Conference Summary

Diabetes Forum 2009 /

Broaden Your View

Washington, DC | March 3-4, 2009 | Mandarin Oriental

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Overview /

Avalere Health's Diabetes Forum 2009 / Broaden Your View assembled a world-class group of experts and policymakers to enlighten participants on how the emerging health policy debate in Washington will influence diabetes care. The two-day dialogue occurred during a pivotal time, as the Obama Administration and Congress work to prioritize health reform goals during an historic economic downturn.

Clear themes emerged from this second annual gathering, many of which connected and expanded on ideas first presented at the 2008 Forum. Chief among these was the call for strong leadership to bring together all stakeholders in the diabetes space for new action to address disparities in access and reimbursement, while focusing investments on health information technology (HIT), prevention, and new treatments.

The following encapsulate the major points made during the two-day event.

- **Health Reform Offers Opportunity for the Diabetes Community –** Legislative plans are moving rapidly in Washington. From the new stimulus package to proposals for reforming entitlement programs, change is happening on a daily basis. A priority for Obama during the campaign, healthcare is now a major part of his presidential agenda. The diabetes community has an opportunity to capitalize on the government's new investments in comparative effectiveness research (CER) and HIT.
- **Making the Right Decisions in a Patient-Centered Care System –** As the diabetes epidemic worsens, solution-oriented care models face the challenges of a lack of primary care physicians, access to care, a system designed to deliver acute rather than chronic care, and uncertainties over adherence and communication. How are treatment decisions made for a disease we know how to treat, but often fail to do so properly?
- **Connecting Technology to Need –** New technological innovations hold great promise for diabetes patients, but patients need access to the education and skills to use technology effectively to self-manage their care. In a wired world, large pockets of diabetes patients either go without, or receive data they don't know how to use. The stream of innovations is only as good as the programs to make them work for people with chronic conditions.

We thank our event partners, the American Association of Diabetes Educators, the American Diabetes Association, and the Juvenile Diabetes Research Foundation, as well as our sponsors, Medtronic, Takeda Pharmaceuticals North America, and Wyeth Pharmaceuticals.

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Moving Fast in the 'New Washington'

Two viewpoints from Capitol Hill gave participants a preview of the battles that lie ahead for health reform in Congress.

Wendell Primus, Senior Policy Advisor for Speaker of the House Nancy Pelosi (D-CA), spoke of the speed with which legislation has and will move with Pelosi and the Obama Administration in charge. He said the first priority is the economy, recounting the weak economic performance over the course of the Bush Administration.

"First we've got to get out of the economic situation," he said, while noting that in doing so, there is opportunity for major change. "Entitlement reform is economic reform."

Priorities on the majority agenda are to revamp the healthcare system, notably by improving access. Primus said action thus far under Obama has been swift, including the signing into law of a Children's Health Insurance Program (CHIP) extension bill as well as the signing of the nearly $800 billion stimulus package, which made significant investments in healthcare. He noted that the package allocated $19 billion for HIT (functionality, interoperability, privacy and security), $1.1 billion for CER, $1 billion for prevention and wellness, $10 billion for the National Institutes of Health (NIH), $2 billion for community health, and billions more in related areas.

For the near term, Primus said, "we need to build on what we've done," stressing the next fights will come over the Obama budget plan that seeks $634 billion for healthcare reform. "We need to spend more on CER, the $1.1 billion is just a toe in the water."

On the same panel, Dan Elling, Minority Staff Director for the House Committee on Ways and Means, relayed the Republican agenda, which offered that spending too much money on healthcare was not the way to improve the system.

"I am unsure the new government is going the correct way," he said, questioning the path of the reform efforts. The CER allocation in the stimulus plan is one example. Elling said he was uncertain that going from $30 million to $1.1 billion for CER was prudent, asking if it was even possible to spend the money over the law's two-year span. "I am concerned this is government interfering with healthcare because government was the only one on this board." He called for "doing CER right" by making the decision-making process more transparent. "Physicians should be part of the process and the results should not be used to restrict access to care," Elling said. He also said that while movement on HIT was a good thing, he questioned the decision to delay incentive payments until 2011 in the recent stimulus plan.

