

THE BUSINESS CASE

Diabetes Prevention is Good Business





Diabetes and prediabetes are serious health problems that adversely affect Florida's economy and workforce. By offering and incentivizing employees to participate in the Diabetes Prevention Program, employers can prevent or delay diabetes and associated health care costs.



This document was adapted by Nicole Johnson, DrPH, MPH, MA and Stephanie Melton, PhD, MPH, MA from the Diabetes Prevention Lifestyle Change Program, The Business Case for Inclusion as a Covered Health Benefit, Florida Health Care Coalition 2015.

WHY DIABETES PREVENTION MAKES SENSE

THE BUSINESS CASE FOR INCLUSION AS A COVERED HEALTH BENEFIT

EXECUTIVE SUMMARY

Florida has a serious problem with diabetes. According to the Behavioral Risk Factor Surveillance System (BRFSS, 2013), there are approximately 1,090,660 adults, or 7.2% of the population, with prediabetes in Florida. This includes 9.6% of Floridians age 65+, 7.9% of Floridians age 45–64 and 4.1% of the population age 18–44. However, these figures only include those clinically diagnosed with prediabetes; many more people have this serious condition without knowing about it.

THE RETURN ON INVESTMENT FOR A COMPANY THAT OFFERS ITS ELIGIBLE EMPLOYEES A DPP PROGRAM IS APPROXIMATELY \$55,000 OVER 10 YEARS FOR EACH EMPLOYEE WITH PREDIABETES WHO DOES NOT DEVELOP DIABETES.

of diabetes. Without intervention, prediabetes progresses to diabetes at a rate of 10% per year.

People with prediabetes can return to normal blood glucose levels with modest weight loss and lifestyle changes. Companies who offer the CDC’s National Diabetes Prevention Program (DPP) can reduce the company’s health care expenses dramatically. According to the **American Diabetes**

Association, the annual cost of an employee with diabetes is \$13,700, 2.3 times higher than an employee without diabetes.

The Centers for Disease Control and Prevention (CDC) estimates one in three adults has prediabetes. Prediabetes is a condition where blood glucose (“blood sugar”) levels are elevated but not high enough for a diagnosis

This document explains why offering the DPP as a covered health benefit is good for your company’s bottom line while at the same time is good for improving employees’ health and workplace performance.

BUSINESS NEED AND CURRENT SITUATION

The DPP is a program developed out of a major clinical research study led by the CDC. The DPP study proved that a 5–7% weight loss paired with increased physical activity could prevent or delay the progression of type 2 diabetes by 58%.

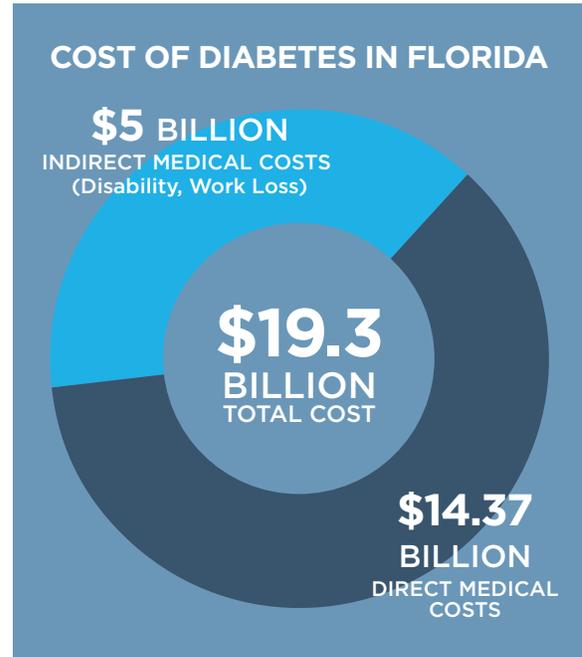
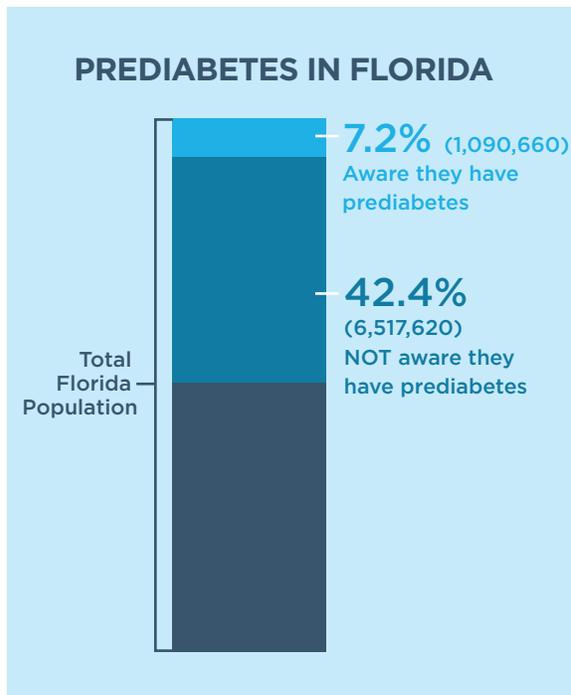
The DPP is a 16-week program for people

