Employers Engaged to Improve Health for Persons with Diabetes

Solutions from Colorado Business Group on Health — August 2005
Welcome.

CBGH exists to help Colorado employers improve the health status and reduce the healthcare costs of their workforce. In conversations with business leaders across the State, I hear concerns that these daunting challenges impede the employers in conducting core business. The problems are too large to be solved by simply shaving a nickel off of unit costs in the next contract negotiations. Where is a person to start?

These concerns were the seed for this booklet on diabetes. Employers just like you, each starting from wherever he stands to take the next logical step, and drawing power from their collaborative efforts, made real progress toward improving health and lowering healthcare costs in their community.

Enjoy reading about the work of the Colorado Springs employers. And think about the next steps that YOU could take, to lower the costs and risks of diabetes in your own workplace and your community.

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GlaxoSmithKline
You run a restaurant, a city, a construction site, a bank, a university. You schedule workflow and deadlines, negotiate contracts, buy health insurance, hire and fire, and try to compete with third-world labor. With all the challenges employers face in a global economy, why should you worry about diabetes? What is the business case for diabetes management? The answer is simple, and goes to the bottom line of your operations.

Preventing or managing diabetes in a workforce is one of the most financially significant things an employer can do to control healthcare costs.
Employers Engaged to Improve Health for Persons with Diabetes

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Diabetes is widespread throughout the population…and increasing.

- More than 18 million Americans suffer from diabetes — 6.3% of population. Nearly one-third (29%) of people with diabetes are undiagnosed.

Diabetes draws a disproportionate share of the healthcare dollar.

- The total annual economic cost of diabetes in 2002 was estimated to be $132 billion, or one out of every 10 healthcare dollars spent in the United States.
- Direct medical expenditures totaled $91.8 billion and included $23.2 billion for diabetes care, $24.6 billion for chronic diabetes-related complications, and $44.1 billion for excess prevalence of general medical conditions among people with diabetes.
- Diabetes represents 19% of total personal healthcare expenditures in the U.S. However, diagnosed diabetes patients account for only 4.2% of the total U.S. population.

Healthcare costs for people with diabetes are rising faster than health care generally.

- Medical expenditures for the population with diabetes are about 2.4 times higher than would be incurred by the same group in the absence of diabetes.

Healthcare costs are only a part of the cost of diabetes.

- Indirect costs to employers resulting from lost workdays, restricted activity days, mortality, and permanent disability due to diabetes totaled $39.8 billion in 2002.
- In 2002, diabetes accounted for a loss of nearly 88 million disability days.
- Employees suffering from poorly controlled diabetes miss about 12 days of work each year due to illness, compared to just two days for diabetics whose illness is well controlled.
- 176,000 cases of permanent disability were caused by diabetes, at a cost of $7.5 billion.
- Diabetes and other chronic diseases can compromise employees’ productivity on the job even on days they work. The productivity drain has contributed to an emerging concept of “presenteeism” to bookend traditional measures of absenteeism.

The American Diabetes Association concludes that “The estimated $132 billion cost likely underestimates the true burden of diabetes because it omits intangibles, such as pain and suffering, care provided by unpaid caregivers, and several areas of healthcare spending where people with diabetes probably use services at higher rates than people without diabetes (e.g., dental care, optometry care, and the use of licensed dietitians). In addition, the cost estimate
What are the keys to quality diabetes control?

- Proper diet and weight management
- Daily exercise regimen
- Proper foot care
- Routinely checking for eyes, kidney function, and heart
- Adhering to medication regimen
- Monitoring blood glucose levels
- Maintaining ideal HbA1c blood lipid levels

What is Diabetes?

Diabetes is a group of diseases characterized by high levels of blood glucose (blood sugar) which results in defective insulin production, insulin action, or both. Diabetes can be associated with serious health complications and premature death, but people with diabetes can take steps to control the disease and lower their risk of complications.

Types of Diabetes

**Type 1** (previously called insulin-dependent or juvenile diabetes) occurs when the body's immune system destroys the cells in the body that make hormone insulin that regulates blood sugar. Type 1 usually strikes children and young adults, and accounts for 5-10% of diagnosed diabetics. These people must have insulin to survive.

**Type 2** (previously called non-insulin dependent or adult-onset diabetes) accounts for 90-95% of all diagnosed diabetes. Type 2 is associated with older age, obesity, family history, impaired glucose tolerance, physical inactivity, and race/ethnicity. Type 2 diabetes is increasingly being diagnosed in children and young adults. The prevalence of diabetes is higher for many persons of color in the U.S. than for non-Hispanic white populations. People with Type 2 diabetes may be able to control their disease without insulin by making lifestyle changes. But even if they require insulin, this group can limit the effect of the disease by getting appropriate medical care and attending to lifestyle choices.
Diabetes and related illnesses claim the top five categories of healthcare charges in Colorado, and the trends in both incidence and cost are worrisomely steep.

- Diabetes is the primary diagnosis in 8.7% of Colorado hospitalizations, and the secondary diagnosis in another 2.3%.
- Ten thousand more Coloradans were hospitalized with a primary or secondary diagnosis of diabetes in 2003 than just three years previous.

Hospitalization patterns reflect both earlier onset and increased severity of diabetes at younger ages, raising concerns about future medical costs.

- Early, proactive management of diabetes by patients and their doctors goes far to reduce the rate of hospitalization among all age cohorts.

