



The Maryland State Medical Society

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Additional Information Contact:

Gene M. Ransom, CEO

Office: 410-539-0872 x 3305

MEDICAID DIABETES COSTS ARE BECOMING A MORE SERIOUS CONCERN FOR MARYLAND DOCTORS

Taxpayer-funded program spends twice as much as treating people with diabetes than those without

BALTIMORE, October 27, 2016 — MedChi, the Maryland State Medical Society, today released a study that reveals the shocking cost of diabetes to the taxpayer-funded Maryland Medicaid Program.

The study, commissioned by MedChi and conducted by The Hilltop Institute at the University of Maryland, Baltimore County (UMBC), estimated that HealthChoice spent at least \$471 million in 2014 treating people with diabetes -- costs representing more than a quarter of all program expenditures. HealthChoice is just one component of the overall Medicaid program. Total spending on people with diabetes is likely much higher.

Medicaid spending per enrollee with diabetes in 2014 was \$24,387, more than double the spending per enrollee without diabetes (\$10,880). Hospitalization costs were 33 percent more expensive for the diabetic population than the non-diabetic population. The Hilltop study looked at total expenditures including costs associated with hospitalization, outpatient care, physician services, and prescriptions.

Experts predict that unless action is taken to prevent diabetes, a third of all children alive today will likely develop the disease in their lifetimes, including half of all African American and Latino children. "As Maryland's youngest generation is diagnosed with escalating rates of diabetes and pre-diabetes, these costs will only increase. The burden on our patients, their families and state taxpayers will continue to intensify, putting strain on Medicaid funding, enrollment, and perhaps even the quality of care provided," said MedChi President **Stephen J. Rockower, MD**.

Diabetes is a serious chronic disease that affects 29 million Americans, including more than 610,000 Marylanders, approximately 10 percent of the state's population). Another 567,000 Marylanders have been diagnosed with prediabetes. National trends indicated that up to a third of all adults may have undiagnosed prediabetes. "Together, we must act to prevent diabetes and each of us has a role," said Dr. Rockower. "In most cases, type 2 diabetes can be prevented, but it is going to take a team effort to make this happen. Patients, doctors, health insurers, and lawmakers all must do their part."

"We urge all Marylanders to take our prescription for change," said MedChi Trustee and Sugar Free Kids Maryland Board Member, **Richard Bruno, MD**. "Most importantly, our state government should enact a wide array of policies to encourage healthy diets and increase physical activity which have been shown to reduce diabetes rates and lower health care costs." MedChi's recommendations for Marylanders can be found in the report.

About MedChi

MedChi, The Maryland State Medical Society, is a non-profit membership association of Maryland physicians. It is the largest physician organization in Maryland. The mission of MedChi is to serve as Maryland's foremost advocate and resource for physicians, their patients and the public health of Maryland. For more information, please visit www.medchi.org.