with prediabetes that moves proven research into communities. Moving that research into communities, the program’s success relies on trained lifestyle coaches who assist participants in losing 5–7% of their body weight and increasing their physical activity. This 16-week program that includes monthly follow-up for

one year, increases quality of life, reduces disease, and increases productivity.

The economic impact of these results are plainly obvious.

The Florida Health Care Coalition (FLHCC), a group of employers from Florida representing nearly 2 million covered lives, surveyed 18 member companies representing 191,020 employees. Survey participants represented the private sector (39%), the government sector (39%), and public school districts/boards (22%). Results showed that while the majority of respondents (94%) had a wellness program, just over half (56%) had benefit programs that offered the DPP. By including the DPP as a covered health benefit and encouraging employee participation, employers (and third party insurers) can improve the health of employees and reduce their health care expenses.



MAGNITUDE OF THE PROBLEM

Type 2 diabetes accounts for 90–95% of diabetes cases and is directly associated with age, obesity, physical inactivity, family history of diabetes, or a personal history of gestational diabetes.

The problems associated with type 2 diabetes can be severe. Complications and comorbidities of the illness include heart disease, stroke, hypertension, blindness, kidney disease, nervous system complications, amputations, dental disease, pregnancy complications, and mental health problems.

PROJECT OVERVIEW

The CDC's DPP study showed that type 2 diabetes can often be prevented or delayed through behavioral changes. The most cost-effective prevention methods include lifestyle changes such as regular physical activity and eating a healthy diet.

Early identification of prediabetes provides opportunities for intervention.

Intervention saves money.

An evaluation of the DPP found that small steps produced big rewards. Moderate weight loss and increased physical activity reduced the incidence of type 2 diabetes by 58% during a three-year period. Among older participants (those age 60+), the reduction was 71%.

PARTICIPATION in DPP

DPP participants gather in a relaxed classroom setting and work together to learn how to incorporate healthier eating and moderate physical activity into their daily lives. The

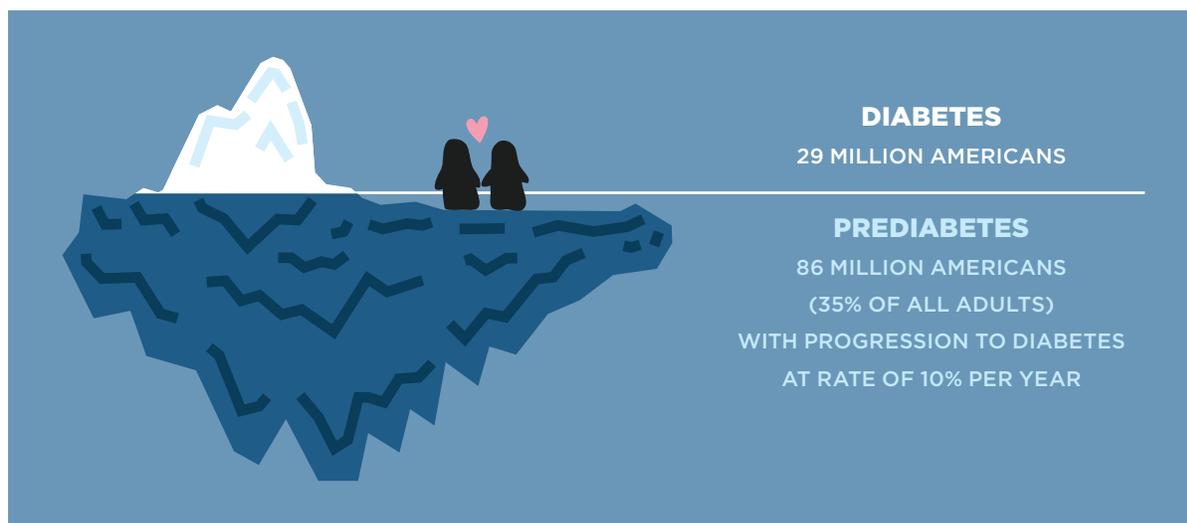
EARLY IDENTIFICATION OF PREDIABETES PROVIDES OPPORTUNITIES FOR INTERVENTION. INTERVENTION SAVES MONEY.

