Study Snapshot

AcademyHealth

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Limiting Patient Out-of-Pocket Costs for Insulin Improves Adherence

Key Findings

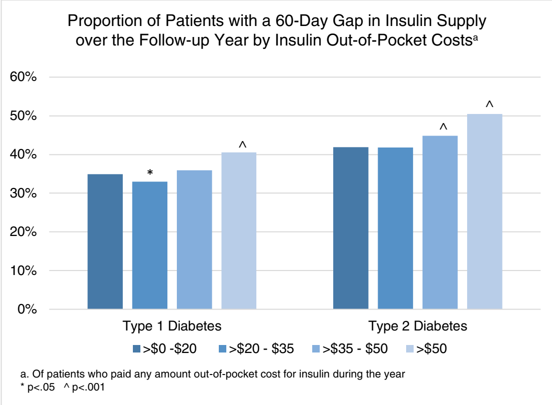
- Between 35% and 45% of patients had at least one 60-day gap in insulin supply, and gaps were more likely to occur for patients with higher out-of-pocket costs.
- Gaps were more likely to occur for type 1 and type 2 diabetes with out-of-pocket costs greater than $50 for a 30-day supply.
- For type 2 diabetes, gaps were also more likely to occur for out-of-pocket costs greater than $35 per 30-day supply.
- High insulin out-of-pocket costs were also associated with nonadherence to other oral diabetes medications, such as noninsulin antihyperglycemic medication.

The Policy Implications

Limiting patient out-of-pocket costs can reduce cost as a barrier to patient adherence to insulin therapy and possibly to other oral diabetes medications. Diabetes affects over 30 million people in the U.S. at a total cost of $254 billion per year. If not well controlled, diabetes can lead to serious complications including blindness, heart attack, and kidney failure. The goal of diabetes management is to prevent these long-term complications. While there are numerous classes of medications used in the management of diabetes, approximately 30% of patients require insulin to manage their disease. Patient nonadherence creates significant financial and health burdens for both the patient and the healthcare system.

The Implications:

This study demonstrated that rising insulin out-of-pocket costs contributes to gaps in patients' use of insulin therapy.



Evidence from this study can inform health plan decisions about setting insulin out-of-pocket cost limits to avoid cost-related nonadherence to insulin and possibly avoid nonadherence with other diabetes medications. Currently, there is a wide range of insulin out-of-pocket cost caps being used by states and payers, and this study suggests that plans may be able to reduce the risk of nonadherence while maintaining a modest out-of-pocket cost (<$35 per 30-day supply).

Background

Insulin can be a life-saving drug, but high drug costs can lead persons with diabetes to stop taking or ration their insulin. Insulin non-adherence can have significant consequences. For instance, other studies have identified that those who do not take insulin as prescribed have higher rates of complications and hospitalizations than those who adhere to their insulin therapy. In response, 15 states have passed laws limiting insulin out-of-pocket costs in state-regulated insurance plans, with caps generally ranging from $25 to $100 per 30-day supply. While proposed, there is currently no national-level legislation that limits insulin out-of-pocket costs for insured patients.

To better understand the impact of rising insulin costs on patients and to inform discussions related to insulin out-of-pocket caps, Carrie McAdam-Marx, Professor in the College of Pharmacy at the University of Nebraska Medical Center, Natalia Ruiz-Negron, Research Assistant Professor in the College of Pharmacy at the University of Utah, and colleagues examined the association between insulin out-of-pocket costs and the use of insulin and non-insulin diabetes medications, as well as the association with other diabetes-related outcomes. Full study details and findings are available in the **Journal of Managed Care and Specialty Pharmacy, Volume 28, Issue 5 (May 2022)**.

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Contact Us

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If you would like to learn more about related work, please contact Megan Collado, Director, AcademyHealth, at megan.collado@academyhealth.org.