



# Continuing Education



## Diabetes management programs

### Learning Objectives

**Define** disease management and describe important aspects of diabetes management programs.

**Identify** methods for evaluating outcomes of diabetes management programs.

**Describe** how pharmaceutical companies work with healthcare organizations to develop diabetes management programs.

**Identify** types of diabetes management services offered by pharmaceutical companies.

**Describe** the roles representatives play in support of diabetes management strategies.

This final article in a three-part series describes disease management and aspects of diabetes management programs. It also examines outcomes assessments of diabetes management programs, how pharmaceutical companies work with healthcare organizations to develop diabetes management programs, types of diabetes management services offered by pharmaceutical companies, and the roles representatives play in support of diabetes management strategies.

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Many healthcare organizations, employers and insurers are implementing some type of diabetes management program within a disease management context. Disease management refers to a comprehensive, integrated approach to healthcare and reimbursement based on the overall course of a disease or condition. The primary difference between disease management and traditional healthcare is the emphasis on a continuum of care versus isolated components of care.

It is very difficult and expensive to initiate a program that includes every aspect of diabetes management (e.g., diagnosis, treatment, patient education, monitoring, prevention of complications and outcomes assessment). Therefore, before investing in a diabetes management program, a healthcare organization should estimate whether there is a sufficient percentage of plan members with diabetes to make the program cost-effective. The health plan

must further identify the percentage of members with diabetes who are not managing their disease as well as possible.

The most common sources of information are insurance claims and drug prescription records. Other sources include laboratory claims for HbA1c tests, which measure average blood glucose levels over a four- to six-week period, and diabetes-related procedure codes for physician visits. Companies with access to these types of data, such as PBMs and prescription tracking services, have a tremendous business opportunity to market these services to MCOs.

Because disease management programs need to gather patient data and monitor patient behavior, some employees have privacy concerns. Therefore, some employers outsource their data collection and analysis functions to avoid any appearance of breaching employee confidentiality.

Many small healthcare organizations do not have the financial or staffing resources to

## RECEIVE CREDIT AND RECOGNITION

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**Note:** The Continuing Education quizzes are not part of CMR Institute's certification program and do not count as credits toward the CMR® designation.

### About the CMR Institute:

The Certified Medical Representatives Institute is an independent non-profit educational organization established in 1966 to provide a source of professional development and certification for pharmaceutical representatives. The Institute provides an up-to-date, approved continuing education curriculum designed to expand and enhance internal company training and development in a cost-effective manner. The curriculum concentrates on providing a general knowledge base and avoids such areas as selling skills and specific product education.

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implement their own diabetes management programs. They can, however, develop partnerships with organizations that provide diabetes education. In this way, healthcare organizations can negotiate contracts enabling them to offer diabetes education to their members with diabetes at a reduced rate in return for providing the educational organization with a guaranteed patient population.

Patient and provider education typically focuses on the need for frequent glucose monitoring and appropriate therapy to maintain glucose levels as near normal as possible. Intervention and follow-up is often provided by a nurse, pharmacist, dietitian or certified diabetes educator. Outcomes are often evaluated in terms of reductions in hospitalizations, fewer missed workdays, or improved results of hemoglobin A1c tests.

## Outcomes assessment

Objective evaluation of diabetes management programs is gaining importance as these programs become more popular. Certain government agencies, such as the centers for Medicare and Medicaid Services (CMS), and accrediting bodies, such as the Joint Commission, now mandate that outcomes data be provided by disease management programs. Types of outcomes measurements used to evaluate diabetes include:

- Quality of life, which relates to overall health status, complications and functional problems related to diabetes
- Clinical outcomes, which might include specific laboratory and other measurements associated with increased risk for complications in patients with diabetes
- Regular assessment of essential processes, such as routine screening procedures used to monitor patients with diabetes (e.g., annual retinal exams, foot exams)
- Patient satisfaction, which is patients' perception of the quality of care they receive; this can assist with achieving better outcomes in other areas
- Cost-savings, involving short-term and long-term costs and measured in terms of overall program costs and costs per patient.