The Republican concerns moving forward focus on the amount of control the government has over healthcare. "Medicare and Medicaid are examples of how the government will undercut plans and drive up the cost of private insurance," Elling said. Overall, the foundation of his party's opposition to the Obama agenda is that more money does not mean better results. "The President's budget was a good step to get things moving, but we need to know what's next."

Lawrence Soler, Executive Vice President, Government Affairs and Operations for the Juvenile Diabetes Research Foundation (JDRF), said action items for the diabetes community include the much-discussed stimulus package, specifically on how to spend the money over a short period. The $10 billion for NIH has to be exhausted over a two-year period. "How will they divvy that up?" he asked. JDRF has been instrumental in the

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creation and renewal of the Special Diabetes Program and plans to use its experience with NIH funding to ensure that part of the stimulus money goes to diabetes research. JDRF is also taking the lead on overturning stem cell research policies and providing more access to new therapies and technology. “There is a sea change (possible) of how people take care of themselves in the future,” Soler said.

Soler said the priorities should be adequate and affordable health insurance, access to treatment and technology, adoption of HIT with patient privacy intact, and education and payment for endocrinologists and diabetes care providers.

George Huntley, Chairman of the Board for the American Diabetes Association, said the discussion over policy changes under review started in 2008 ahead of the presidential election season as stakeholders prepared for a change in administration. He said the reform debate should focus on a better return on investment for healthcare dollars spent; noting $1 out of every $5 spent is for someone with diabetes in this nation. Diabetes care, he said, should be affordable, accessible, and high quality.

Marian Batts-Turner, a board member for the American Association of Diabetes Educators, emphasized the issue of health disparities and the need for culturally literate care. She said diabetes educators go beyond traditional roles of explaining how to use devices and read glucose monitors, to providing behavorial, social, and psychological assistance to ensure the patient understands the full picture of the disease.

As for the chances of success in reforming healthcare, Soler said he has better feelings about today’s momentum than he did in 1993 when then First Lady Hillary Clinton led the way. “The 1993 effort left people jaded, the approach is different this year,” noting legislative plans and Obama’s designs take a community-level organizational tact. Even the strident opponents of so-called Hillary Care are now searching for different solutions.

Allan Rivlin, Partner, Hart Research, said public opinion polls show strong support for elements of the Obama health plan. He cautioned, however, that people remain suspicious of government, but pro-reform groups should look for encouragement from the favorable opinion people in Massachusetts have of their state’s “pay-or-play” system, with 69 percent supporting the program one year after its inception.

Moving Forward on Patient-Centered Care

The numbers are daunting. Some 24 million Americans have diabetes and 57 million more have pre-diabetes. The global picture is even bleaker, with forecasts calling for a 55-percent jump in cases, from 246 million with diabetes in 2007 to 380 million by 2025.

Dr. Francine Kaufman, Director, Center for Diabetes, Endocrinology and Metabolism at Childrens Hospital Los Angeles, said the concerns for type 1 and type 2 populations are different, but equally serious. While type 2 is obesity-related and type 1 is an autoimmune disease, either type left untreated results in devastating complications and high costs. The current explosion in new diabetes cases are almost solely type 2 and driven by the record levels of obesity worldwide, as other cultures adopt Western-style diets. We can prevent type 2 diabetes, yet we are failing to do so.

Efforts to screen earlier and develop new treatments are offering progress in preventing and treating the disease. On the horizon, she expects the use of genetic analysis, improved targeting of complications, novel insulin delivery systems, bariatric surgery, beta cell replacement, and technologies and treatments that improve adherence and healthy behaviors. She said it is vital to note that trials show each individual with diabetes needs individualized treatment options.

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Kaufman also works to educate the public about the diabetes threat and the need for non-medical, community-based initiatives to curb the epidemic. For instance, she described efforts in just one zip code in a heavily Latino section of Los Angeles to change zoning laws to prevent more fast food restaurants from being built.

Robert Heine, Executive Medical Director for the Diabetes and Endocrine Division, Eli Lilly and Company, said it is important for workable solutions to gain acceptance in order to reduce obesity rates. Behavioral change depends not only on individuals, but also on policymakers promoting more active lifestyles through planning the built environment and supporting pedestrian- and bicycle-friendly transportation options.

Kaufman said the challenges in treatment are many, led by the lack of medical professionals to tackle chronic diseases. There is also a lack of patient-centered care in most locales, along with the burden of the uninsured hampering successful strategies. In addition, she said regulatory issues are dampening innovation, and even the use of electronic medical records has actually increased the task work for clinicians.

