Federal Budget Submission: Continuous Glucose Monitoring (CGM) devices

Recommendation 2: Subsidise continuous glucose monitoring (CGM), through the NDSS, to an eligible population of 16,000 people with type 2 diabetes and 'other' forms of diabetes who require multiple daily insulin injections or are planning pregnancy, at a cost of $106.48 million over four years from 2027-2030.

Australians living with diabetes should have equitable access to the evidence-based technologies that support safe, effective self-management and reduce avoidable complications. The diabetes community has united in our advocacy on this issue.

Continuous glucose monitoring delivers extensive benefits

More than 1.3 million Australians are living with type 2 diabetes. The impact of this condition on an individual is profound. Food, exercise, stress and sleep all affect the day-to-day management of diabetes and create a physical, emotional and psychological cost to the individual.

Continuous Glucose Monitoring (CGM) devices are wearable medical devices that track glucose levels continuously through the day and night. They provide real-time feedback on how food, exercise and medication affect glucose levels, helping people connect their actions to outcomes and enhances motivation for change and management. They improve ongoing self-management, reduce diabetes distress and assist healthcare professionals in making therapeutic decisions.

Evidence indicates that CGM devices can deliver clinically meaningful benefits, including improved glycaemic outcomes and quality of life, and reducing acute adverse events and long-term complications.

However, for people living with type 2 and 'other' types of diabetes, access is only possible for those who can afford it. With continuous use, CGM devices cost between $2,000 and $4,000 annually.

Diabetes (all types) contributes an estimated $14.2 billion impact on the Australian health system. The annual cost to the economy in 2022 was forecast to grow to $45 billion per annum by 2050.

Our proposal focuses on driving clinical benefits and equitable access

Recognising government budget pressures, this proposal recommends granting access to CGMs for five priority populations. From a health equity perspective, these priority populations face higher risks and greater barriers to care. The proposed priority populations are:

- People with other forms of diabetes requiring multiple daily injections including type 3c – conditions similar to type 1 diabetes (4 656)
- People with type 2 diabetes who are health care card holders requiring multiple daily injections (7 030).
- Aboriginal and Torres Strait Islander people with type 2 diabetes requiring multiple daily injections (2 184).
- People with type 2 diabetes under 21 years of age requiring multiple daily injections (210).
- Women with type 2 diabetes planning pregnancy through to six months post birth (2 901).

Together, the eligible populations equate to approximately 16,000 people in 2027, of which an expected take-up rate would reach 70% or 12,700 people by 2030.

The recent Federal Parliamentary Inquiry into Diabetes supported the expansion of CGM subsidies. Recommendation 15 of the Committee's report, tabled on 3 July 2024, specifically mentions people with type 3c diabetes and type 2 diabetes who require insulin.

Estimated cost to the federal government

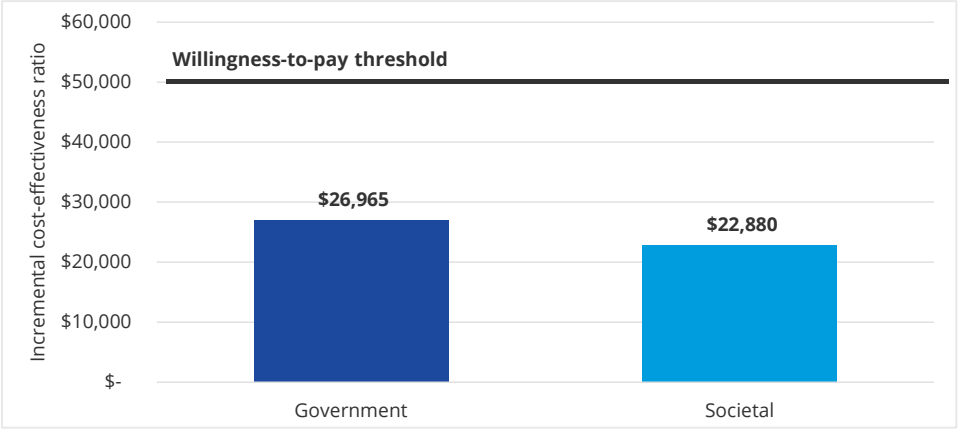
Table 1: Estimated cost to federal government over 4 years (2027-2030)	**4-year cost**
Total cost for roll out	**$106.48 million**
Total product cost (including consumable cost-savings) *Note due to overlap between cohorts, individual cohort costs add up to more than the total product cost	**$93.04 million**
Women with type 2 diabetes planning pregnancy through to six months post birth	$17.7 million
People with other forms of diabetes requiring MDI including type 3c – conditions similar to type 1 diabetes	$28.2 million
People with type 2 diabetes who are health care card holders requiring MDI	$40.9 million
Aboriginal and Torres Strait Islander people with type 2 diabetes requiring MDI	$12.7 million
People with type 2 diabetes under 21 years of age requiring MDI	$1.5 million
Implementation costs	
Workforce (service delivery and education), NDSS service and evaluation costs	**$13.44 million**

MDI: Multiple daily injections

Subsidising CGMs is cost effective for government

Our modelling shows that over the next 40 years, the proposed CGM program would be cost-effective for both government and the community, delivering health benefits and savings in return for the cost.

Chart 1. Incremental cost-effectiveness ratio of the proposed program (compared to current care)



Should the program be adopted in future years, cost-benefit analysis shows that it will deliver net benefits to the Australian society, valued at $1.13 billion over the period 2027 to 2066, equal to a return on investment for the Australian society of $**2.69 in benefits for each dollar invested**.

Source: Diabetes Australia estimates (2025) **Notes:** Analysis uses a discount rate of 5% as per PBAC guidance.