



Diabetes Value Benefit

- Since 2016, the Kentucky Employees' Health Plan (KEHP) began offering the Diabetes Value Benefit (DVB) to members of the health plan who have the diagnosis of diabetes. Based on prescription claims only, diabetes is the highest cost drug class for KEHP.
- The goal of the DVB is to encourage members to control their diabetes through regular doctor visits and proper medication adherence.
- With the DVB, members have a reduced co-pay or co-insurance, with no deductible, for most maintenance prescriptions and supplies for the treatment of diabetes. See the below chart:

Comparison of the: Regular Prescription Benefit to the Diabetes Value Benefit	LivingWell CDHP		LivingWell PPO		LivingWell Basic CDHP		LivingWell Limited HDP	
	Regular RX	DVB	Regular RX	DVB	Regular RX	DVB	Regular RX	DVB
	Deductible	No Deductible	Copay	Reduced Co-pay	Deductible	No Deductible	Deductible	No Deductible
30-day supply								
Tier 1 – Generic	15%	0%	\$10	\$0	30%	0%	50%	0%
Tier 2 – Preferred	15%	10%	\$35	\$25	30%	25%	50%	45%
Tier 3 – Non-Preferred	15%	10%	\$55	\$45	N/A	N/A	N/A	N/A
90-day supply								
Tier 1 – Generic	15%	0%	\$20	\$0	30%	0%	50%	0%
Tier 2 – Preferred	15%	10%	\$70	\$50	30%	25%	50%	45%
Tier 3 – Non-Preferred	15%	10%	\$110	\$80	N/A	N/A	N/A	N/A

- Medical costs, non-diabetic scripts per patient, emergency room visits, doctor's office visits, acute admissions, and length of hospital stay have all decreased since implementation.
- Adherence rates for diabetes medications have increased since implementation. Based on CVS/Caremark, this is estimated to save \$5-\$5.5 million per year.

Optimally Adherent Diabetic Member Summary

Year	Total Members	Optimally Adherent Members	Percent Optimal Adherence	Newly Optimally Adherent Members	Estimated Medical Savings**
2015	17,139	10,597	62%	19	\$56,100
2016	17,885	11,810	66%	1,865	\$5,507,300
2017	18,569	12,508	67%	1,719	\$5,076,200

Total Members only represents members who were eligible for at least 85% of the reporting period

** Estimated \$2,953 medical savings per optimal utilizer were derived from CVS/Caremark Enterprise Analytics Pharmacy Economical Model, 2014