

News Release

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New American Diabetes Association Report Finds Annual Costs of Diabetes to be \$412.9 Billion

Although diabetes prevalence remains stable, the direct medical costs attributed to diabetes increased by 7% between 2017 and 2022.

ARLINGTON, Va. (November 1, 2023) – Today, the American Diabetes Association[®] (<u>ADA</u>) published the Economic Costs of Diabetes in the U.S. in 2022 (Economic Report), a comprehensive analysis assessing the financial burden of living with diabetes in the United States. The Economic Report, which is published every five years, found that the total annual cost of diabetes in 2022 is \$412.9 billion, including \$306.6 billion in direct medical costs and \$106.3 billion in indirect costs. People with diagnosed diabetes now account for one of every four health care dollars spent in the U.S.

"We now know that medical costs for people living with diabetes increased by 35% over the past 10 years. The ADA's Economic Report reaffirms that, in addition to its enormous physical and health burden, diabetes also carries an untenable cost burden that is often disproportionately borne by vulnerable and underserved communities," said Charles "Chuck" Henderson, the ADA's CEO. "Reducing the cost of diabetes is essential to improving the lives of all people with diabetes. November is American Diabetes Month[®], and as we continue our fight to end diabetes, we urge policymakers and the entire health care system to see this report as a call to action to prioritize affordable diabetes care."

The Economic Report includes data on diabetes prevalence, total direct medical costs, and average annual medical expenditures. Primary cost drivers include increased use of prescription medications beyond glucose lowering medications, hospital inpatient services, reduced work productivity, and unemployment.

Additional topline findings include:

- After adjusting for inflation, the **direct medical cost of diabetes increased by 7%** between 2017 and 2022.
- National health care costs attributable to diabetes have **increased by \$80 billion** in the past 10 years—from \$227 billion in 2012 to \$307 billion in 2022.
- On average, people with diagnosed diabetes have medical expenditures **2.6 times higher** than would be expected without diabetes.
- The inflation adjusted **cost of insulin increased 24%** from 2017 to 2022.

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- **Spending on insulin tripled in the past 10 years**—increasing from \$8 billion in 2012 to \$22.3 billion in 2022.
- After adjusting for inflation, the total cost of insulin and other medications to manage blood glucose **increased by 26%** from 2017 to 2022.
- Despite having a lower prevalence rate, **women with diabetes spend more on average** than men on annual health care expenditures.
- Black Americans with diabetes pay the most in direct health care expenditures.
- People with diabetes above the age of 65 spend roughly double on per capita annual health care expenditures than any other age group above the age of 18.
- **\$106.3 billion (26%)** of the total estimated national cost of diabetes can be attributed to lost productivity at work, unemployment from chronic disability, and premature mortality.
- Presenteeism, or reduced work productivity, accounts for \$35.8 billion in annual indirect costs.
- Absenteeism, or missed workdays, accounts for \$5.4 billion in annual indirect costs.
- If people with diabetes participated in the workforce like peers without diabetes, there would be 2 million more people between the ages of 18 and 65 in the workforce.

The authors of the Economic Report included a multidisciplinary team of leading U.S. experts in the field of diabetes care and costs, including physicians, epidemiologists, endocrinologists, health care researchers, economists, data scientists, and academics.

The full Economic Costs of Diabetes in the US in 2022 report is available <u>online</u> and will appear in the December issue of ADA journal, *Diabetes Care*[®].

About the American Diabetes Association

The American Diabetes Association (ADA) is the nation's leading voluntary health organization fighting to bend the curve on the diabetes epidemic and help people living with diabetes thrive. For 83 years, the ADA has driven discovery and research to treat, manage, and prevent diabetes while working relentlessly for a cure. Through advocacy, program development, and education we aim to improve the quality of life for the over 133 million Americans living with diabetes or prediabetes. Diabetes has brought us together. What we do next will make us Connected for Life[®]. To learn more or to get involved, visit us at diabetes.org call 1-800-DIABETES (1-800-342-2383). Join the fight with us on Facebook (American Diabetes), LinkedIn





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