

SHARING REBATES ON DIABETES MEDICINES COULD SAVE PATIENTS IN ALABAMA \$68.3 MILLION A YEAR*

\$791 **SAVED PER
PERSON
PER YEAR**

SHARING 100% OF REBATES WITH
PATIENTS REDUCES OUT-OF-POCKET
COSTS ON DIABETES MEDICINES **BY 40%**



Reducing out-of-pocket costs for diabetes medicines **IMPROVES ADHERENCE AND
LOWERS COSTS** by preventing diabetes complications.

**IMPROVED ADHERENCE COULD MEAN 1 MILLION FEWER HOSPITAL VISITS A YEAR IN U.S.
AND BENEFITS:**



PEOPLE WITH DIABETES

By reducing costs at the pharmacy
and overall health risks



EMPLOYERS

By reducing disability, sick
days, and medical spending



HEALTH PLANS

By reducing medical services
use and overall spending

SAVINGS IF ENTIRE REBATE SHARED WITH PATIENTS	MEDICAL AND NET DRUG SAVINGS (2018 \$US)		
	TOTAL SAVINGS	SAVINGS FOR PATIENTS	SAVINGS FOR HEALTH PLANS
Annual Per Person Savings	\$884	\$791	\$93
Average Annual Savings for Full Population	\$76.3 Million	\$68.3 Million	\$8 million

**REDUCED HEALTH SPENDING FROM BETTER OUTCOMES MORE THAN OFFSETS INCREASED HEALTH PLAN
SPENDING ON DRUGS WHEN REBATES ARE SHARED.**

**TO LEARN MORE ABOUT THE COST OF CHRONIC DISEASES FOR PEOPLE LIVING IN YOUR
STATE, VISIT WWW.FIGHTCHRONICDISEASE.ORG/PFCD-IN-THE-STATES**

Sources: CDC, US Diabetes Surveillance System, Adults with Diabetes, Total, 2016. (March 2018); Jha, A. K., Aubert, R. E., Yao, J., Teagarden, J. R., & Epstein, R. S. (2012). Greater adherence to diabetes drugs is linked to less hospital use and could save nearly \$5 billion annually. Health Affairs, 31(8), 1836-1846.

Due to rounding, numbers presented may not sum precisely to the totals provided.

*Estimates included only the commercially insured adult diabetes patient population taking brand diabetes medicines. Rebates include steep discounts health plans & PBMs negotiated to save on brand medications. For more information on assumptions & methods, visit www.fightchronicdisease.org/pfcd-in-the-states

Sharing even half the rebates for diabetes medicines would save money for both health plans and people taking the medicines.

SAVINGS IF HALF THE REBATE IS SHARED WITH PATIENTS	MEDICAL AND NET DRUG SAVINGS (2018 \$US)		
	TOTAL SAVINGS	SAVINGS FOR PATIENTS	SAVINGS FOR HEALTH PLANS
Annual Per Person Savings	\$442	\$377	\$65
Average Annual Savings for Full Population	\$38.2 Million	\$32.5 Million	\$5.6 Million

As adherence improves, health plans spend more on medicines for diabetes, but those costs are more than offset by reduced medical spending from preventing diabetes-related complications.

SHARING REBATES WITH PATIENTS LOWERS OVERALL HEALTH CARE COSTS	HEALTH PLAN SAVINGS (2018 \$US)	
	SHARE HALF REBATE	SHARE ENTIRE REBATE
	CHANGE IN ANNUAL SPENDING	CHANGE IN ANNUAL SPENDING
Savings on Medical Services -	\$34.9 Million Savings -	\$69.8 Million Savings -
Added Spending on Diabetes Medicines =	\$29.3 Million Additional Spending =	\$61.8 Million Additional Spending =
TOTAL SAVINGS	\$5.6 Million Saved	\$8 Million Saved