- Colorado hospital charges for diabetes-related patients climbed from $782 million in 2000 to nearly $1.3 billion in 2003.
For people with diabetes and their families, as for people at risk for the disease, lifestyle changes and appropriate treatment are critical. They can forestall the ravaging course of disease and promote healthy functioning throughout longer lives.

The productive capacity of both the current and future workforce creates an economic imperative for employers to help prevent and control diabetes.

### Unmanaged or poorly managed care:

- People with diabetes are two to four times more likely to die of heart disease than adults without diabetes.
- About 65% of deaths among people with diabetes are due to heart disease and stroke.
- About 73% of adults with diabetes have high blood pressure or use prescription medications for hypertension.
- Diabetes is the leading cause of new blindness among adults.
- Diabetes accounts for 43% of new cases of end-stage renal disease.
- Diabetes is also associated with higher incidence of other serious diseases and conditions such as nervous system disease, amputations, severe periodontal and gum disease, and complications of pregnancy.

### Well-managed care:

- Lifestyle management reduces the risk of diabetes in overweight patients by 58%. Lifestyle interventions can reduce the on-set of Type 2 diabetes among all high-risk populations by 40-60%.
- HbA1c is a measure of the average amount of glucose stuck to the hemoglobin protein in red blood cells, which can slow the exchange of oxygen between the lungs and the rest of the body. For every 1% reduction in HbA1c levels, there is a 40% reduction in eye, kidney and nerve complications.
- With proper screening and treatment, up to 90% of diabetes related blindness can be prevented.
- On average, persons with diabetes gain 6 years free from kidney disease with controlled blood sugar.

### Attribution:
The information in the foregoing section “Diabetes – A Formidable Landscape” is drawn or heavily quoted from the following sources:

- The Centers for Disease Control and Prevention (www.cdc.gov/diabetes/faq)
- and the National Council for Quality Assurance (www.ncqu.org/Programs/bridgestoexcellence)
- Colorado hospitalizations data is courtesy of the Colorado Department of Public Health & Environment.

These websites contain much other helpful information on diabetes, its costs, and management.
When several self-funded employers in Colorado Springs came together in 2004 to address spiraling healthcare costs, it seemed natural to frame their concerns as a community problem, and to seek the ephemeral resource of community to wear it down. The group started their collaboration in hopes of influencing the problem more effectively. It wasn’t long before they tackled diabetes.

Diabetes is a large enough target to make a real difference in healthcare costs. It is a disease for which clear interventions have clear potential for success. And employers like having the capability to measure the effects of intervention on disease progression and on rates of return.

How could they estimate the savings from better diabetes management in El Paso County, Colorado? The NCQA Quality Dividend Calculator® compares sick-day utilization and employee replacement costs for a population getting average-quality diabetes care to the cost for the same population receiving the standard of care delivered by the top 10% of health plans in the United States. Using

Westerners learn to respect the power of erosion to bring down seemingly intractable obstacles. The geography breeds “rugged individualism” along with recognition that systems draw life from a common source, which can be leveraged and tended to the common good. These are useful sensibilities for addressing healthcare challenges.
2000 national census data for El Paso County to estimate workers, households and income, and assuming an average replacement rate for sick workers, the table below suggests the scale of real-dollar savings potential if El Paso County patients routinely receive high quality diabetes care.

Improved diabetes management would:
- Reduce absenteeism by an estimated 11,336 sick days a year.
- Save $4.5 million a year from fewer sick days and lower costs to replace disabled workers.
- This estimate does not include additional savings that would accrue from less costly health care and improved productivity.

**Average quality diabetes care already saves employers money over no treatment. Routine top quality care would save even more!**

**Estimated Savings to El Paso County Resulting from Top Quality Diabetes Care**

These savings were calculated using the Quality Dividend Calculator©, which is owned by the National Committee for Quality of Assurance. Access the calculator to estimate savings in your own group at www.ncqa.org.

The Colorado Springs employers' collaborative acknowledges the overlapping spheres of influence in their community. Coalition members recognize that a healthy community can lower the risk pool for all plans and payers.

In targeting diabetes, the coalition exploited many of Colorado Springs’ distinct assets: A sense of community is easier to evoke in a mid-sized city than in a major metropolis, and there are more resources than are typically available in a rural area. Participating colleges and school districts have an institutional commitment to discovering and sharing knowledge, which provides a natural context for learning from mistakes as well as successes. Key top executives were able to appreciate the potential for the coalition’s work, which was critical to empowering its experimental approach and fostering success.

Under the banner of a theme “Yes, I Can...” the Colorado Springs diabetes coalition undertook a year-long initiative to address diabetes within their community. The following chapter describes the coalition’s efforts, and provides a case study in collaboration for health improvement. ■
The president of Colorado College gave Director of Business & Auxiliary Services David Lord a charge that did not lack for clarity: “Get healthcare costs under control. We can’t have double-digit increases every year and stay in business.” Colorado College spends $4 million a year on health care for 1,500 people, and the tab had been rising 15 percent to 20 percent a year since the turn of the millennium.

As two-term former governor of Ohio, college President Richard Celeste could appreciate the corrosive effect of unbridled medical costs and had overseen a variety of controls. But what hope was there to contain on the college level costs that defy public and corporate budget managers across the state and the nation?

Traditional management strategies (cost avoidance, cost shifting, cost sharing, benefit caps, service caps, and coverage limits) were at the limits of their utility and flew in the face of the college’s understanding of its leadership role in the community. Colorado College already provided bi-annual health assessments to its employees, and was committed to disease management in its health plans. Both men also realized that strategies which simply shift costs ultimately diminish the health of the larger community of which the college is a part.

