



# SHARING REBATES ON DIABETES MEDICINES COULD SAVE PATIENTS IN NEW MEXICO \$23.4 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    | \$26.2 Million                           | \$23.4 Million       | \$2.7 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         | \$13.1 Million                           | \$11.2 Million       | \$1.9 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<br>-                               | \$12 Million Savings<br>-             | \$23.9 Million Savings<br>-             |
| Added Spending on Diabetes Medicines<br>=                      | \$10 Million Additional Spending<br>= | \$21.2 Million Additional Spending<br>= |
| <b>TOTAL SAVINGS</b>   | <b>\$1.9 Million Saved</b>            | <b>\$2.7 Million Saved</b>              |