Diabetes health professionals pre-budget submission: Investing now saves lives and costs

January 2023

Contact person: Melanie Gray Morris
Position: Manager Policy, Advocacy & Communications
Organisation: Australian Diabetes Educators Association (ADEA)
Email: melanie.morris@adea.com.au

Australian Diabetes Educators Association (ADEA)

Tenant B, 19-23 Moore Street,
Turner ACT 2612
PO Box 163, Woden ACT 2606
inquiries@adea.com.au
p: 02 6173 1000

www.adea.com.au

Australian Diabetes Society

145 Macquarie Street
Sydney NSW 2000
admin@diabetessociety.com.au
p: 61-2-9169 3859

www.diabetessociety.com.au

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Diabetes and the Australian Healthcare System

The incidence of diabetes in Australians is increasing. Approximately 1.5 million Australians live with diabetes, and there are an additional 500,000 currently undiagnosed cases. The cost of diabetes in Australia is estimated to be a staggering $14.6 billion.[1] Identifying people at risk of developing diabetes (those diagnosed with pre-diabetes or who have had gestational diabetes) and providing early intervention such as consultations with a Credentialled Diabetes Educator (CDE) can reduce this risk. For those living with diabetes, it is essential that they manage their condition as well as possible in partnership with their diabetes care team (Endocrinologist, CDE, GP and other allied health providers). Management of diabetes and working closely with one's diabetes care team can reduce the risk of complications, allowing Australians with diabetes to live their healthiest lives. Investing in diabetes treatment, diagnosis, and prevention requires an upfront cost. However, we know that the money spent on these areas translate to net savings and less stress on the healthcare system. The proposals by the Australian Diabetes Educators Association (ADEA) and the Australian Diabetes Society (ADS) could result in savings of $1.5 billion.

Investing in diabetes care and prevention saves money

Three strategic investments in diabetes care and prevention could save over one billion dollars, by ADEA and ADS estimates.

In 2018-19, an estimated $3 billion of total disease expenditure in the Australian health system was attributed to diabetes.[2] The impact diabetes has on the economy is not just measured in healthcare costs, but in its pressure on the workforce, and even in reduced purchasing power, as household budgets are reoriented to pay for diabetes care. Investments in diabetes prevention, early intervention, and optimal care may reduce complications and costs to not just the health system but also to the Australian economy. The ADEA and ADS budget proposals would reduce costs and result in significant cost savings by preventing complications, reducing emergency department visits, and hospitalisations. The recommended CDE visits for gestational diabetes may even prevent diabetes entirely in some people. Data from other countries have demonstrated investment into diabetes care results in significant cost savings. Specifically, in the United States, the Robert W Johnson Foundation estimated that if the cost savings for the Diabetes Prevention Program were expanded over the course of a person's lifetime (75 years) the savings would result in long-term federal savings of as much as $18.4 billion.[3] Research done in Australia has demonstrated comparable results, with a Deloitte Access Economics Report on the productivity impacts of diabetes finding **that every dollar invested in diabetes education results in downstream savings of $16.**

[1] https://pubmed.ncbi.nlm.nih.gov/23298663/
[2] https://www.aihw.gov.au/reports/diabetes/diabetes-australian-facts/contents/impact-of-diabetes/health-system-expenditure
[3] https://www.rwjf.org/en/library/articles-and-news/2013/04/cbo-scoring-misses-billions-of-dollars-in-potential-long-term-sa.html

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1 Remuneration for diabetes health professionals to support optimal use of diabetes management technologies

Thousands of Australians living with diabetes rely on diabetes technology every day. Not only does diabetes technology enhance their wellbeing and improve their quality of life, in many cases, it can even save lives. However, learning how to use this technology can be challenging. Endocrinologists and CDEs equip their patients and clients with the education and advice they need to optimally use the technology. To provide their patients and clients with the necessary care, they often work out of clinic hours and pro bono, answering urgent calls or replying to emails and text messages. In many cases, their intervention can prevent a late-night trip to the Emergency Department and hospitalisation.

All Australians with type 1 diabetes are eligible to access crucial diabetes technology through the National Diabetes Services Scheme (NDSS) funding. It is essential to ensure they know how to use the technology optimally by supporting them with expert diabetes care. MBS funding for diabetes technology initiation and support will decrease inequity and increase access to the health system. Ensuring people are using the technology correctly will also ensure the investment of the government is maximised.

According to ADEA and ADS data, five hours of diabetes technology support is necessary to optimise technology use.[4] One visit to a CDE to support the initiation of diabetes technology and four additional hours of either office visits or out of office hours communications may reduce emergency department presentations and help people living with diabetes to better manage glucose levels.

134,735 Australians with type 1 diabetes are currently registered with the NDSS. To protect and optimise the crucial investment the Australian government has already made, people must be supported to use the technology appropriately. If the investment focuses on the first year, which is a critical time in learning to appropriately use diabetes technology, the investment is drastically reduced while still providing substantial savings. In the past twelve months, 4,090 people with type 1 diabetes registered with NDSS.[5] If 100% of those use diabetes technology. The estimated remuneration cost for diabetes technology could be $1.1 million per year, assuming five CDE hours per year at the CDE Medicare rate of $55.10, and 100% take up of CGM.