In Lord’s words, “President Celeste both pushed and supported me in finding answers. This is essential. A benefits manager can’t do it on his own without the commitment of top managers.”

Lord convened a group of self-funded Colorado Springs employers to work as a coalition on a wellness initiative. He leveraged the untapped power of community to address healthcare costs, bringing his own gift for collaborative leadership to the mix. Under his able, amiable guidance, the goals and nature of the coalition evolved and shifted. The initial, narrower focus on mitigating health costs bloomed into a more comprehensive purpose of improving the overall health of the Colorado Springs community. Lord’s leadership approach allowed members to build common cause where they could, to act independently as their circumstances and interests required, and to persistently uncover the opportunities to advance their common goals.

Lord speaks of the coalition’s future work as a man who knows he has a full day’s work ahead: “Three of the employers in the coalition share the same insurance carrier, so we’ve had some good meetings with that carrier. And we may be able to help the self-funded plans come up with data to put into models for measurement.”

“We’ve all done the diabetes screenings to identify people who have the disease or high risk for it; now we need to close the loop for treatment and lifestyle changes. We need to work on motivating people for change.

“One challenge I see is how to involve large multi-national corporations whose benefits managers tend not to be local. And we need to actively go out to community organizations and begin telling the story of how an improved community support of lifestyle changes can benefit all of us.”
In 2003, the Colorado Association of School Boards (CASB) approached Ed Pittaway from CBG of Colorado about solutions to health costs. He knew they needed something different from what exists in the marketplace. “Human resources are the most important asset of school districts, so they need a plan that preserves and maximizes this asset. But without a health plan open to encompassing a range of personal and community efforts and outcomes, they leave a lot of money on the table.”

The solution Pittaway designed marries disease management, pharmacy benefit management, and use of data mining tools, with the flexibility to support community collaboration and individual lifestyle changes.

“Our initiative integrates disease and data management to identify the 5-10% of conditions and individuals that drive 50-60% of healthcare costs. Then, we look for the opportunity to encourage and support lifestyle changes.”

“The first generation of our initiative focuses on wellness and prevention. The second generation integrates data from employee assistance programs, medical claims, disease management, workers compensation, sick leave, disability leave, etc. It goes beyond looking at direct medical costs and speaks to productivity losses that may be as big a financial exposure for the employer as health plan costs. We’re working with a model that manages both health and productivity across spectrums of health care.”

Such ambition requires CASB to assemble the right vendor partners, and find the communities that are fertile soil for this approach. “If you cannot find the opportunities and manage utilization, you will end up with the same utilization trend exposures as other health plans.”

In July 2004, CASB established its Boards of Education Self-funded Trust (BEST) to provide a health plan that leverages healthy lifestyles and wellness promotion to control healthcare costs. “One of the largest untapped resources for lowering healthcare costs is the participant” says BEST Health Plan Director Cindy Downey. “We try to partner with community organizations that also focus on long-term healthy lifestyles, and that pursue quality health care, promoting wellness and diminishing risk.”

The new Trust found a golden match in Colorado Springs School District No. 11 (which signed on as its first client); the Colorado Business Group on Health; a disease management partner out of Baltimore, MD called Future Health; and the Colorado Springs employers’ diabetes coalition. The BEST will help gather, compile and analyze data to compare follow-through and outcomes between participant cohorts that receive interventions and control groups that do not. The BEST will then design plan changes that create incentives for covered members to remain active and have cost-effective treatments. The BEST is also actively involved in the coalition’s conversations with physicians’ groups about optimal ways of identifying and treating diabetes.

The BEST clearly sees the Colorado Springs diabetes initiative as a first step in a broader application of its health-promotion model. “If we can find what works for diabetes here, we’ll certainly be looking to apply similar approaches with other stubborn chronic diseases.” says Downey. “And there are 176 other CASB member school districts in the State eager to hear whatever we learn that works.”
Ken Detweiler, Director of Risk Related Activities for Colorado Springs School District No. 11, went to his insurance committee in 2004 ready to chart a new path. He was tired of insurance strategies that continuously ratchet up premiums while cutting benefits. “Market competition wasn’t going to solve my problem. I had 7,000 people going to a single hospital and one network. We squeezed out most of the competitive savings as a result of our exclusive arrangement and we needed to change our strategy.”

Ken was ready to see whether people could be helped to change behavior on a scale that would improve the overall health of the population and curb healthcare costs.

In conjunction with the Colorado Association of School Boards (CASB) and their newly formed BEST Trust, Ken led District 11 into the Colorado Springs coalition seeking joint solutions to common problems with health care.

When the coalition identified a focus on diabetes, it made good sense to Ken. “We did a health risk assessment and 40% of our employees responded. We found that 4% of our employees already report they have diabetes. These figures translate into a high cost chronic disease where better management could mean real headway.”

In the year since District 11 got involved in the diabetes project, it has gained momentum. “Since our philosophy is to improve the health of employ-
that make the exercise initiative a success: “Through the efforts of Barb Robinson, the district’s Benefits Manager, the program has flourished and now has over 1,200 members. The district has had a great partnership with the Governor’s Council on Physical Fitness over the past ten years.”

As to the difference that being part of the Colorado Springs diabetes coalition made for District 11, Ken says: “It raised diabetes to the top of our priority list. We could have taken on this activity five years ago, but there is always plenty of competition for scarce resources and attention. Everyone working together in the coalition lent needed momentum. There’s something in this for everybody.”

