Solution 100 UNIT/ML, 10 ML of solution

<sup>10</sup> Lantus Subcutaneous Solution 100 UNIT/ML, 10 ML of solution

<sup>11</sup> SymlinPen 60 Subcutaneous Solution Pen-injector 1500 MCG/1.5ML, 2 pens with 1.5 ML of solution

<sup>12</sup> Humulin R U-500 (concentrated) Subcutaneous Solution 500 UNIT/ML, 20 ML of solution



## About ACHP

The Alliance of Community Health Plans (ACHP) is a national leadership organization bringing together innovative health plans and provider groups that are among America's best at delivering affordable, high-quality coverage and care. The community-based and regional health plans and provider organizations from across the country that make up ACHP's membership provide coverage and care for approximately 18 million Americans. These 23 organizations focus on improving the health of the communities they serve and are on the leading edge of innovations in affordability and quality of care, including primary care redesign, payment reforms, accountable health care delivery and use of information technology.