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**American Diabetes Association, YMCA of the USA and American Medical Association Release New Cost Estimate on Federal Savings of the Medicare Diabetes Prevention Act**

***New Report Finds More Than \$1.3 Billion in Savings through Legislation***

**ALEXANDRIA, VA (February 24, 2014)** – The American Diabetes Association and YMCA of the USA (Y-USA), in collaboration with the American Medical Association (AMA), released important new research today examining HR 962/S 452, the Medicare Diabetes Prevention Act (MDPA). The study, *Estimated Federal Impact of the Medicare Diabetes Prevention Act*, conducted by Avalere Health, was commissioned by the three organizations to identify the federal government savings or cost burden of the legislation using methods similar to those of the Congressional Budget Office (CBO). The research estimates the legislation would reduce federal spending by **\$1.3 billion** over the 10-year budget window (2015-2024) and also reduce the incidence of diabetes among seniors.

“Coverage of diabetes prevention programs under Medicare will advance the fiscal health of our nation by reducing overall health care spending on diabetes,” said John Anderson, MD, immediate past president, Medicine & Science, American Diabetes Association. “With the cost and prevalence of diabetes reaching unprecedented levels, there has never been a more critical time for Congress to support cost-effective, evidence-based programs that will improve the lives and health of America’s seniors.”

Currently, half of all Americans age 65 or older have prediabetes and are at risk for developing type 2 diabetes. The MDPA will create a new benefit to provide coverage of the National Diabetes Prevention Program (National DPP) under Medicare. Programs like the YMCA’s Diabetes Prevention Program and National DPP programs administered by other community organizations would be among the certified, evidence-based prevention programs covered by the legislation. Over the 10-year period, the estimated savings of **\$1.3 billion** from the MDPA reflects lower Medicare spending due to the reduced incidence of diabetes during this period, resulting in fewer beneficiaries requiring certain medical interventions and services associated with the disease. With estimated savings growing over time, the study found even greater savings could accrue when looking beyond 2024.

To arrive at the estimated federal savings, the study used conservative assumptions grounded in the published literature and real-world experiences drawn from existing diabetes prevention programs. Based on those conservative assumptions, the study estimates an annual enrollment rate as low as 3 to 5 percent which would result in five million Medicare beneficiaries becoming enrolled in a diabetes prevention program by 2024. The

study also estimates a 37 percent reduction in the cumulative incidence rate of diabetes over 10 years, resulting in nearly one million fewer cases of diabetes among seniors by 2024.

“As one of the nation’s largest providers of diabetes prevention programs under the National Diabetes Prevention Program, the Y believes ensuring program coverage for high-risk older adults will not only improve their health, but also help reduce the burden of diabetes on the health care system,” said Neil Nicoll, president and CEO, YMCA of the USA. “Based on our experience, as well as National Institutes of Health research, seniors benefit from the program even more than the general population.”

Diabetes, a serious and life-threatening disease, has reached epidemic proportions in the U.S. with nearly 26 million adults and children living with the disease. An additional 79 million have prediabetes, placing them at increased risk for developing type 2 diabetes. The estimated total cost of diagnosed diabetes has skyrocketed to \$245 billion annually. The findings from the study estimate the MDPA can help reduce this overwhelming financial burden by decreasing Medicare spending through reduced rates of diabetes among at-risk beneficiaries participating in diabetes prevention programs.

“With nearly 50 percent of our country’s seniors at risk for developing type 2 diabetes, it is critical for seniors to have access to diabetes prevention programs. That is why the American Medical Association has made diabetes prevention a key part of our mission to help improve the health of the nation,” said Ardis Dee Hoven, MD, president, American Medical Association. “We urge Congress to include diabetes prevention programs under Medicare coverage to help improve health outcomes for seniors and tackle this public health crisis that continues to strain our nation’s health care system.”

Avalere Health, a strategic health care advisory company, has extensive knowledge and expertise in evaluating the federal impact of legislation and in analyzing the relationship between health costs, in this case those related to diabetes, and the role of prevention. Avalere researched the connection between diabetes prevention programs and health care spending, relying on studies published in peer-reviewed journals and data from the CBO, the Centers for Disease Control and Prevention (CDC), and the Centers for Medicare & Medicaid Services (CMS). Avalere then used methods similar to those employed by the CBO to estimate how the MDPA could affect federal spending over the next 10 years.

The complete study is available [here](#).

#### **About the American Diabetes Association:**

The American Diabetes Association is leading the fight to Stop Diabetes and its deadly consequences and fighting for those affected by diabetes. The Association funds research to prevent, cure and manage diabetes; delivers services to hundreds of communities; provides objective and credible information; and gives voice to those denied their rights because of diabetes. Founded in 1940, our mission is to prevent and cure diabetes and to improve the lives of all people affected by diabetes. For more information please call the American Diabetes Association at 1-800-DIABETES (1-800-342-2383) or visit [www.diabetes.org](http://www.diabetes.org).

#### **About the Y:**

The Y is one of the nation’s leading nonprofits strengthening communities through youth development, healthy living and social responsibility. Across the U.S., 2,700 Ys engage 21 million men, women and children – regardless of age, income or background – to nurture the potential of children and teens, improve the nation’s health and well-being, and provide opportunities to give back and support neighbors. Anchored in more than 10,000 communities, the Y has the long-standing relationships and physical presence not just to promise, but to deliver, lasting personal and social change. [www.ymca.net](http://www.ymca.net)

**About the American Medical Association:**

The American Medical Association is the premier national organization dedicated to empowering the nation's physicians to continually provide safer, higher quality, and more efficient care to patients and communities. For more than 165 years the AMA has been unwavering in its commitment to using its unique position and knowledge to shape a healthier future for America. Last April, the AMA launched its [improving health outcomes \(IHO\) initiative](#) to focus on efforts to prevent the onset of type 2 diabetes and cardiovascular disease, two of the leading causes of suffering and death in the U.S.

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