As Ken looks to the future of disease management in his district, he sees accomplishments to date as laying foundation: “Every April we’ll continue to do diabetes screening and to modify the plan to make it easier for diabetics to be more compliant. And as this effort shows positive results, we’ll move on to use a similar approach with other chronic diseases. Maybe asthma! I can see us managing a base of healthy employees to stay healthy with supportive wellness programs.”

Health Screening Protocols

General health screening includes at least four key tests. Problems in any of these areas signal the need for follow-up to identify or prevent significant health outcomes. These four screening tests are:

- **Glucose**
- **Cholesterol**
- **Body mass index (BMI)**
- **Blood pressure**

Each member organization in the Colorado Springs Business Coalition undertook at least the glucose screening for diabetes. Several employers also approached the more comprehensive health screening. These screenings identified significant levels of previously unseen health risks in their workforce. The employers have now begun to work with at-risk employees to reduce risk and prevent disease.

**Screening Results**

**Colorado Springs School District No. 11**

<table>
<thead>
<tr>
<th>Glucose (379 screenings) % Participants</th>
</tr>
</thead>
<tbody>
<tr>
<td>Normal                                  90%</td>
</tr>
<tr>
<td>Above Normal                            10%</td>
</tr>
</tbody>
</table>

**City of Colorado Springs & El Paso County**

<table>
<thead>
<tr>
<th>Glucose (1535 screenings) % Participants</th>
</tr>
</thead>
<tbody>
<tr>
<td>Normal                                  84%</td>
</tr>
<tr>
<td>Above Normal                            16%</td>
</tr>
</tbody>
</table>

**Screening Results**

**Total Cholesterol**

(419 screenings)

- 57% Desirable
- 32% Borderline
- 9% Normal
- 4% High

**Body Mass Index (BMI)**

(398 screenings)

- 50% Normal
- 28% Overweight
- 20% Obese
- 1% Underweight

**Blood Pressure**

(413 screenings)

- 36% Prehypertensive
- 12% Hypertensive
- 51% Normal
- 1% Underweight

As Ken looks to the future of disease management in his district, he sees accomplishments to date as laying foundation: “Every April we’ll continue to do diabetes screening and to modify the plan to make it easier for diabetics to be more compliant. And as this effort shows positive results, we’ll move on to use a similar approach with other chronic diseases. Maybe asthma! I can see us managing a base of healthy employees to stay healthy with supportive wellness programs.”
El Paso County has had self-funded medical coverage for several years," says Karen Rooks Nauer, Medical Services Administrator of El Paso County. “Two years ago, we bought a comprehensive database product which confirmed our suspicions that our older population is using more healthcare dollars for chronic illnesses. The American Diabetes Association predicts that, in an age distribution like the county’s, 20% of the population will have diabetes. That is exactly where we sit.”

Karen’s original expectation on joining the diabetes coalition was to identify employees who have diabetes and are symptomatic, but haven’t seen a provider yet. She also hoped to improve the rate at which her diabetic members get into a management program to better manage their illness.

The most significant thing the County achieved was starting an employee health clinic. Since health plans, hospitals, and physicians are paid little for health education and quality time with patients, those local players weren’t able to make the numbers work for running the clinic. So the county contracted to use nurse practitioners from the local Beth El College of Nursing at University of Colorado – Colorado Springs. The nurse practitioners can spend a great deal of time with members, teaching them how to manage the disease. With only a $5-copay, patients are more likely to call for follow-up, and are generally able to be seen the same day. According to Nauer, “Convenience and cost helped a lot.”

“The most unnerving thing we found was how many people the screening project picked up that have walked around for 3-5 years without recognizing symptoms of significant diabetes. So far we’ve identified 10 people with blood sugars of 300 or higher, and HbA1c tests above 11. (Normal values are 100, and 7 or below respectively.) That was frightening to me. When we followed up in the clinic, the practitioner found that all had been symptomatic for more than three years. People may suspect, but they’re wary of taking on the diagnoses and the prospect of shots for the rest of their lives. They fear the worst scenario. Many people don’t know that changes in lifestyle and diet may prevent the need for insulin.”

The combined health screening project for the city of Colorado Springs and El Paso County screened more than 1,500 people, and identified 25 unknown diabetics. They found more than 50% of the population at high risk for either diabetes or heart disease or both. “The good news is that our nurse consultants schedule them back to the doctor or the clinic or the wellness staff, and we can get to work with follow-ups to make sure people get treated.”

The county also started using “Reach Your Peak”, an online wellness program. “The online program isn’t for everybody, but it does reach people who may not come in for an appointment. They can get some very positive benefits and be totally anonymous to us. This is an important group we may miss with other formats.”

In terms of financial incentives to workers, Karen observes: “After they go through the screening, get an annual physical, and complete a wellness assessment/health risk appraisal, they get $150 credit off of 2006 premiums. They have an opportunity to earn another $200 by participating in the ADA walk, fitness challenges, nutritional challenge for eating vegetables, online seminar, and seminars through the Employee Assistance Program. The response has been wonderfully positive.”

What’s next? “The collaboration will sort the data and demographics, and come up with different solutions for different subgroups. We’ll develop ongoing programs that combine lots of approaches – individual consulting, group education on a regular basis, internal support groups for diabetes, etc. Our slant is that diabetes is a lifelong disease, and our job is to help people find realistic ways to live with it.”

