Special Diabetes Program for Indians:

Cost-Effective Diabetes Treatment and Prevention

Diabetes confers serious and often devastating effects on the health of individuals, families, and communities, extracting a high cost on our nation's economy. Although programs like the *Special Diabetes Program for Indians* represent a substantial financial investment in the health of Americans, they are likely to reduce the overall cost burden of diabetes for all of society.

The staggering cost of diabetes

Because diabetes is a chronic illness that affects many organ systems throughout the body, diabetes treatment activities can be very costly. In 2002, the total annual economic cost of diabetes in the United States was **$132 billion**.

Overall diabetes cost in 2002 = $132 billion

- **$92 billion:** The annual direct cost of diabetes, which includes the cost of diabetes care, chronic diabetes-related complications, and excess prevalence of other medical conditions. This cost more than doubled in five years from $44 billion in 1997 to $92 billion in 2002.
- **$40 billion:** The annual indirect cost of diabetes, which is related to lost workdays, restricted activity days, permanent disability, and early death.

At $92 billion, the annual direct costs of diabetes are greater than:

- Smoking = $76 billion
- Obesity = $52 billion
- Cancer = $56 billion

Per person cost of diabetes

- **$1 out of every $10** spent on health care in the United States is spent on diabetes.
- **$13,243:** The annual health care costs for people **with diabetes** in 2002.
- **$2,560:** The annual health care costs for people **without diabetes** in 2002.

Given the high—and increasing—costs of diabetes, society has a great interest in ensuring that diabetes treatment and prevention activities, including those supported by the *Special Diabetes Program for Indians*, are widely available and implemented in a cost-effective manner.

The *Special Diabetes Program for Indians* has implemented proven diabetes treatment and prevention strategies that are cost-effective and, in some cases, saved money.

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Preventing and treating diabetes: Reaping economic benefits

The scientific literature clearly documents that diabetes treatment and prevention interventions can be cost-effective and actually save money:

- Costs associated with poor diabetes control are higher than the cost of interventions aimed at achieving good diabetes control.
- Lifestyle interventions that help prevent diabetes in people at risk for developing the disease are cost-effective. In fact, lifestyle interventions offered in group settings or for younger age groups can save money.
- Interventions aimed at lowering blood sugar and cholesterol levels are cost-effective. Blood pressure interventions and foot care programs save money.
- Early screening and treatment for diabetes-related complications reduces the lifetime occurrence of kidney failure by 26%, blindness by 35%, and lower extremity (below the knee) amputations by 22%. This translates to reduced future medical costs.

The *Special Diabetes Program for Indians* has supported diabetes treatment and prevention interventions that not only improve quality of life, but also represent an effective use of resources.

Special Diabetes Program for Indians: A focus on cost-effectiveness

The *Special Diabetes Program for Indians* grant programs have implemented some of the *most cost-effective and money saving* diabetes treatment and prevention strategies outlined in the scientific literature. The following are **examples of the economically-favorable interventions** implemented in American Indian and Alaska Native communities through the *Special Diabetes Program for Indians*:

Cost-effective interventions for diabetes prevention

- Many *Special Diabetes Program for Indians* grant programs offer lifestyle interventions in community and group settings and for young adults, who represent 36% of the American Indian and Alaska Native population.
- Because the scientific literature has shown that interventions offered in group settings or for younger age groups can save money, the Indian Health Service estimates that **these efforts will result in a net cost savings in future health care.**

Cost-effective interventions for preventing and controlling diabetes-related complications

- The *Special Diabetes Program for Indians* supports activities known to contribute to improved blood sugar and blood pressure control, cholesterol levels, and kidney function among American Indians and Alaska Natives with diabetes.
- The *Special Diabetes Program for Indians* contributes to increased screening rates for diabetes-related eye, foot, and kidney disease.
- Because the American Indian and Alaska Native population with diabetes is younger than the general United States population with diabetes, **the *Special Diabetes Program for Indians* interventions are likely to be in the most favorable range of cost-effectiveness.**