The National Committee for Quality Assurance (NCQA), a group that accredits managed care organizations, uses a set of criteria called the Health Plan Employer Data and Information Set (HEDIS). HEDIS requirements include HbA1c testing and control, lipid level testing and control, regular eye exams, and regular screening for nephropathy. Measurements used to evaluate diabetes programs include the percentage of patients who:

- Are receiving more than one HbA1c test annually
- Have the highest risk HbA1c level (i.e., >9.5%)

- Are assessed for nephropathy
- Are receiving a lipid profile every two years
- Have a low-density lipoprotein (LDL) <130 mg/dL
- Have blood pressure <140/90 mm Hg
- Are receiving eye examinations.

Examples of diabetes outcomes assessment initiatives include:

- HEDIS Comprehensive Diabetes Care, which measures the performance of managed care health plans participating in comprehensive diabetes care.
- The Central States Southeast and Southwest Health & Welfare Fund, a PPO that participated in a diabetes management program offered by its PBM.
- The Control Diabetes Services, which tracks patient outcomes through a variety of measures, including glycosylated hemoglobin screening.
- Translating Research Into Action for Diabetes, which is studying how managed care systems influence the processes and outcomes of diabetes care.

## Implementation of a diabetes management program requires an integrated communication and reporting system

### Building relationships

Many pharmaceutical companies are working with healthcare organizations to develop diabetes management programs. Some companies are even creating their own disease management subsidiaries.

Implementation of a diabetes management program requires an integrated communication and reporting system among a network of diabetes care specialists. Most healthcare organizations benefit from pharmaceutical companies' decades of experience educating physicians, enrolling patients in clinical trials, collecting and analyzing clinical data and working with vendors to develop educational materials.

Pharmaceutical companies also benefit from disease management partnerships, as healthcare organizations offer access to patients, providers, various treatments and potential new customers. The financial benefits for a pharmaceutical company can be improved if it has a basic diabetes management program that can be used for each new participating healthcare organization. Also, the costs of developing a diabetes management program may be offset by increases in the company's

product sales. Increased patient compliance with treatment from disease management programs may also benefit sales of diabetes products.

Pharmacy benefit management companies (PBMs) have traditionally focused on managing the pharmacy benefit for corporations and healthcare organizations. Development of diabetes management programs has been a priority for PBMs because this disease is responsible for significant expenditures on the part of their customer base.

This is an aggressive approach to disease management that involves considerable financial risk. Companies adopting this approach are seeking to develop an entirely new business related to healthcare consulting, intentionally unrelated to pharmaceutical sales. Their disease management services are delivered on a fee-for-service or risk-sharing basis to help healthcare organizations deliver more effective and efficient care. In general, these subsidiaries are built around management

## Pharmaceutical companies are now drawing on PBM expertise in information technology and data collection and analysis to work together as partners

Several years ago, many pharmaceutical companies began forming alliances with PBMs to share information and develop disease management programs. These pharmaceutical companies are now drawing on PBM expertise in information technology and data collection and analysis to work together as partners in the development of disease management initiatives.

A few large pharmaceutical companies have created separate disease management subsidiaries.

teams focusing on specific diseases (such as diabetes) and staffed with specialists in information technology, outcomes research, business and finance, pharmaceuticals, and medicine. These subsidiaries are also viewed as revenue-generating (rather than merely revenue-protecting) operations.

### Diabetes management services

Pharmaceutical companies offer a range of diabetes management services depending on their level of interest in the disease and the financial benefits they anticipate. Services offered include value-added services, education programs and comprehensive diabetes management programs.

**Value-added services.** These can cover a wide range of offerings, including free patient education brochures or a continuing education seminar for physicians. Because value-added services are relatively inexpensive to create and generate goodwill with healthcare staff, most pharmaceutical companies offer them. Specific diabetes-related value-added services would include:

- Coupons that help patients with diabetes buy monitoring supplies at a discount to encourage compliance with therapy
- Easy-to-read brochures emphasizing the benefits of diet and exercise in preventing the development of diabetic complications
- Patient education videos explaining key elements of insulin regimens and discussing appropriate administration and monitoring.