Participants also heard about success stories in supporting a chronic care model across the healthcare spectrum, getting first-hand lessons from various pilot projects in clinical and community settings.

Dr. Ines Vigil, Medical Director, Johns Hopkins University, outlined a prevention and wellness program in use in the Hopkins system for its 47,000 employees under the employer-sponsored plan. The program is successful because of many factors, led by its extensive use of data to look at the evidence for each individual and to develop corresponding severity levels as part of the wellness-screening regime. The system defines health as continuous care, and seeks to change behaviors to reduce claims and make for healthier employees.

Also at the Forum, Avalere and the University of Michigan (UM) Center for Value-Based Insurance Design (VBID) released a paper on five options for applying VBID to the Medicare prescription drug benefit (Part D). Options include reducing cost sharing for specific drug classes (such as for diabetes) or beneficiary groups. In presenting the report, co-authors Dr. Michael Chernew of UM and Avalere's Lisa Murphy, noted that Medicare and other payers have the authority and ability to implement VBID, but proper incentives must be in place. Read the report here.

Moving Technology to the People

The perception of technology as a panacea for all that ills the healthcare system ignores the important need to connect new advances with the way people receive care. Presenters noted this need for a connection between advanced technological innovations and their use by actual patients in the real world.

Dr. Jeremy Nobel, Adjunct Lecturer on Health Policy and Management, Harvard School of Public Health, said, "technology alone doesn't solve very much." His partner on a panel, Amy Tenderich, creator of the popular Diabetes Mine blog, went further by noting the fallacy of many diabetes care assumptions.

She said the idea of a healthcare team assembling to take care of patients is a myth. The disease is a do-it-yourself proposition, full of barriers to getting the right information at the right time from the right source. Through her blog, she realizes how many have fallen through the cracks and do not get adequate care. "The Internet and health technology can change the chronic care model," she said. A dynamic education can take place through

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social networks and Internet-based healthcare IT programs that will talk to electronic medical records.

William Tamborlane, Director, Children's Diabetes Program, Yale University School of Medicine, discussed the high-quality care provided at the Yale Children's Diabetes Clinic for type 1 patients, which has proved successful in controlling glycemia. He said the clinic could cover all of its nearly $1 million in costs if a global management fee (GMF) were in place for more patients rather than fee-for-service payment. Right now, GMF reimbursement applies to only one-third of the clinic's patients; if that were to rise to 80 percent, the clinic's reimbursements could fully cover its costs.

On a panel dedicated to discussing technological advances, Anand Iyer, President and Chief Operating Officer, WellDoc Inc., outlined the "smart" system used in his company's cell phone-based technology. The technology records blood sugar or other data from patients and sends real-time non-clinical suggestions to patients. These include issues patients can act on immediately when they need to make a care decision. He noted that unlike the United States, where people are mostly reliant on their PCs as their primary computer link, most of the world uses cell phones for their wired information.

Paul Taylor, CEO and Medical Director, WellCentive, LLC, discussed his firm's registry that allows data integration and can automatically update multiple payer databases, including quality measure reporting. Grant Shevchik, Medical Director, University of Pittsburgh Medical Center (UPMC), talked about the UPMC patient portal that allows both patients and doctors to view their entire medical record remotely and exchange questions and care instructions via email. In some cases, physicians receive payment for qualifying "e-visits."

Cynthia Rice, Vice President, Government Relations for the JDRF, discussed the role of patient organizations to speed the approval process for new treatments and devices. JDRF's artificial pancreas project spans product development and clinical testing, as well as health plan reimbursement. While the artificial pancreas is still in the experimental phase, it's working in controlled clinical settings. Rice said the process intends to garner insight from stakeholders at all levels and all phases, noting JDRF included multiple manufacturers' products in their studies and consulted with insurers when designing their yearlong trial of CGM versus fingerstick testing.

Changes in political leadership, healthcare delivery, and technology can potentially align to improve diabetes prevention and treatment in the United States. Avalere Health looks forward to keeping you informed on developments across all three dimensions, and we welcome your feedback on ensuring our future diabetes educational offerings address your interests.

Please send your ideas to Jen Bowman, jbowman@avalerehealth.net.

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