

The State of Delaware

Transform Diabetes Care

October 11, 2021

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Diabetes care management for Medicare pensioners

Overview

- Medicfill plan participants currently have access to the Livongo diabetes care management program
 - Enrollment in the program provides members with access to certified diabetes educators who will coach diabetic members on ways to self-manage their condition
 - Livongo provides all enrolled participants with a “connected meter” that uses wireless technology to transmit blood glucose test results to Livongo coaches, who will contact members with abnormally high or low glucose levels
 - Plan participants will lose access to Livongo on 12/31/2021 when the State’s contract with Express Scripts terminates
- Current annual cost of Livongo for Medicfill plan participants: \$625,000¹
- Current Return on Investment (ROI) for Livongo: while there is no ROI guarantee in place today, the realized ROI is 1.5:1 based on current enrollment/engagement, which equates to about \$937,500 in gross savings if applied to the estimated annual cost of \$625,000

¹ Based on administrative fee of \$67.00 per member per month and current enrollment of 776 Medicare Part D pensioners.

Diabetes care management for Medicare pensioners

Transform Diabetes Care (ngTDC)

- CVS, the new pharmacy benefits manager for the Medicfill plan effective 1/1/2022, offers its own diabetes care management program called Transform Diabetes Care (ngTDC)
- Several key differences between the Livongo and ngTDC programs, including the glucose meters used by both programs
 - ngTDC uses a different connected meter for members at high risk of abnormal glucose values; all other enrolled participants will be offered another meter available from the CVS formulary
 - There is an extensive communication campaign (direct mail and email) from CVS to transition all members to their new meters (either a connected meter or one available from the CVS formulary).
 - While lower-risk members will still be required to change their glucose meter, there are additional benefits for those members under the ngTDC
 - Formulary meter uses testing supplies that are covered at no cost under the Rx plan, and can connect to the CVS mobile app to synch readings, provide additional wellness support and send results to external providers
 - These participants are also eligible for diabetes coaching from nurses, nutrition counseling and in-person support at CVS pharmacies, which are all enhancements from the Livongo program
- Estimated annual cost of ngTDC: \$740,000¹

¹ Based on administrative fee of \$10.19 per member per month and assumes 21.9% or 6,055 Medicare members will engage.

Diabetes care management for Medicare pensioners

Transform Diabetes Care (ngTDC) (continued)

- Proposed ROI for ngTDC and maximum ROI calculation:
 - ROI guarantee of 2:1, which would result in \$1,480,000 gross savings from pharmacy and medical costs based on the estimated annual cost of ngTDC (\$740,000)
 - If gross savings is less than \$1,480,000, then CVS will pay the State the difference between the program fee and 50% of the actual gross savings
 - For example, if actual gross savings were only \$1,000,000, then CVS would pay the State \$240,000 [= \$740,000 – (\$1,000,000 x 50%)]
 - There would not be a scenario where the full cost of the program would be refunded if the ROI threshold was not met, assuming that there would always be some level of gross savings produced by the program

Diabetes care management for Medicare pensioners

Transform Diabetes Care (ngTDC) (continued)

- In order to have ngTDC in place by 1/1/2022 to avoid a gap in diabetes care management for Medicaid plan participants, CVS required notification of intent to implement by October 1, 2021
 - SBO obtained conditional approval from the SEBC co-chairs to begin implementation of this program by the October 1 deadline set by CVS
- Final approval of this program is being requested from the SEBC at today's meeting
 - If the SEBC does not provide final approval to implement this program, CVS has agreed to terminate the implementation process at no cost to the State and with no impact to members

Diabetes care management for Medicare pensioners

Recommendation: Implement the ngTDC program

- Continuing to offer diabetes care management to the Medicfill population maintains the SEBC's commitment to supporting a key tenet of the GHIP Strategic Framework and other statewide initiatives
- The current diabetes care management program appears to be delivering value for MedicFill members as there is a modest return on the State's investment with Livongo
 - GHIP has a lower percentage of targeted members enrolled in the program (15% vs. 23% Livongo BoB), but a higher percentage of engaged members among those enrolled (95% vs 91% BoB) and a slightly greater improvement in engaged members HbA1c levels (-1.14% vs -1.0% BoB, estimated change in HbA1c \geq 6 months)
- ngTDC program is broader in scope than Livongo, which may encourage greater engagement among plan participants
 - Provides coaching by nurses who are also certified diabetes educators, and consult with members about managing other lifestyle risk factors such as blood pressure and diet
 - Includes components that focus on nutrition counseling and planning (not featured with Livongo)
 - Opportunity for members to receive in-person support from CVS pharmacists and clinicians at CVS MinuteClinics and HealthHUBs
- While lower-risk members will still be required to change their glucose meter, there are still other benefits for those members under the ngTDC