

Health Reform Principles to Protect Patients with Diabetes

DPAC's Statement

The Diabetes Patient Advocacy Coalition (DPAC) is an alliance of people with diabetes, caregivers, patient advocates, health professionals, disease organizations and companies working collaboratively to promote and support public policy initiatives to improve the health of people with diabetes. DPAC's guiding principles focus on 3 key areas:

- *Safety (enforce established safety standards on devices, medications and practices for diabetes care)*
- *Quality (advance the standards of care for diabetes management)*
- *Access (access to health care and quality diabetes products for all 29MM Americans with diabetes)*

Given the rising costs of diabetes in America, it is critical that Americans have access to affordable health insurance and **ALL** components of diabetes training and treatment programs to prevent costly hospitalizations and complications. The Affordable Care Act (ACA) contained many principles that help protect access to healthcare and the American Diabetes Association standards of care for patients with diabetes¹. While the ACA is far from perfect and still has many areas for improvement with regards to affordable premiums and deductibles, it does offer several areas that protect patients with diabetes. As a result, DPAC advocates that any changes to the ACA must include the following components¹:

- Protect coverage for pre-existing conditions
- Extend coverage for dependent children to age 26
- Provide refundable premium tax credits based on income and cost of coverage
- Protect the expansion of Medicaid in those states that expanded coverage to ensure that there is not a gap in coverage for low-income patients with diabetes
- Require all plans offered to cover essential health benefits, including outpatient care, emergency care, hospitalization, prescription drugs, laboratory services, preventive care and chronic disease management
- Provide cost-sharing subsidies to eligible low-income individuals to reduce deductibles and copays
- Limit annual cost-sharing to a maximum amount (\$7,150 in 2017)
- Prohibit lifetime and annual limits on coverage

¹ Kaiser Family Foundation. Compare Proposals to Replace the Affordable Care Act. <http://www.kff.org/interactive/proposals-to-replace-the-affordable-care-act/>.

- Close the Medicare Part D doughnut hole for prescription drugs

Why This Is Important

Pre-Existing Conditions

Among adults 55-64 years of age, nearly 50 percent have a diagnosed pre-existing health condition, and approximately 20-30 percent of adults 18-44 years of age have some type of pre-existing condition². An estimated 30.3 million people of all ages had diabetes in 2015 (9.4% of the population)³. Average medical expenditures for people with diagnosed diabetes were about \$13,700, 2.3 times higher than expenditures for people without diabetes. During the discussions of health reform in 2017, there has been broad bipartisan support for protecting people with pre-existing conditions. Prior to the ACA, insurance companies could either deny coverage or charge a much greater premium to those people with pre-existing conditions.

Access to Affordable Health Insurance

DPAC supports the principles within the ACA that expanded health coverage, either through refundable tax credits, Medicaid expansion or extending coverage for dependent children up to age 26. To prevent costly hospitalizations and complications, it is imperative that people with diabetes have access to affordable coverage and the American Diabetes Association standard of care guidelines. Any changes to the ACA must continue to provide broad coverage for patients with diabetes.

Access to Affordable Diabetes Treatments and Management Programs

As previously mentioned, it is critical that Americans have access to **ALL** components of diabetes training and treatment programs to prevent costly hospitalizations and complications. While there is still a great deal of work that needs to be done within the ACA to make monthly premiums and deductibles more affordable for patients with diabetes, several components of the ACA did begin to address this issue. Prohibiting lifetime and annual limits on coverage as well as limiting annual cost-sharing help patients with diabetes manage the continuous costs associated with managing diabetes. Additional cost-sharing subsidies on monthly premiums and deductibles are also available to low-income patients with diabetes.

Impact to Medicare Patients

Finally, Medicare patients with diabetes will finally see a gradual elimination of the doughnut hole, where to date they have been responsible for 100% of their prescription drug costs until reaching a

² Families USA. <http://familiesusa.org/blog/2014/03/demographics-people-pre-existing-health-condition>.

³ Center for Disease Control, National Center for Chronic Disease Prevention and Health Promotion, Division of Diabetes Translation. National Diabetes Statistics Report, 2017: Estimates of Diabetes and Its Burden in the United States. Access on September 14 2017 from <https://www.cdc.gov/diabetes/pdfs/data/statistics/national-diabetes-statistics-report.pdf>.

maximum limit. For many seniors on a fixed income, these costs can be prohibitive and can lead to costly hospitalizations.

DPAC welcomes the opportunity to work with various stakeholders to continue to improve access for patients with diabetes; however, any changes must protect the principles listed above and not add additional burdens to patients with diabetes.