

REQUEST:

The YMCA is advertising their new diabetes Medicare and Medicaid payment for coaching and want to publicize this through the medical center. They quoted the following data: [The program is] estimated to have saved Medicare about \$2,650 per person enrolled in the Diabetes Prevention Program for 15 months, which would more than cover the cost of the program. Please have a look and find the reference.

RESPONSE:

The \$2,650 savings was reported in a United States Department of Health and Human Services (HHS) press release dated March 23, 2016:

<http://www.hhs.gov/about/news/2016/03/23/independent-experts-confirm-diabetes-prevention-model-supported-affordable-care-act-saves-money.html#> . The analysis was performed by a team of advisors headed by RTI International. A copy of the report is being forwarded with this response.

For the analysis, RTI used a difference-in-difference regression model, which showed statistically significant gross savings in each of the first five quarters of the program, totaling \$2,650. The weighted average quarterly reduction in spending is \$455; and, the reduction in the probability of having an inpatient admission is 1.1 percentage points.

The results, however, were not consistent throughout the full eight quarters of the study. Analyses showed aggregate savings for quarters six through eight combined, but this amount was not statistically significant. Since the participants entered the program over time, very few were included for all eight quarters. The lack of statistically significant results could be due to the small sample size in these quarters.

The evidence in favor of a reduction in spending is strongest in the first three quarters after enrollment. This is thought to be surprising because the goal of the innovation is to reduce diabetes onset, which in turn is expected to improve health and reduce expenditures in the "long run," but not necessarily immediately. The source of the short-term savings, if they exist, was not clear to the analysts. This has raised questions which have yet to be analyzed.

SOURCES AND REFERENCES:

American Diabetes Association. Economic costs of diabetes in the U.S. in 2012. *Diabetes Care*, Volume 36, April 2013.

Coffey RM, Matthews TL, and McDermott, K (Medstat Group). Diabetes care quality improvement: a resource guide for state action. Prepared for the Agency for Healthcare Research and Quality (AHRQ). Publication Number 04-0072, September 2004.

Griffey S, Piccinino L, Gallivan J, Lotenberg LD, and Tuncer D. Applying national survey results for strategic planning and program improvement: The National Diabetes Education Program. *Evaluation and Program Planning* 48 (2015); 83-89.

Lairson DR, Yoon S, Carter PM, Greisinger AJ, Talluri KC, Aggarwal M, and Wehmanen O. Economic evaluation of an intensified management system for patients with type 2 diabetes. *Disease Management*, Volume 11, Number 2, 2008; 79-94.

Hinnant I, et al (RTI International). Evaluation of the Health Care Innovation Awards Resource Planning, Prevention, and Monitoring, Annual Report 2015. Prepared for the Center for Medicare & Medicaid Innovation. HHS-500-T0010, March 2016. Link: <https://innovation.cms.gov/Files/reports/hcia-ymcadpp-evalrpt.pdf>