Access to support could result in savings of up to $75 million

A JDRF report estimates that access to diabetes technology results in a cost savings of $54,000 per person.[6] To achieve that impact, people must know how to use their technology appropriately. Moreover, the report also found that 2%, about $58 million annually, of the cost is attributed to diabetic ketoacidosis and hypoglycaemic emergencies. Access to support could substantially reduce that cost, potentially resulting in a savings of up to $75 million.

[4] This is based on conversations, analsyis, and information from ADEA and ADS Members.
[5] https://www.ndss.com.au/wp-content/uploads/ndss-data-snapshot-202209-type1-diabetes.pdf pe1-diabetes.pdf
[6] https://jdrf.org.au/wp-content/uploads/2021/06/The-economic-cost-of-T1D.pdf

2 Additional CDE visits for the population at increased risk of diabetes related complications.

The NDSS annual cycle of care recommends that a person living with diabetes receives between four (for low-risk people) and up to 17 (for high-risk people) allied health visits a year to maintain optimum health, manage diabetes, and lower the risk of complications such as heart attacks, stroke, kidney failure, blindness, and foot amputations. Five visits a year for allied health, and five reserved for CDE visits, at a GP's discretion, will help people living with diabetes access the care they require to manage their condition well and may lessen the risk of complications.

Currently, CDMP/TCAs offer five MBS funded allied health visits. While 1.5 million Australians live with diabetes, we know that less than 10% of people with diabetes access a CDE through a GP referral. ADEA and ADS estimate that about 20% of the population living with diabetes would qualify for these additional five visits as they are identified at high risk of developing serious complications. This would result in a maximum cost of $83 million annually, if 100% of the eligible population used 100% of their visits and billing at current the CDE Medicare rates. However, if the data holds and only 10% of the 300,000 people access the CDE visits, the actual cost would likely be closer to $8.3 million.

11% of all hospitalisations in Australia are a result of diabetes

It is important to note that there were 1.2 million hospitalisations in 2019-2020, that is, 11% of all hospitalisations in Australia are a result of diabetes. Furthermore, type 2 diabetes is the twelfth largest contributor to the disease burden in Australia.[7] These CDE visits will result in drastic savings to the health system. The investment in additional CDE visits could result in savings of up to $1 billion.

[7] *https://www.aihw.gov.au/reports-data/health-conditions-disability-deaths/diabetes/overview*

3 CDE visits for people with gestational diabetes to prevent complications and lessen the risk of type 2 diabetes

Data demonstrate that people who develop gestational diabetes in pregnancy have a higher risk of developing type 2 diabetes, so do children born to parents who had gestational diabetes. A 2018 study found that half of all people with gestational diabetes will develop type 2 diabetes.[8] To reduce risk and provide continuity of care, all people diagnosed with gestational diabetes should be provided with MBS-reimbursed referrals to visit a CDE:

- three visits during pregnancy, and
- two visits during the postpartum period.

This is in addition to the existing MBS referral to an Endocrinologist. According to the NDSS data, nearly 50,000 people were diagnosed with gestational diabetes last year, an increase of 2% over the previous year.[9]

Additional CDE visits for people with gestational diabetes could result in cost savings of $176 million

Using these data, the cost would be about $14 million per year for these people to be able to see a CDE three times during their pregnancy and two postpartum. This investment will result in significant cost savings as the risk of developing type 2 diabetes may be mitigated, resulting in fewer people and their children being diagnosed with diabetes in their lifetime. ADEA and ADS estimate this investment could result in cost savings of $176 million.

[8] *Lowe, et al. (2018) Association of Gestational Diabetes with Glucose Metabolism and Childhood Adiposity. JAMA, 320(10): 1005-1016. doi:10.1001/jama.2018.11628.*

[9] *https://www.ndss.com.au/wp-content/uploads/ndss-data-snapshot-202109-gestational-diabetes.pdf*

Investment now will build a stronger health system for the future

The Australian healthcare system has been under immense pressure since the start of the COVID-19 pandemic. In addition to treating COVID-19 patients, the impact of long covid, healthcare workers needing to isolate and staffing shortages have taken a toll on the workforce. The pandemic has also meant screenings and routine appointments have been delayed. Many experts expect this to result in additional strain as cancers and other diseases are diagnosed later and with further complications. This is also the case with diabetes, as many people have put off regular appointments, and others forgoing routine GP appointments and blood tests that may alert to elevated HbA1c levels. Other people living with diabetes have put off their routine appointments and may not have managed their glucose levels well during the pandemic. Diabetes distress, the mental health condition relating to managing the complex chronic condition of diabetes, may continue to rise. It is imperative that the Australian government continues to invest in measures such as this ADEA and ADS proposal which could reduce healthcare costs and alleviate the intense pressure on the healthcare system as it rebounds from the COVID-19 pandemic.

Investing in diabetes care, prevention and treatment is an essential step the Government can take to reduce the burden and costs to both the Australian healthcare system and the economy. Taking these measures now will allow for a healthier population taking an essential step in recovering from the COVID-19 pandemic and supporting a robust health system.

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