

## POINT PAPER

**Problem:** Medical Treatment for insulin dependent diabetics has become unaffordable and inaccessible for a growing number of patients to effectively sustain life with 100% success and manage their chronic illness so as to prevent further complications of stroke, kidney disease, blindness and heart disease.

### Issues:

1. 68,097 North Dakotans are diabetic. 6,800 are Type 1 Diabetics who are 100% dependent upon insulin to survive. A subset of all other diabetics also rely on insulin.
2. Insulin and diabetes supplies supply chains offer no transparency to costs.
3. No Generic Option (Biosimilar as it is called in the case of insulin.)
4. Free Market does NOT bear the cost of insulin. Type 1 Diabetic's choice is: Pay or Die
5. Diabetes is the most expensive chronic disease in the United States. \$1 out of every \$4 health care dollars is spent on diabetes and related care. Individuals with diabetes have medical expenses approximately 2.3 times higher than those without.
6. Insulin Out of Pocket (OOP) costs are increasingly calculated as a percentage of the cost (co-insurance), rather than a fixed dollar amount (co-payment) and are typically based on the list price rather than the net price.
7. In North Dakota, a manufacturer's rebate for insulin can and is used to lower premiums for the employer and insureds, but the patient is charged co-insurance from the list price.
8. Insulin is deadly. Insulin therapy requires diabetic supplies such as test strips, meters, lancing devices, syringes, and lancets to make proper dosing decisions. All need to be accessible and affordable to do so.
9. The cost of insulin has risen 1200% since 1990 with no substantial changes to the product.
10. 8.3 Million Americans use insulin to control their diabetes. Three-fifths are insured under Medicare, Medicaid, or Children's Health Insurance Program (CHIP). Taxpayers are already footing the health care bill for over 50% of the people with diabetes.
11. Estimated cost savings when all persons have proper diabetes management care is \$\_\_\_\_\_ (How to qualify savings?? North Dakota spent \$470 million in direct expenses for diabetes care in 2017 and another \$190 million spend on indirect costs from lost productivity.)

**Solution:** The North Dakota Legislature to approve a monthly co-payment cap of \$25 for insulin and an additional \$25 co-payment cap for diabetes supplies for the patient until further action is taken federally or by the supply chain itself to ensure affordability and accessibility for all North Dakotans to this life sustaining medication that has 100% ability to manage the disease when used properly.

**Recommended Action:** The committee approves the current Bill 21.0183.01000 and forwards it on through the process of being heard in front of the full legislature to assist all individuals in this crisis until a federal solution for all insulin dependent people can be approved.