



Disease Management for Diabetes

Background

Disease management (DMgt) is a system of coordinated, sequential activities instituted by health plans/payers to reduce medical care costs and to improve health outcomes through better management of chronic conditions. They could include:

- Identify high-risk/cost patients through billing information, e.g., prescriptions;
- Patient education or training in self-care management skills;
- Multidisciplinary health care team education and coordination; and
- Monitoring/measuring care utilization, including medications and outcomes.

Significance

- Chronic care accounts for 80% of US health care costs.
- Fifty percent of diabetics have other significant conditions.
- Through patient and claims data reviews, DMgt programs identify the top 20% high risk/cost patients who utilize 80% of health care resource dollars.
- With DMgt, overall treatment expenses may be reduced by 2-4 percent.

National Trends: Disease Management Efforts

The Center for Medicare and Medicaid (CMS) has developed 17 DMgt demonstration projects throughout the United States for various diseases. Systems range from simple electronic patient reminder systems to coordinated health care systems. For example, Florida developed a public-private collaborative project which includes technology-based DMgt for 50,000 Medicaid patients with asthma, diabetes, hypertension, and/or heart failure.

Texas Experience

Health Plan- Disease Management

Health plans, e.g., Valley Baptist (Harlingen) typically utilize: *internal staff* for nursing case-management and education or *external vendor* contracts; pharmacy data to identify clients; diabetes education programs which are ADA (American Diabetes Association) or Indian Health Services- recognized; and utilization management to reduce high cost services (ER and hospital).

Commercial-Disease Management (Vendors)

Mercy Medical Center (Laredo) uses state Telecommunications Infrastructure Funds (*TIF*) to contract for health outcomes measurement and case management.

Facility-based Disease Management

Texas *community health centers* trained through the *National Collaborative to Reduce Health Disparities* use best practices in a “chronic care model” which includes: clinical information (database) systems, service delivery changes for appointments and reminders, patient self-management goal setting and education, and multidisciplinary team care.

Employer (work site)–Disease Management

The *Texas Business Group on Health* is pilot testing (September 2002) a diabetes program in two Dallas area businesses: Federal Reserve Bank and Texas Utility. These programs are unique in that they:

- Service delivered through group and work-site contacts
- Monitor outcomes with employer’s data

Texas: Medicaid and Disease Management

Texas Diabetes Medicaid Managed Care Pilot Project (1999-2001) intended to improve medical care and health outcomes for Medicaid enrollees with diabetes through provider and patient education. Recommendations for diabetes disease management included:

- Conduct pre-program analysis of the patient group
- Focus on newly-diagnosed patients
- Study the cost benefit of adding self-management education
- Assess existing services in the target area
- Arrange for outreach and incentives for participants and providers

Texas Medicaid pediatric asthma disease management program is being developed to: evaluate the effect of provider and patient education, improve outcomes for Medicaid enrollees, and lower costs with best practices and asthma care coordination.

Texas Diabetes Council

In 1996-97, the Council funded a Nurse Case Manager Intervention tested with 358 patients at *Texas Diabetes Institute* to compare cost-effectiveness with a nurse case manager (NCM) versus a control group using the primary care physician (PCP) only. The nurse applied diabetes treatment algorithms with off-site medical supervision. The study found that patients managed by a nurse case manager with treatment supports had better results on all measures: hemoglobin A1c, lipids profile, and completion of retinal (eye) and foot exams.

OPTIONS:

1. Explore the cost benefit of adding self-management education as a Medicaid covered service for persons with diabetes. With the passage of SB 163 (75th Texas legislature), self-management education became a covered benefit in commercial HMOs and indemnity plans. **However, it is not a benefit of the Medicaid program..** [This is one Texas Diabetes Council Legislative Recommendation]

2. A Diabetes Pilot using lessons learned would include: identification of high-risk/high-cost patients, use of nurse case managers, self-care management education, capacity to track outcomes of significance, and adequate infrastructure.

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