**Educational services.** These programs are targeted at high-risk individuals and are frequently designed to produce some level of outcomes data. For example, pharmaceutical companies can distribute copies of guidelines for the management of type 1 diabetes, type 2 diabetes and diabetes complications. They might also organize physician education seminars led by a recognized expert in

### Key elements of a comprehensive disease management program

A target population of patients who have been classified according to the severity of their condition

Accepted clinical practice guidelines for managing the disease that include procedures for diagnosis, treatment and follow-up

A means of disseminating these guidelines and information about the program to the appropriate healthcare staff (e.g., physicians, pharmacists, nurses) as well as patients

Educational support services for patients and the healthcare team

Intervention programs designed to identify problem areas and apply corrective measures

Intervention techniques to increase physician and patient compliance with clinical practice guidelines

Methods of outcomes assessment so that the cost-savings and improvement in patient care that may be achieved by the program can be measured

the field. Pharmaceutical companies often work with private diabetes education companies to deliver appropriate education to patients with diabetes. The pharmaceutical company may set up a program that would increase patient access to educators, dietitians, pharmacists and others who can provide diabetes education regarding diet, exercise, appropriate use of oral antidiabetic agents and insulin regimens, self-monitoring techniques and prevention of complications.

#### **Comprehensive diabetes management programs.**

Comprehensive diabetes management programs are challenging, but several pharmaceutical companies and healthcare organizations believe that their implementation is a worthwhile and necessary endeavor to improve patient health and better utilize available healthcare resources. They involve several components:

- Methods for identifying the segment of the health plan population with diabetes (e.g., utilizing pharmacy or medical claims data)
- Patient education materials on appropriate blood glucose levels, the need for periodic physical examinations and self-management guidelines
- Methods for intervention support, such as follow-up phone calls, testing HbA1c levels and sessions with diabetes educators and dietitians
- Methods for performance monitoring to evaluate improvement in patient care and overall cost-savings to the organization.

### **Representatives' roles**

Healthcare representatives must understand managed care and the disease process. They must also have business and negotiating skills and be able to develop diabetes management strategies. Representatives should assess the diabetes management needs of hospitals and physician groups in their territories.

This information can then help district managers analyze the needs of the various managed care plans. Helpful questions include: Is staff convinced about the benefits of disease management? Is there a large patient population of people with diabetes? With which managed care plans are they affiliated? Are the majority of patients 40 years or older, which may increase their likelihood of developing type 2 diabetes?

Healthcare representatives should be thoroughly knowledgeable about abnormalities in glucose metabolism, the progression of diabetes and the types of diabetic complications that can occur. They also must be able to discuss treatment guidelines for type 1 and type 2 diabetes, the implications of major studies, and any other clinical information that can help to promote their companies' diabetes management strategy. Field representatives also have the important responsibility of

## **Article Summary**

- Many healthcare organizations, employers and insurers are implementing some type of diabetes management program within a disease management context
- Objective evaluations of diabetes management programs are gaining importance as these programs become more popular
- Many pharmaceutical companies are working with healthcare organizations to develop diabetes management programs
  - Some companies are even creating their own disease management subsidiaries
- Pharmaceutical companies offer a range of diabetes management services, including value-added services, education programs and comprehensive diabetes management programs
- Healthcare representatives must understand managed care and the disease process
  - They must also have business and negotiating skills and be able to develop diabetes management strategies

educating healthcare staff about disease management programs and their potential benefits for both patients and providers.

Pharmaceutical companies and healthcare organizations frequently participate in lengthy business negotiations before reaching an agreement on how costs and savings will be shared between the two partners. The contractual agreements become more complicated with the involvement of participants such as PBMs, employers or computer programming specialists. Healthcare representatives should gain a basic understanding of contractual obligations and the financial risk involved in implementing a diabetes management program. This will enable them to participate in discussions about what type of diabetes management program would best meet an organization's goals and budget.

It is essential for representatives to be knowledgeable about diabetes management strategies being developed by their companies. With this perspective, they can analyze how healthcare systems within their territories are addressing the issue of diabetes and develop strategies for participation (always making sure these local strategies are in line with company objectives). For example, representatives could help disseminate the results of outcomes studies that demonstrate how a specific service improves patient health and results in overall cost-savings.

The next series of articles will provide an overview of the pharmaceutical industry.