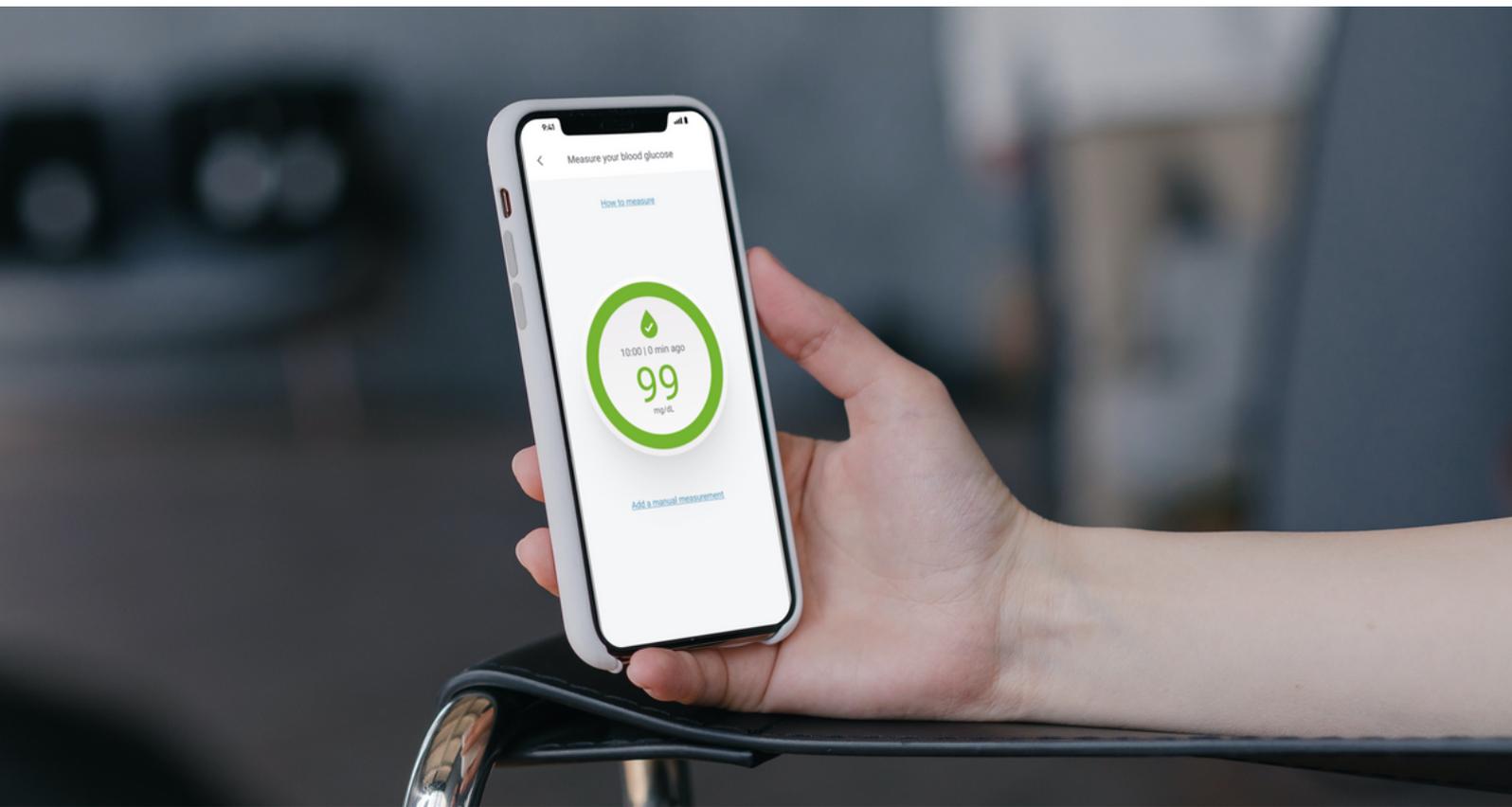




EMPLOYER PERSPECTIVES

Reduce Medical Costs with Dario Digital Health Solutions



Digital health offers tremendous potential to drive better health outcomes and reduce the cost of care for your employees living with diabetes.

OPTIMAL CARDIOMETABOLIC HEALTH HITS NEW LOW

Access to affordable care has been a persistent problem, and it's just getting worse. The pandemic and inflation created a perfect storm that has left many struggling to meet their medical needs. In parallel, people are getting sicker.

Only 6.8% of people in the U.S. have optimal cardiometabolic health, which is determined by:¹

- Ideal body mass index
- Healthy waist circumference ranges
- Normal blood pressure
- Normal blood sugar
- Normal cholesterol
- Not taking medications
- No evidence of prior cardiovascular disease

Today, 11.3% of the U.S. population is living with diabetes, and the high cost of associated care is well documented.