program is led by a trained lifestyle coach. Over a one-year period, participants meet weekly for one hour sessions for the first 16 weeks. The core program is followed by monthly maintenance sessions. The program can be offered at any location. Coaches host classes at worksites, community-based locations such as hospitals,

county health departments, or YMCAs, to name a few. Accessibility and convenience are keys for participant success.

GOALS AND OBJECTIVES

The goal of the State of Florida is to increase the number of employers who offer DPP as a covered health benefit. By offering evidence-based programs like the DPP, employers raise awareness of the risks associated with diabetes and take control of rising diabetes-related costs. Employers can offer the DPP as a covered health benefit in conjunction with building an environment of support for healthy behaviors.



RETURN ON INVESTMENT

Adding a diabetes prevention lifestyle improvement program is a cost-effective use of resources:

- The cost of preventing diabetes is much smaller than the cost of managing type 2 diabetes.
- The annual cost of an employee with diabetes is \$13,700, 2.3 times higher than an employee without diabetes. The CDC has determined that intensive lifestyle interventions to prevent type 2 diabetes are “very cost-effective” and cost saving.

PREDIABETES PROGRAM COST

\$500 PER EMPLOYEE

DIABETES COST TO EMPLOYER

\$13,700 PER EMPLOYEE

RESULTS

Recognized providers of the DPP have seen strong results both locally and nationally:

- The **YMCA** reports an average weight loss of 5-7% at the end of 2014, with a participation base of 26,805 people. After completing the core sessions of the program, 93% of participants through the YMCA report they reduced their portion sizes, 86% report they have increased physical activity, and 91% report they have improved their overall health.
- **United Healthcare**, one of the first third-party payers to include the program in their coverage for fully insured employers with 100+ employees on the plan, estimates a cost savings of \$65,000 over 10 years when an employee prevents or delays type 2 diabetes.
- **Longitudinal** data shows that even after

10 years, those who had participated in the lifestyle change program had a 34% lower rate of type 2 diabetes, and 40% maintained their weight loss associated with the risk reduction.

ECONOMIC RISK OF NO INVESTMENT

Productivity losses related to personal and family health problems cost US employers \$1,685 per employee per year, or \$225.8 billion annually. For a company of 10,000 employees, of which 820 are estimated to have diabetes, this calculates to over \$1.38 million that the company spends annually on health care related to diabetes.

RECOMMENDATIONS

- Talk to your health plan(s) about covering DPP as a health benefit and offer it to your employees.
- If your health plan does not cover the program, use funds set aside for wellness programs to cover the DPP.
- Work with your Health Plan to identify and enroll eligible employees. The CDC has developed a simple way to screen for eligible participants: **Prediabetes Screening Test**.
- Use benefit design to reward employees for healthy lifestyle choices.
- Improve access to DPP. Consider hosting the DPP at your workplace. Go a step further and allow employees to attend while “on the clock.”
- Encourage participation among employees.
- Work with your third-party administrator, the YMCA, county health department and other community health partners to implement a program.
- Partner with nearby programs that are included on the CDC registry of DPPs.

TESTIMONIALS

A third-party administrator can help you determine ROIs specific to your organization, as well as help implement the program, process claims, recruit participants, and collect data.