How is all this activity going over with employees? The county exceeded a 35% participation rate in its first year. One employee told Nauer, “I cannot believe the county is paying me to do what we should all do!” But while Nauer enjoys the county’s successes, she keeps her eye on the ball: “Our goal for the county and the city is to change employee behavior as a way to change health outcomes.”
The City of Colorado Springs came into the coalition already elbow-deep in planning for a major wellness initiative. Human Resources Manager Sue Autry was deputized to lead that effort, and brought her mission and approach to the work of the employers’ diabetes collaborative. When the employers group decided to focus on diabetes and to take on the task of broad-based screening, Autry decided to tie the City’s diabetes efforts to the launch of the new wellness program. “We decided we’d screen non-plan participants, as well as, enrolled members, on the belief that, if you’re not on one of our plans now, you may be in the future, and we’d rather get you healthy than not.”

Working closely with El Paso County, the City of Colorado Springs kicked off its wellness initiative by scheduling showings of the commercial movie release “Super-Size Me” through the end of March. The movie emphasizes the impact of the oversized food basket our modern environment promotes, and points out the link to an increased risk of diabetes.

In the same time frame, the Colorado Business Group on Health brought Peter Hayes, a corporate executive from Hannaford Brothers, Inc., to town to talk to executives about “Bridges to Excellence”. Bridges to Excellence is a national employer-led initiative to financially reward physicians who deliver high quality care for chronic diseases, like diabetes, where aggressively applied disease management protocols make a demonstrated difference in the cost and course of the disease. “We brought in top managers from Penrose and Memorial Hospitals, the City and County, the colleges, Pikes Peak Mental Health, and all the coalition partners to listen to Hayes’ lecture. When he talked about how the Bridges to Excellence approach could save money on diabetes-related costs, they really got it! This was the moment I felt like they really understood the importance of the diabetes initiative, and gave us strong executive support.”

The City then scheduled health screenings (including diabetes screenings) starting in April. “Of close to 800 people we screened, 50% were in the high risk category for diabetes or a related disease. Another 30% were identified with moderate risk. The high risk folks will be contacted by our disease management vendor, Memorial Hospital. The highest risk cohort of the “moderate” group will be referred to a multi-week program at Penrose Hospital. The remainder of the moderate risk group is being counseled by people with the Beth El School of Nursing through our clinic program. Further, since diabetes is frequently linked to depression, folks who are on anti-depressant medication who are not being treated by a psychiatrist are being supported by a depression disease management program provided by ProCare.”

Meanwhile, the City and county partnering together (and piggybacking on each other’s contracts via intergovernmental agreements) used the concept of wellness credits to encourage employees toward healthy behavior. “We selected activities like the American Diabetes Walk, the online Winning Habits program, participation in screenings, diabetes education classes, etc. for the wellness credits.”

Participation in the City’s wellness program has been enthusiastic. “We tied everything into wellness credits,” Autry says, “and set the monetary rewards at the lowest threshold so the largest number of people would be financially incented to participate. We have three levels of achievement – at the bronze level (12 points) the participant gets up to $200 credit on their health plan expenses in the coming year. For silver level (15 points) and gold level (20 points) achievement, participants get gifts and coupons and recognition in addition to the monetary incentive. The end of the first
year is August 31, 2005. A person who achieves a bronze level by open enrollment gets a $200 credit against the 2006 health plan expenditures. People are participating to get their credits. I think the City had 14 teams doing the Diabetes Walk!"

Regarding the future of the coalition’s diabetes initiative, Autry hopes that the group focuses more on raising the standard of health care people receive for diabetes management. “I’d like to see the three medical groups in town developing areas of specialty, centers of excellence in certain diseases like diabetes or asthma, rather than all trying to do everything. I think the generalist approach duplicates and wastes resources. But we could have practices working together and referring patients with specific needs to the center that specializes in treating that disease. Kaiser is starting to pay doctors on a pay-for-performance basis, as does the Bridges to Excellence approach. That might jump-start the kind of effort I am envisioning.”

Autry is concerned about how the employer collaborative will deal with leadership transitions in its member organizations. She is eager to see the wellness initiative spread beyond the employees of coalition members to encompass the general population. Still, she acknowledges that even reaching the employer groups has been a significant effort. “At least what we’ve done so far has begun to raise the awareness of our employees and their dependents, and those people have begun to take some steps to lead better quality lives. That is a win-win for everybody.”

Through its system-wide “Educated Decisions” campaign, the University of Colorado Payroll & Benefit Services (PBS) has been working to raise employee awareness of the connection between healthcare decisions and the rising healthcare costs. PBS Director of Benefits, Gena Trujillo, saw the diabetes initiative at the Colorado Springs campus of the University of Colorado (UCCS) as a piece of this larger campaign and as an opportunity to focus on an El Paso County health issue that could serve as a model for other system-wide disease management initiatives.

PBS began its campaign by hanging copies of the “Too Much to Munch” poster at numerous locations on each campus, including the UCCS office, at the sub shop, in the dining hall, and at the Beth El School of Nursing. Ted Baldwin, the PBS benefits counselor at UCCS assigned to the diabetes initiative, says the poster sparks considerable conversation: “Where can you get a burrito the size of a light bulb? How do I order a steak the size of a deck of cards?”