THE HIGH COST OF LIVING WITH DIABETES

\$175 B

dollars are spent annually on direct pharmacy and medical costs



2.3x

higher medical costs for people living with diabetes compared to people without the condition

HEALTHCARE SPEND TO RISE AGAIN IN 2024

The trend of increasing healthcare costs is slated to continue in the upcoming year, with PwC predicting a 7% rise in for payers in 2024.³ The rising pressures of inflation and expensive medical costs associated with chronic condition management, including the increasing use of medications to help manage Type 2 diabetes and obesity, are helping to fuel the trend.

The combination of increasing chronic conditions and the associated rising costs of care present serious challenges for payers and Employers.

\$9,601 AVERAGE MEDICAL EXPENDITURE FOR DIABETES²

- 30% is attributed to inpatient stays
- 30% medications
- 15% anti-diabetic agents and supplies
- 13% provider office visits

In particular, the surge in popularity of GLP-1 drugs for weight loss and Type 2 diabetes comes with a high price tag, with the cost per year averaging \$17,000 for employers.

Spend related to diabetes also presents a huge financial burden for the 37 million Americans living diabetes and the 100 million prediabetic adults in the form of antidiabetic medications and supplies such as testing strips.⁵

Uncontrolled diabetes presents the most significant cost challenge for payers as those without good self-care habits are more likely to be hospitalized at a significant expense.

¹ Infographic: Chronic Health Conditions and Mental Health | (Mental Health America (mhanational.org)

² The Cost of Diabetes | ADA

³ PwC Forecasts 7% Surge in Healthcare Costs for Payers Next Year | Distill Info Health Plan

⁴ AAMC Report Reinforces Mounting Physician Shortage | AAMC

⁵ Employees want weight loss drugs Ozempic and Wegovy. Can employers afford them? | EBN

⁶ Diabetes treatment can be incredibly costly. But the biggest cost is (surprisingly) not insulin | USA Today

DARIO DIGITAL SOLUTIONS CAN HELP YOUR BOTTOM LINE

Dario solutions are proven to deliver clinically significant improvements in users living with Type 2 diabetes.

New research extends the scope of Dario's impact to show that clinical improvements result in lower utilization and reduced medical costs, with Dario users incurring \$5,077 in medical cost savings compared to non-users. The lower cost of care is due to fewer in-patient hospitalizations and reduced office visits after one year.

This cost savings data, presented at the American Diabetes Association 83rd Scientific Sessions, offers credible evidence demonstrating the power of digital health to drive cost savings.

IMPROVED OUTCOMES

2.3 pt

Reduction in HbA1c with a baseline of >9 pts

REDUCED UTILIZATION

19%

Reduction in office visit charges

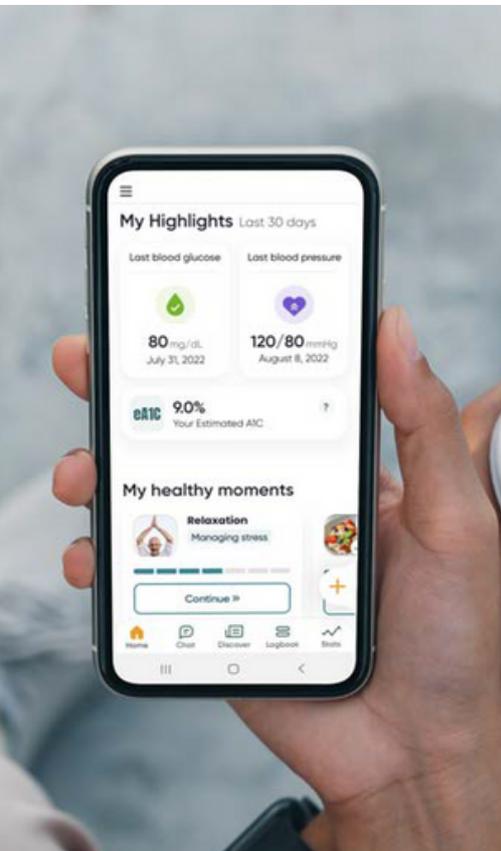
23.5%

Reduction in in-patient hospitalizations

LOWER COST OF CARE

\$5,077

Estimated savings in paid claims over one year



About Dario

Founded in 2011 as a direct-to-consumer digital health provider, Dario perfected its solution with real users before selling to employers, health plans, and providers. Dario's proven and popular solution makes it easy for people to care for their health, with continuous and connected digital support that meets and anticipates individual needs, understands personal motivators, and facilitates engagement and behavior change.

Learn more at dariohealth.com.

Contact us for more information or to schedule a demo.

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