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Health-O-Rama

A Trip Down the Aisles of Today's Healthcare Market



2018 HEALTHCARE INFO SHOPPING SPREE FOR BENEFITS BROKERS:

- ✓ Small Group View from the Top
- ✓ Digital Health
- ✓ 3 Things Employers Want from Brokers
- ✓ Why Brokers Are Here to Stay
- ✓ Supporting Employees with Cancer

Also Inside:

Vision • CVS/Aetna Deal • Legal Insurance • Life Insurance • Disability • 401(k)s

GROUP HEALTH: DIABETES MAY BE DRIVING UP COSTS, BUT THERE'S SOMETHING THAT CAN BE DONE

This is what we know: employers cannot decrease healthcare costs. However, there is a group of employees who can decrease healthcare costs, both for themselves and for their employer, if they are provided with the tools, resources and personal support required to self-manage their disease.

The group includes employees and their dependents living with diabetes. This chronic condition can be silent yet causes harm to the body 24/7/365 -- unless the individual with it properly self-manages their condition.

Typically, when a person with diabetes receives a diabetes diagnosis, they have been unknowingly living with diabetes for anywhere from two to seven years. And during those years, the diabetes has marched steadily on, prematurely "aging" blood vessels and organs of their body.

Depending on a company's employee demographics (blue collar or white collar, ethnic composition, age groupings, education and income levels) anywhere from 5 percent to more than 15 percent of the employee population could be diagnosed with diabetes. This group in turn accounts for 15 percent to more than 35 percent of the total health plan spending.

Consider:

1. The Health Care Cost Institute documented the average person with diabetes in an employer health plan incurred \$16,021 of annual per capita healthcare spending, compared

to just \$4,396 for those with no diabetes.

2. This report showed almost \$2,000 of the total \$16,021 spend for those with diabetes was "out of pocket" and borne by the employee, a significant burden.
3. The HCCI analysis exposed an average 17 percent of those with diabetes were in the hospital during a year. This compares to about 4 percent of those with no diabetes having an inpatient event.
4. With diabetes, the per capita pharmacy spend was \$3,970 for the year of the HCCI analysis. The average annual spend now approaches \$5,000 with the near double-digit price increases of "antidiabetic" pharmaceuticals.

In America, we often tend to think a pill or a shot can most often solve a health problem. The advertisements on television today certainly encourage us to think this way. Those medications for diabetes cost from \$5,000 to more than \$9,000 per year.

Here's another way to think about medications for diabetes: When you have a fever (the "marker" that your body has a problem), appropriately taking acetaminophen or ibuprofen can help bring the fever down. Temporarily. The cause of the fever must be addressed, too. An antibiotic for an infection, for instance.

When a person's body has high blood glucose (another "marker" of a problem), there are medicines that will bring down the glucose levels. Temporarily. As noted above, most of these medications are VERY expensive. The "cause" of the high glucose is not being addressed, and medications alone will not reduce the complications and expensive health events that come with diabetes.

I clearly remember a man of about 50, slender in build, standing before me at a benefits fair two years ago, saying

"They just told me three weeks ago I have diabetes...but I feel fine." In the early years with diabetes that is sadly true. You do not "feel" the high glucose, and that is an insidious challenge of living with diabetes.

To successfully manage diabetes, the individual should certainly follow the evidence-based guidelines as instructed by a physician. This very often includes regular self-testing of their glucose, sometimes once a day, or three, or even up to 10 times, depending on the type of diabetes they have and how well they are managing their condition.

Our reviews of employer health plans reveal that fewer than half of the employees diagnosed with diabetes --sometimes not even one in 10-- are actually testing their glucose. Those not testing are driving down the road at night with no headlights, and this means a crash will be inevitable at some point. When a person with diabetes does not test, they are simply leaving their health to chance.

ing for you. This condition can no longer be ignored and left to the historical "usual and customary care" health system.

The good news is that when a person with diabetes is provided productive tools, resources and personalized support, they will increasingly take responsibility and begin changing and improving behavior choices. Their health does improve. This means they miss fewer days of work, feel better at work, are more productive and have lower healthcare costs. This does not happen from taking more medications. Steady and sustained improvement can only come from better personal behavior choices.

We are human and are irrational beings. We live in groups and villages, work in teams and organizations. We rely on each other, learn from and help each other. That is what it takes with diabetes, too. And this is what is all too often missing.

Disease management is a personal responsibility with diabetes. No one can do it for you, but a support system to help is essential for success. Qualified people and some "tools" (digital or otherwise) can help the person with diabetes begin taking action for behavior change and health improvement, and to sustain that improvement.

Employers should seek programs and tools appropriate for your population and company culture. Do not look for a quick fix, nor a temporary fix. Diabetes does not go away, but it can be managed by the person with it when provided a robust "village" of support. ★



Tom Milam is CEO of Nashville-based TrueLifeCare, which makes meaningful, positive differences in the lives of people with diabetes and reduces associated health care costs for both the employee and employer. Please contact Kay.Pfeiffer@TrueLifeCare.com for information about TrueLifeCare's Diabetes Management program.