Trujillo notes, “An important first step is to get employees understanding that they have choices, and that their choices really can make a difference in their own health and that of the community.” In March, PBS contracted a health plan to perform finger sticks for glucose and cholesterol readings as part of a larger UCCS health fair. They advertised the opportunity to staff at a cost of $15 (comparing favorably to the $18 pricing of recent flu vaccines, which were dispensed to 200 people.) One of Colorado’s notorious mini-blizzards blew through the middle of the fair and reduced attendance overall. The local hospital was doing a concurrent blood drive with a free cholesterol (though not glucose) reading as part of the health fair. Lay people attending the fair didn’t understand the value of getting a second stick to test for diabetes and adhered to a more conservative ‘one stick’ policy. As a result, the UCCS screening reached just 16 people.

PBS is undeterred, however. “This is part of a longer-term strategy,” says Trujillo. PBS will hold another diabetes screening clinic in the early fall. Next time, it will be done as a separate Diabetes Awareness Day rather than as part of a larger health fair. PBS is working on other ways to engage employees. PBS has revamped its website to offer
greater access to disease management links and begun publishing a quarterly employee newsletter. Part of this strategy is to help inform employees of disease risks, prevention and treatment, and provide them the tools and resources to make educated decisions.

PBS is also working directly with contracted carriers to find other ways to educate employees about diabetes treatment. “We want employees to understand that sound management of their diabetes can improve their quality of life, and help allay future costs for themselves and for the whole university community.”

Baldwin leads by example on the UCCS campus. “I try to set an example by walking daily around campus and inviting others to join me. People comment on it regularly. What I’ve observed is that when two or three extraverted people get involved and understand something, they bring others in and, suddenly, participation spreads like wildfire. I’m looking for those people. We put together a team for the upcoming America’s Walk on Diabetes. When I last checked, UCCS had the third largest pledge contribution in the city, and we are providing some healthy competition for the Colorado College team!”

Baldwin understands that this is a long-term commitment. “This is real for me. My mother was a diabetic and her father was a diabetic. We all have a stake in helping this community learn to tackle this disease, but my stake has a very personal face on it.”

Tamara Kirk, Benefits Supervisor for Colorado Springs Utilities, joined the diabetes coalition for its potential to benefit the entire community as well as her employer.

“Colorado Springs Utilities has low turnover. Therefore, our health plans would benefit from a project like this initiative. But even when employees leave and go to different employers, it ultimately benefits all of us in our community to have a healthy workforce from which to recruit. National statistics show that people are growing heavier and adopting more sedentary lifestyles and these are major factors in the growth of Type 2 diabetes. A project like this can have an impact on public health as well as on our health plan.”

Kirk is frank that the coalition has brought mixed expectations to the project. “I thought we’d be doing more work as a group, but each organization has different needs and objectives for their involvement. For instance, I have a specifically contracted screening vendor, so we weren’t able to participate in joint screenings as easily as other companies.” Still, she’s found the diabetes coalition valuable in this way: “We all created an expectation that each member organization would sponsor an onsite screening program for diabetes and focus on education about diabetes. We held each other accountable to these expectations that we set in common. That collaboration gave the project a priority and focus it might not otherwise have achieved.”

As for other ways that Springs Utilities supports its members with diabetes, Kirk reports that Springs Utilities already has a disease management program which includes diabetes. Kirk is trying to increase participation through promotion and through the coalition project activities. In addition to the on-site screening for diabetes (which she anticipates will cover about 10% of the population during the latest round), Springs Utilities has removed the co-pay for disease management services. Diabetes supplies are available free through the company’s mail order prescription benefits manager. The American Diabetes Association came to screening sessions to provide educational material and individual consultation. The screenings were promoted as “free” to employees and dependents on the company intranet and were well attended. Springs Utilities has written and published a series of articles on diabetes for the company benefit newsletter and included an American Diabetes Association self-assessment form with paychecks.

Kirk is also interested in providing the “Winning Habits” online diabetes program she heard about from counterparts at the city and county. “Diabetes is a disease for which you could develop a number of initiatives over time to keep focus and attention. I’m also interested in using the tools we develop for this project to address other major disease categories. If we come up with a model that works pretty well for this, I’m excited about its potential use with other chronic diseases.”
The Colorado Business Group on Health entered the healthcare discussions relatively soon after the initial meeting with Colorado College, the BEST, and District 11. CBGH Executive Director Donna Marshall brought a long history of working with employers and all facets of the health care sector. The employers were initially attracted to a potential program for volume purchasing of prescription drugs. But before long they began to see other, even more valuable possibilities from the CBGH involvement in their local efforts. CBGH brings access to national data, entrée to national collaborations and other regional coalitions, and monitoring of national initiatives. CBGH helps to guide measurement of health costs and outcomes. Marshall provides information on the costs associated with the quality chasm in treatment, and brings analytic and organizational capabilities to supplement that which is available to employers.

CBGH sponsored a conference for the chief executive officers of member organizations which stressed the importance of quality management in controlling healthcare costs, and helped to anchor understanding and support for the key concepts of disease management. Whether the coalition is hosting a conference, producing a poster, or writing a publication, CBGH helps put together resources to make things happen.

The CBGH was selected in 2004 as one of four national Bridges to Excellence (BTE) demonstration sites. BTE is part of a growing “pay-for-performance” trend that pays doctors more for providing the best quality care. These financial incentives to physicians who rise to the challenge of meeting quality standards makes particular economic sense with a disease like diabetes, where the savings associated with top quality care are substantial. “Current reimbursement models do not identify or reward top quality care,” says Marshall. “That’s a perverse incentive that can end up costing everyone.”

