

## University of Michigan unveils innovative medication program

May 08, 2006 Contact Kara Gavin



ANN ARBOR, Mich.—University of Michigan employees and their dependents who have any form of diabetes will be able to receive some of their medications for free, through an innovative new pilot program aimed at encouraging the use of medicines that can help prevent the disease's worst long-term effects.

Beginning July 1, participants will be charged no co-pay for certain drugs that control blood sugar, lower blood pressure, cut the risk of heart and kidney problems, and ease depression. All of the drugs chosen for "free co-pays" have been shown to help prevent diabetes complications that can be debilitating or fatal. Co-pays for other drugs in the same classes will be reduced by 50 percent or 25 percent.

Participants will also receive educational materials to help them understand how to improve their health and reduce their chance of diabetes complications. More than 2,000 of the 69,700 employees and dependents covered by U-M benefits currently take medication for diabetes.

The concept for the program came from U-M research that has shown the potential health value of removing any cost barrier that might keep people with some chronic illnesses from getting beneficial medications, tests and screenings. U-M research has also suggested that the approach may save individuals, employers, insurers and society money in the long run, by preventing or delaying costly complications ranging from heart attacks and strokes to blindness and amputations.

The U-M program, called MHealthy: Focus on Diabetes, is the first in the nation to be designed specifically to evaluate the impact of targeted co-pay reduction for preventive medications. Although several companies have reduced or waived co-pays as part of employee health promotion or disease management programs, and at least one has reported cost savings linked to such programs, the specific impact of reduced drug co-pays has not been measured.

"Chronic diseases like diabetes pose a real and growing threat to the health of our employees and their dependents, and to our society. We must find a better way of encouraging prevention now, so we can reduce the human and economic costs down the road," said U-M President Mary Sue Coleman. "We hope this effort will yield solid results for our own community, and provide a model for others. Although it will cost us money in the short run, we anticipate it will save lives and money in the long run."

The decision to start with diabetes, says U-M Executive Vice President for Medical Affairs Robert Kelch, M.D., stemmed from a University analysis that showed much room for improvement in the use of preventive medications, and other measures, among diabetic members of M-CARE, the U-M-owned managed care company.

The fact that diabetes affects so many people, and that proper treatment has been shown to reduce the risk of complications and early death by up to 50 percent, also played an important role.

"Because the evidence of preventive benefit from certain medications is so strong, and because the opportunity to improve is so great, diabetes is a natural place to start," said Kelch, who chairs the Michigan Healthy Community Initiative task force that has developed the program as part of a University-wide health improvement effort. He notes that similar analyses of preventive care for U-M employees with cardiovascular disease and asthma revealed additional opportunities for future quality-improvement projects, which are now being considered.

The new program will be open to all U-M employees and their dependents who have diabetes, regardless of which health insurance plan they have chosen. U-M prescription drug benefits are all offered through a single plan, allowing the program's effects to be evaluated.

The evaluation component of the program will be headed by Allison Rosen, M.D., Sc.D., an assistant professor of internal medicine at the U-M Medical School and one of the researchers whose work inspired the new project. Rosen led a 2005 computer-model study that showed that making a certain drugs free to older diabetics would prevent health problems and premature deaths while ultimately saving money. She also has a paper in the April Journal of General Internal Medicine showing that half of older diabetics don't take drugs to protect their hearts and kidneys, and an editorial in Medical Care.

"Academics like myself have repeatedly demonstrated that increased co-pays decrease the likelihood that patients will adhere to their prescriptions, and that in turn this poor adherence to certain medications harms their health," said Rosen, who also holds appointments at the U-M School of Public Health and the VA Ann Arbor Healthcare System." But there has been a disconnect between what academia is demonstrating, and what has been done in real-world prescription drug benefit design."

She notes that on a national level, employers have tended to increase employees' out-of-pocket costs, no matter what the potential long-term health benefit of their drugs." This program will test whether we can improve both the quality and the value of care for people with diabetes, and will stand as an example of what can be done, with an in-depth evaluation to reveal if there's been a difference," she said.

The program will involve these classes of drugs that have been shown to help people with diabetes:

"Blood-sugar control drugs of any kind, including insulin, which can be used alone or in combination to help patients' bodies process sugar from food.

"Cholesterol-lowering drugs called statins, which can reduce the extra-high risk of heart attacks and strokes that people with diabetes face.

"Blood-pressure lowering drugs of all kinds, including newer classes of medications called ACE inhibitors and ARBs, which can also reduce cardiovascular risk.

"Antidepressants, which can relieve the depression that many people with diabetes suffer and can increase the chances of sticking to their lifestyle and medical regimens.

"Employees and dependents who have M-CARE health insurance will also receive free yearly eye exams to try to catch early signs of diabetic retinopathy, a major cause of blindness.

Over the next two years, U-M will evaluate how well the program is doing by tracking aggregate ordering and refill data from its prescription drug benefit system, as well as total health expenditures for all participants, and eye exam data for participants insured through M-CARE. Those data will be compared with prescription refill data for the same medications from a group of non-U-M employees with diabetes who will receive educational materials but no co-pay reduction.

The project is being co-directed by Zelda Geyer-Sylvia, MPH, the executive director and CEO of M-CARE; Mark Fendrick, M.D., a U-M professor of internal medicine and public health who co-directs the U-M Center for Value-Based Insurance Design; and William Herman, M.D., MPH, director of U-M's Michigan Diabetes Research and Training Center, M-CARE medical director for disease management and a leading national figure in research on preventive measures in diabetes.

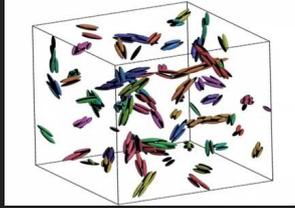
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