Orange County Government, has taken a proactive approach to preventing type 2 diabetes among its workforce. The County first announced coverage of the program as a self-funded employer in late 2012. In the first two years of covering the program, they experienced: Orange County Government has worked closely with their program provider, the YMCA of Central Florida, and their screening partner, Florida Hospital CentraCare, to identify employees who are at risk and to engage them in the program.

PREDIABETES PROGRAM COST

INITIAL INVESTMENT OF \$57,185



PROJECTED SAVINGS

10 YEAR SAVINGS \$2,695,000

Orange County Government works to identify employees at risk on a year-round basis, providing screening events at various worksites throughout the county. Their key to engagement has been having a lifestyle coach present at each screening to enroll eligible participants immediately.

Rosa, a human resource employee for Orange County Government, enrolled in the DPP as a benefit through her health insurance in 2013. “My lifestyle coach has been excellent,” Rosa said. “From the start, she connected with each of us and helped us overcome individual challenges. Not only did I come to grips with my poor habits, I also received the skills and tools I needed to continue this journey on my own.

Overall, it’s been fantastic,” she added. “I feel better, I am happier with my choices, and I’m fully committed to staying focused and healthy for the rest of my life.”

Both before and after participating in the program, Rosa had her A1c level (the average of her blood glucose over 90–120 days) tested. Before the program, her A1c level was 6.0%, a result considered prediabetes. After successful completion of the core phase of the program, and reaching her initial program goals, Rosa’s A1c level was 5.4%, which is in the normal range.

Another employee, Steve, shares: “I found myself out of shape, and my weight was increasingly rising. I took the prediabetes test at work and found out I was in danger of becoming a diabetic—which I do not want. I felt fortunate for the opportunity to participate in the program.”

When asked how the program has empowered him to fight diabetes, Steve responded: “I have a choice. It is in my power to maintain a suitable weight and activity level to help myself from developing diabetes.”

CONCLUSION

Companies that choose to offer the DPP as a covered health plan benefit are taking a proactive approach to decreasing future health care costs.

Understanding the dramatic impact of NOT investing in diabetes prevention may have on your organization is critical. With a conversion rate of 10% per year from prediabetes to diabetes, the situation is desperate.

Funding an intervention for 20–30% of the workforce that may have prediabetes may be overwhelming. Consider that by 2050, if prevention does not occur, you could be

facing costs for intervention, management, pharmacy, medical and acute medical expenses for 20–30% of your workforce whose disease state will have progressed to type 2 diabetes. Management of type 2 diabetes and its co-morbidities is a far more expensive venture than investing in identification and prevention early on for your employees.

The DPP is a program focused on those with the greatest risk for developing type 2 diabetes. By offering DPP to your employees, your company targets an increasing expense with an intervention that has been proven to work.

APPENDIX

DIABETES IN THE UNITED STATES

- 29.1 million people in the United States have diabetes
- In 2014, 1.4 million new cases of diabetes were diagnosed in people over the age of 18
- Among adults, diabetes is the leading cause of new cases of blindness, kidney failure, and amputations not related to injury
- Diabetes was the 7th leading cause of death in 2010
- More than 60% of all non-traumatic amputations of the lower limbs occur in people with diabetes
- Approximately 73,000 lower limb amputations were performed among people with diabetes age 20 and older in 2010
- Individuals with diabetes are twice as likely to suffer from depression as individuals without diabetes

DIABETES IN FLORIDA

- Diabetes is the 7th leading cause of death in Florida
- In 2015 there were 5,394 deaths from diabetes
- In 2014 there were 594,637 hospitalizations from diabetes
- There are approximately 1,708,447 adults in Florida (11.2%) with diabetes

COST OF DIABETES IN FLORIDA

- Total costs of diabetes: \$19.3 billion
- Direct medical costs: \$14.37 billion
- Indirect costs (disability, work loss): \$5 billion

PREDIABETES IN THE UNITED STATES

- 86 million Americans (35% of all adults) have prediabetes

PREDIABETES IN FLORIDA

- Only 7.2% (1,090,660) of Floridians are aware they have prediabetes
- 6,517,620 Floridians are NOT aware they have prediabetes

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