The Colorado Springs employers’ diabetes coalition evaluated the “pay for performance” model as a tool for rewarding physicians for improved health outcomes. A number of employers have already committed to implement the BTE financial incentives starting January 1, 2006. The collaboration with CBGH amplifies the voice of the Colorado Springs employers: “When we can speak through CBGH as well as our individual employers, and bring the power of 30,000 covered lives, it raises the significance of our concerns, and begins to get people to the table,” several members observed.

CBGH also provides a valuable forum for learning about best practices. Marshall and CBGH sponsored a seminar in Advanced Healthcare Management in Phoenix during the first quarter of 2005. One speaker came from Pitney Bowes, which designs innovative health plans and provides incentives to employees to manage their own care with startling success. One participant commented, “Without CBGH, I would never have been talking to the Human Resources person from Pitney Bowes. We’re getting access to the best thinking nationwide through our involvement with the CBGH. It is inspirational to see that somebody else is having success in this environment, where survival depends on our abilities to adapt and excel.”

Bridges to Excellence Nationwide Initiative

The Bridges to Excellence coalition is a not-for-profit national organization created to encourage significant leaps in the quality of care by recognizing and rewarding healthcare providers who demonstrate that they deliver safe, timely, effective, efficient and patient-centered care. Bridges to Excellence creates market incentives for physicians to follow best practices, which will yield better outcomes and reduced costs. Bridges to Excellence participants include large employers, health plans, the National Committee for Quality Assurance, MEDSTAT and WebMD Health, among others. Additional information is available at www.bridgestoexcellence.org.
Effective strategies to improve health and curb the rise in healthcare costs require balanced action from all of the players in the healthcare environment—employers, employees, physicians/practitioners, and health plans. As spikes thrust from the hub of a wheel to stabilize the rim, underperformance by any of these components puts undue stress on those which remain, warping the wheel, and hobbling efficient progress.

In the Colorado Springs diabetes initiative, employers engage each other and choreograph their efforts. They also approach other partners in their healthcare marketplace to create common cause for improved health at a bearable cost. Employers hold a pivotal role, given the economic imperatives of keeping a productive workforce and purchasing affordable health care. But this widening current of activity that embraces other players is essential to long-term success.

The Colorado Springs employers found that they each could start where they were, and pick and choose from a menu of activities that seemed achievable in their particular situations. The checklist to the right suggests some of the steps that each major set of players can take to improve personal and public health, and to control the costs of diabetes within a health marketplace.

Where could your business start?
<table>
<thead>
<tr>
<th><strong>Employees</strong></th>
<th><strong>Physicians</strong></th>
<th><strong>Health plans</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>can lower their risk of diabetes or better manage their diabetes</td>
<td>can lower the incidence of diabetes and improve the quality of diabetes care</td>
<td>can improve the quality of diabetes care management</td>
</tr>
<tr>
<td>✓ Employees can educate themselves on diabetes prevention, risk reduction, and treatment through newsletters, emails, and online help resources.</td>
<td>✓ Physicians can engage in dialogue with employers to exchange information about their respective concerns and needs.</td>
<td>✓ Health plans can provide aggregate data to employers and individualized data to employees as feedback on the outcomes and effect of diabetes management efforts.</td>
</tr>
<tr>
<td>✓ Employees can use employer incentives as motivation to support proactive personal behavior with regard to diabetes</td>
<td>✓ Physicians can review their practice in relation to American Diabetes Association/NCQA practice standards relative to diabetes. Physicians recognized as conforming to these standards demonstrated better control of blood sugar levels and LDL cholesterol, and more appropriate monitoring for kidney disease across their caseloads during a recent four-year study.</td>
<td>✓ Health plans can demonstrate the return on investment of disease management programs.</td>
</tr>
<tr>
<td>✓ Employees can make the lifestyle changes that lower the risk for Type 2 diabetes or improve its management: participating in health risk assessments, health screenings and health education classes; attending to weight control and exercise; regulating blood sugar; and securing appropriate medical management of diabetes.</td>
<td>✓ Physicians can participate in Bridges to Excellence, and benefit from financial incentives for attaining Diabetes Recognition status.</td>
<td>✓ Health plans can provide incentives for enrollees who actively participate in initiatives proven to reduce the incidence of Type 2 diabetes and conform to disease management standards.</td>
</tr>
<tr>
<td>✓ Employees can track their progress toward long-term healthy lifestyles and adjust course using periodic progress reports from health plans and physicians.</td>
<td>✓ Physicians can use flow charts in patients’ medical records to assure continuity from the time of screening to follow-up to long term management of chronic illness.</td>
<td>✓ Health plans can demonstrate linkages between health risk appraisals and disease management outcomes.</td>
</tr>
<tr>
<td>✓ Physicians can use registries to assess and monitor their ability to manage the population.</td>
<td>✓ Health plans can designate Diabetes Recognized Physicians in their provider directories.</td>
<td>✓ Health plans can encourage their physician panels to conform to ADA/NCQA diabetes standards, and provide incentives to physicians who attain Diabetes Recognition status.</td>
</tr>
</tbody>
</table>
**Summary Table**  
**Colorado Springs Employers Coalition Diabetes Initiative (2004-05)**

