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CONTACT: Caren Kagan Evans
ECI Communications
301-309-8487
caren.kaganevans@ecicomunications.com

DIABETES TEN CITY CHALLENGE BENEFIT DESIGN EMPOWERS EMPLOYEES TO SELF-MANAGE DIABETES, IMPROVE HEALTH

WASHINGTON, D.C., March 12, 2008 – Employers that adopted the innovative employee benefit design used in the Diabetes Ten City Challenge (DTCC) model found that the program measurably improved participants' health and inspired them to self-manage their diabetes, the American Pharmacists Association (APhA) Foundation announced today.

An interim report on the DTCC, published in the March/April issue of the *Journal of the American Pharmacists Association*, shows that participants with an average of 10 months in the program improved across all key diabetes indicators and increased achievement of nationally recognized goals for managing diabetes. The final report, due out in 2009, will include cost-savings data for DTCC employers.

Mean levels for hemoglobin A1c (a laboratory test showing the patient's average blood sugar control over the previous two to three months), LDL cholesterol and blood pressure all decreased. Influenza vaccination rates increased, as did the numbers of participants with current eye and foot examinations. And those rating their overall diabetes care as "very good" to "excellent" increased from 39% to 87%. The report analyzed aggregate data for 914 participants who were in the DTCC at least three months as of September 30, 2007.

"This shows that when patients are supported and empowered to make the lifestyle changes necessary to manage a chronic disease, significant improvements are possible," said William M. Ellis, CEO of the APhA Foundation, which is sponsoring the DTCC with support from GlaxoSmithKline. "The program works because people learn to self-manage with the incentives and support built into the benefit design and we expect to have similar cost-savings as previous programs have shown."

Incentives and Support Drive Results

Through the DTCC, employers establish a voluntary health benefit for employees, dependents and retirees with diabetes, waiving co-payments for diabetes medications and supplies if they work with a pharmacist "coach" to manage their condition in collaboration with their physicians and diabetes educators. Specially trained pharmacists meet with the participants regularly to provide education and track their conditions, guiding them to set goals, use their medications properly, and understand the daily choices required to keep diabetes in check.

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DTCC Benefit Design Empowers Employees

Page Two

The APhA Foundation contracts with employers, helps establish local pharmacist networks and provides software and data analysis for the DTCC. Employers offer the voluntary employee benefit and compensate pharmacists for the care provided. As part of their contract with the Foundation, participating employers receive periodic reports on clinical outcomes, patient satisfaction, and total health care savings.

“By aligning incentives for the patient, pharmacist and employer, the patient self-management model used in the DTCC has proven to improve overall health, reduce absenteeism, shorten hospital stays and reduce health care costs,” Ellis said. “This has been proven over and over again with earlier Foundation self-management programs, so we fully expect to see the same results with the Diabetes Ten City Challenge.”

Key features of the benefit design include:

- **Voluntary nature** – Workers and their families choose to participate in the program and address their disease proactively with the understanding that individual clinical results will not be disclosed to their employer.
- **Waived co-pays** – Employers waive co-pays for diabetes medications and supplies as an incentive for patients to enroll and stay in the program. Participants save an estimated \$300-\$600 per year in waived co-pays, a benefit that is provided only if they keep regular appointments with the pharmacist coach.
- **Face-to-face contact** – Participants report that they feel more accountable for managing their disease because of the relationships and face-to-face contact with the pharmacist and other healthcare providers unique to this model.
- **Pharmacist and other healthcare provider services** – Pharmacist coach time is compensated by the employer, providing sustainability for the program. Pharmacists communicate regularly with physicians about their patients, which helps create a collaborative approach to healthcare and improve patient outcomes. The APhA Foundation also recommends employers provide services of a diabetes education center to help reinforce behaviors needed to self-manage diabetes.
- **Employer return** – Employers save on total healthcare costs and have the ability to offer a benefit that leads to high participant satisfaction, reduced absenteeism and improved employee health.

"Chronic diseases like diabetes are threatening the stability of our healthcare system," said GlaxoSmithKline President of U.S. Pharmaceuticals, Chris Viehbacher. "By focusing on patients and helping them to better understand and self-manage their condition, we can improve their health and lower costs. GSK is proud to support the Diabetes Ten City Challenge because it is a model that works and can be replicated."

Seeing Results

The Diabetes Ten City Challenge includes more than 1,000 participants at 31 employers in Charleston, Chicago, Colorado Springs, Cumberland, Dalton, Honolulu, Hawaii, Los Angeles, Milwaukee, Pittsburgh, and Tampa Bay. Participating employers like the City of Charleston, S.C., which launched the program in April 2006 and has approximately 85 participants in the DTCC, are seeing the impact of improved health and motivation in employees who are better managing their disease.

(more)

DTCC Benefit Design Empowers Employees

Page Three

“By removing financial barriers, we empower people to take control of their disease, including taking their sugar levels several times a day – and this correlates with improved health,” said City of Charleston Wellness Coordinator Jan Park, RN. “Employees feel like they are being taken care of – the one-on-one individual counseling with the pharmacist coach is where they stay accountable, set goals and stay on track.”

The measurable clinical improvements seen in the DTCC are expected to drive a corresponding decline in projected, total direct medical costs per participant, according to the interim results report. “We are optimistic that the economic benefits of the Diabetes Ten City Challenge will be similar to other programs we’ve done in the past,” Ellis said. “In years of experience with this model we have seen that when you have positive clinical outcomes and increased patient satisfaction in the early stages, the economic benefits follow.”

In the Foundation’s most recent study using the patient self-management model, employers saved \$918 per employee in the first year of the program compared to baseline, and other research indicated that savings increase as the program continues.

A Way to Manage Chronic Disease

More employers are showing interest in the model as a way to stem the cost of chronic diseases, which account for 75% of health care costs in the United States, Ellis said. In 2007, the Foundation launched HealthMapRx, a service that brings the pharmacist-coach model to employers willing to apply the innovative benefit design to improve health and reduce healthcare costs.

“Investing in front-end chronic-care prevention and management, rather than paying for expensive acute-care services that inevitably result from poor control of chronic illness, pays off and results in significant cost savings for employers and improved health for employees and their families,” said Andrew Webber, president and CEO of the National Business Coalition on Health (NBCH), the non-profit membership organization of more than 70 employer-based health care coalitions nationwide that is partnering with the Foundation to bring this service to their members. Several business coalitions and their member companies are among the participants in the Diabetes Ten City Challenge.

About the APhA Foundation (www.aphafoundation.org)

The American Pharmacists Association (APhA) Foundation, headquartered in Washington, D.C., is a non-profit organization affiliated with the American Pharmacists Association, the national professional society of pharmacists in the United States.

The APhA Foundation has expertise in designing programs that seek to create a new medication use system in the U.S. where patients, pharmacists, physicians and other health care providers collaborate to dramatically improve the cost and quality of consumer health outcomes through the safe and effective use of medications.

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