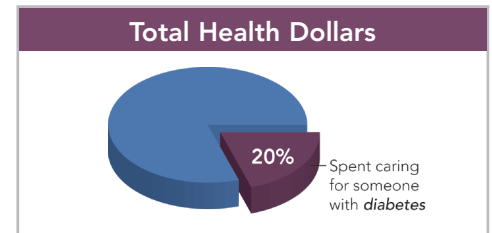


# Diabetes Management Program

## EXECUTIVE SUMMARY

Approximately 1 out of every 5 health care dollars is spent caring for someone with diabetes.<sup>1</sup> It's one of the most serious health problems facing employers today, affecting more than 24 million Americans – many of whom are in their prime working years. If left unmanaged, this chronic disease progresses and can result in exorbitant medical costs, lost productivity, absenteeism, permanent disability and premature death.



Medica offers a comprehensive program that helps prevent the serious complications and related health problems that can occur with the disease. Our success at enrolling members living with diabetes and providing them with effective disease management results in improved quality of life and decreased health care costs.

## KEY OUTCOMES<sup>†</sup>

- Savings of \$210 a year per program participant in annual health care expenditures<sup>2</sup>
- A return on investment of up to \$1.60 for every dollar spent<sup>2</sup>
- Over 63% of surveyed members report improved or stabilized emotional health status<sup>3</sup>
- 79% of surveyed members report improved or stabilized physical health status<sup>3</sup>

## THE IMPACT OF DIABETES

Many people believe the myth that diabetes is caused by eating too much sugar. In fact, diabetes is a disease that affects the way the body uses and stores food. When someone has diabetes, their body is unable to normally produce a hormone called insulin that helps process food. This lack of insulin results in elevated blood sugar levels and two types of diabetes:

- Type I – insulin-dependent diabetes mellitus, usually appears suddenly in children or young adults
- Type II – non-insulin-dependent diabetes mellitus, is most often seen in overweight adults over the age of 40

*“Diabetes plagues more than just the individual with the disease. It is common, it is costly, it creates numerous complications, and there is no cure. Until we start reversing current trends, through increased awareness, prevention and aggressive disease management, diabetes will continue to have an adverse impact on our society as a whole.”*

*R. Stewart Perry, Chairman of the Board, American Diabetes Association, in a January 2008 news release highlighting a study commissioned by the association.*

**Prevalence**

- More than 17.5 million people, or 6% of the population, have been diagnosed with diabetes; 6.6 million more are believed to have diabetes that has not yet been diagnosed.<sup>1</sup>
- The number of people with diabetes is expected to increase to 30.3 million by 2030.<sup>4</sup>
- Adults with diabetes have heart disease death rates about 2 to 4 times higher than adults without diabetes.
- The risk for stroke is 2 to 4 times higher and the risk of death from stroke is 2.8 times higher among people with diabetes.
- Each year, diabetes results in 12,000 to 24,000 new cases of blindness, 44,000 cases of end-stage kidney disease, 82,000 lower-limb amputations and 224,792 deaths.<sup>5</sup>

**Costs**

- Direct and indirect expenditures attributable to diabetes are estimated at \$174 billion; this likely underestimates the true burden by omitting intangibles, such as pain and suffering and care provided by non-paid caregivers.<sup>1</sup>
- People with diagnosed diabetes, on average, have medical expenditures that are approximately 2.3 times higher (\$11,744 versus \$5,095) than the expenditures would be in the absence of diabetes.<sup>1</sup>

**Productivity Implications**

- Individuals with diabetes are at greater risk of missing workdays, permanent disability and premature mortality. In 2007, diabetes accounted for 120 million work days with reduced performance, 6 million reduced productivity days for those not in the workforce, and an additional 107 million work days lost due to unemployment disability attributed to diabetes.<sup>6</sup>
- The number of workdays absent because of diabetes is estimated at 15 million, at a national cost of \$2.6 billion.<sup>6</sup>

**THE MEDICA SOLUTION**

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To help reduce the risks associated with this chronic condition, Medica provides a comprehensive disease management program designed to detect, prevent and lessen the severity of diabetes for eligible members.

Program participants receive education, individual counseling and support from nurses or clinical specialists to help them manage their symptoms and make healthy lifestyle choices. They are encouraged to play a central role in managing their own care, a strategy shown to improve both member health and program satisfaction.

Program goals include:

- Slowing the progression of the disease
- Prolonging healthy periods
- Reducing emergency room visits and hospital admissions
- Improving outcomes

In addition, Medica works closely with health care providers, professional groups and government entities to help curb the incidence of diabetes and improve the quality of care delivered.

