

## HUMAN RESOURCES

# HOW EMPLOYERS CAN FIGHT THE HIGH COST OF DIABETES

DIABETES IS a devastating illness — and not just for those with the disease. Employers are also shouldering massive and increasing direct and indirect costs due to diabetes.

Diabetes afflicts more than 11% of the adult population, including about 6.3% of full-time workers and 9.1% of part-time workers.

People with diagnosed diabetes incur average medical expenditures of about \$19,736 annually, with roughly \$12,022 directly attributable to the disease, according to the National Institutes of Health. Out-of-pocket costs typically range from \$3,300 to \$4,600. Costs vary significantly based on whether complications have developed

Those additional costs also drive group health insurance costs. On top of that, employees who are dealing with diabetes-related complications can also reduce productivity.

### Indirect costs

On average, diabetics miss 5.5 days more of work than other workers, according to Gallup estimates. That adds up to 45 million missed workdays, and productivity costs to U.S. employers of \$4 billion.

For employers, these costs may represent just the tip of the iceberg. The Centers for Disease Control estimates that more than 114 million adults in the U.S. — a third of the workforce — have undiagnosed diabetes or prediabetes.

### What can employers do?

With so much at stake, a robust workplace program to fight diabetes can generate a significant return on investment.

The American Diabetes Association estimates that preventing or delaying the onset of diabetes in just one prediabetic employee can generate more than \$50,000 in direct and indirect cost savings over five years.

The CDC recommends that employers design wellness programs that specifically target improvements in the following areas:

- Exercise and activity levels
- Smoking cessation
- Hypertension reduction
- Blood cholesterol reduction
- High blood glucose reduction
- Weight/obesity

There also are a number of measures employers can take to help mitigate some of the costs to the organization.

#### 1. Offer ongoing counseling with professional dietitians.

Employees who regularly meet with dietitians who can help them set small, manageable goals for themselves, make significant and measurable health improvements, according to the HCCI. The research found that they lost 5.5% of their body weight and reduced blood glucose levels.

- 2. Start a walking club.** The American Diabetes Association's "Stop Diabetes @ Work" program recommends that employers encourage company walking clubs to attend diabetes walk-a-thons like "Step Out: Walk to Cure Diabetes," or host a community "Walk to Cure Diabetes." You can find resources, including posters, articles, training plans and walking guides, at [www.diabetes.org](http://www.diabetes.org).
- 3. Encourage self-assessment and screening.** According to the CDC, 30% of people with diabetes aren't even aware of it. Workplace screenings are easy and effective. Many employers provide incentives for workers to participate via reduced insurance copays, or even cash payments.

All screenings should be confidential and employers should not penalize employees who have diabetes, as this could violate the Americans with Disabilities Act.
- 4. Encourage smokers to quit.** Diabetics who smoke have far higher medical costs on average than non-smoking diabetics or non-diabetic smokers. Discouraging tobacco use can pay off in the long run.