### Scope of Coalition Influence

<table>
<thead>
<tr>
<th>Description</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Participating Employers</td>
<td>8</td>
</tr>
<tr>
<td>Enrollees</td>
<td>11,003</td>
</tr>
<tr>
<td>Covered Lives</td>
<td>26,087</td>
</tr>
<tr>
<td>Incidence/Prevalence of Diabetes in Membership</td>
<td>Avg. 3.5%</td>
</tr>
</tbody>
</table>

### Type of Diabetes Initiative

<table>
<thead>
<tr>
<th>Initiative</th>
<th>Number of Employers Implementing Each Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>Plan benefit design changes</td>
<td>4</td>
</tr>
<tr>
<td>Eliminate/reduce co pays on diabetes meds/supplies</td>
<td>4</td>
</tr>
<tr>
<td>Eliminate/reduce co pays on diabetes education</td>
<td>4</td>
</tr>
<tr>
<td>Eliminate/reduce co pays on annual physicals/labs</td>
<td>2</td>
</tr>
<tr>
<td>Eliminate co pays on all disease management</td>
<td>3</td>
</tr>
<tr>
<td>Pay directly for diabetes education</td>
<td>2</td>
</tr>
<tr>
<td>Health risk assessment</td>
<td>4</td>
</tr>
<tr>
<td>Diabetes screening clinics on site</td>
<td>6</td>
</tr>
<tr>
<td>Follow-up screenings with referrals of at risk members to physicians, nurse counselors or health coaches</td>
<td>3</td>
</tr>
<tr>
<td>Employee health clinic</td>
<td>2</td>
</tr>
<tr>
<td>Disease management vendor or staff</td>
<td>2</td>
</tr>
<tr>
<td>Meet with local physicians groups</td>
<td>6</td>
</tr>
<tr>
<td>Diabetes awareness events</td>
<td>6</td>
</tr>
<tr>
<td>Online wellness programs</td>
<td>3</td>
</tr>
<tr>
<td>Online health assessments</td>
<td>4</td>
</tr>
<tr>
<td>Links to online health resources</td>
<td>3</td>
</tr>
<tr>
<td>ADA walk and exercise challenges</td>
<td>5</td>
</tr>
<tr>
<td>Newsletters and emails</td>
<td>4</td>
</tr>
<tr>
<td>“Too Much to Munch” poster</td>
<td>6</td>
</tr>
<tr>
<td>Executive leadership awareness initiatives</td>
<td>3</td>
</tr>
<tr>
<td>“Super-Size Me” movie</td>
<td>2</td>
</tr>
<tr>
<td>Group purchasing of prescription meds</td>
<td>3</td>
</tr>
<tr>
<td>Work with food service contractors for healthy meals</td>
<td>2</td>
</tr>
<tr>
<td>Predictive database modeling to estimate cost</td>
<td>3</td>
</tr>
<tr>
<td>Financial incentives to employees</td>
<td>2</td>
</tr>
<tr>
<td>Nutritional/weight loss/fitness challenges</td>
<td>2</td>
</tr>
<tr>
<td>Diabetes education classes</td>
<td>3</td>
</tr>
<tr>
<td>Financial incentives to physicians</td>
<td>0</td>
</tr>
<tr>
<td>Evaluating formal adoption of Bridges to Excellence program to pay physician incentives</td>
<td>3</td>
</tr>
<tr>
<td>Committed to implementing BTE physician incentives</td>
<td>5</td>
</tr>
</tbody>
</table>
Working together on behalf of nearly 30,000 covered lives and in consultation with the Colorado Business Group on Health, the Colorado Springs employers’ collaboration on diabetes attempted and achieved things that no member could have done as effectively alone.

The coalition engaged three local physicians’ groups in the area in conversations about quality outcomes. They have supported health plans, physicians, and employers working together to develop a plan for improving health and reducing the cost of health care in the Colorado Springs community.

In one of the most significant strides of their collaboration, five employer members signed onto (and several others are considering) a commitment to implement the Bridges to Excellence (BTE) initiative by January 1, 2006. Bridges to Excellence is a national effort to encourage significant advances in the quality of health care by acknowledging and financially rewarding providers who demonstrate that they deliver safe, timely, effective, efficient, and patient-centered care. Under this initiative, the Colorado Springs employers promise to pay physicians financial incentives to deliver top quality diabetes care. This action makes Colorado Springs the leading project site for the Colorado Business Group on Health’s demonstration of BTE effectiveness in Colorado.

As Colorado College’s David Lord says, “I go to meetings on economic development. But that discussion is larger than just jobs. When a community is healthy, the whole society is more vital and successful. I think we’re onto a tremendous opportunity here.”
The Colorado Business Group on Health gratefully acknowledges the contribution of the American Diabetes Association to the statistics in section one, and to the photographs throughout this booklet.

Lower the Risk of Diabetes Among Your Employees

Companies are in a unique position to lower the risk of type 2 diabetes, since most employees spend more than a third of their waking hours at work. Efforts to reduce caloric intake and increase physical activity can yield impressive dividends for both personal health and corporate productivity. Even simple measures such as walking on a regular basis can offer excellent viable ways of incorporating better lifestyle choices at work, as well as at home.

The American Diabetes Association (ADA) is on a mission to strengthen business efforts promoting healthier lifestyles. The ADA’s “Corporate Health Ambassador” initiative supports and recognizes companies that take action to educate and motivate employees to live healthier lives. The Association aligns with corporations – large and small – and with their employees to encourage healthier lifestyles. Companies can get more information or engage in the Corporate Health Ambassador initiative by visiting www.diabetes.org/corporatehealth.