



# SHARING REBATES ON DIABETES MEDICINES COULD SAVE PATIENTS IN KENTUCKY \$60 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	\$67.1 Million	\$60 Million	\$7 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](http://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](http://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	\$33.5 Million	\$28.6 Million	\$4.9 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 -	\$30.7 Million Savings -	\$61.4 Million Savings -
Added Spending on Diabetes Medicines =	\$25.8 Million Additional Spending =	\$54.3 Million Additional Spending =
<b>TOTAL SAVINGS</b>	<b>\$4.9 Million Saved</b>	<b>\$7 Million Saved</b>