Current initiatives include:

- Ensuring that members with diabetes receive regular preventive care, including an annual retinal eye exam and regular clinic visits for hemoglobin A1c and other tests to monitor the disease.
- Sponsoring a unique pilot program with several clinic systems that emphasizes a team approach to patient-centric, comprehensive diabetes care.
- Advocating for a community-wide approach to diabetes measurement, prevention and improved care through active involvement with the Institute for Clinical Systems Improvement (ICSI) and the Minnesota Department of Health.
- Expanding Medica health management programs in 2008 to address key diabetes risk factors such as obesity and metabolic syndrome.

**MEDICA OUTCOMES<sup>†</sup>**

**Financial**

- \$210 annual savings per program participant in total health care expenditures<sup>2</sup>
- 8.5% reduction in inpatient hospital admissions<sup>2</sup>
- Up to 1.6 return on investment (ROI)<sup>2</sup>

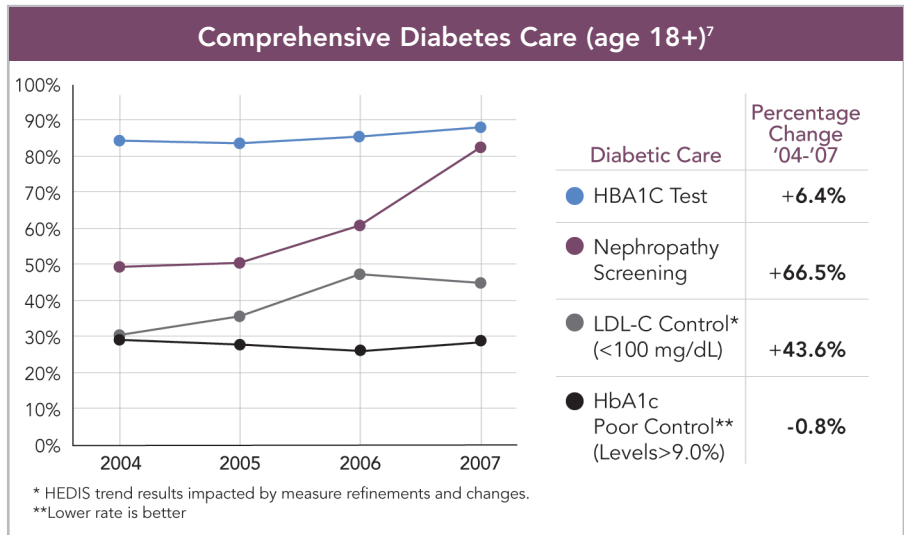
**Clinical**

Medica achieved significant improvements in diabetic care from 2004 to 2007. For example:

- 6.4% increase in members having HbA1c testing<sup>7</sup>
- 43.6% increase in members with cholesterol in good control<sup>7</sup>
- 66.5% increase in diabetic nephropathy monitoring<sup>7</sup>

**Participant Experience**

- Over 63% of surveyed program participants report improved or stabilized emotional health status<sup>3</sup>
- 79% of surveyed program participants report improved or stabilized physical health status<sup>3</sup>



## NEXT STEPS

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Diabetes is associated with an increased risk for a number of serious, sometimes life-threatening complications, and certain populations experience an even greater threat. We're ready to team with you to help prevent the onset of diabetes in your workforce, and to reduce the progression of the disease once it's diagnosed. By working together, we can gain control of this disease and rein in spiraling costs.

To learn more about how Medica's health management programs can make a difference for you and your employees, please contact your broker or Medica representative.

Any reference to material developed by companies other than Medica does not imply endorsement of Medica's program.

<sup>1</sup> American Diabetes Association. "Economic Costs of Diabetes in the U.S. in 2007." *Diabetes Care*. March 2008.

<sup>2</sup> Medica's Disease Management Performance Review. Conducted in conjunction with Reden and Anders on Pre Study Period of 5/1/2002-4/30/2003 and Post Study Period of 5/1/2003-4/30/2004. Adjusted with current fees.

<sup>3</sup> Medica's Disease Management program results. Commercial Fully and Self-Insured Outcomes Report. Period ending June 2007.

<sup>4</sup> S. Wild, G. Roglic, A. Green, R. Sicree, H. King. "Global Prevalence of Diabetes Estimates for 2000 and Projections for 2030." May 2004.

<sup>5</sup> National Diabetes Fact Sheet. United States, 2005. [http://www.cdc.gov/diabetes/pubs/pdf/ndfs\\_2005.pdf](http://www.cdc.gov/diabetes/pubs/pdf/ndfs_2005.pdf).

<sup>6</sup> American Diabetes Association. "Direct and Indirect Costs of Diabetes in the United States." January 2008.

<sup>7</sup> Medica HEDIS values 2004- 2007.

The outcomes information is provided for your information only, and is based upon aggregate data, rather than group specific data. It illustrates the potential results associated with purchasing certain disease management programs. No outcome guarantees are made as a result of providing this information.