Disruption in Access to Diabetes Monitoring Supplies Leads to Increased Hospitalizations, Mortality Among Medicare Beneficiaries

Data Analysis of CMS Competitive Bidding Program Shows Harm to Patient Care

BOSTON (June 6, 2015) – Medicare beneficiaries with diabetes and using insulin whose access to self-monitoring blood glucose (SMBG) supplies was disrupted, experienced more hospital admissions and deaths than those who retained access to sufficient supplies, according to a late-breaking study (abstract 139-LB) to be presented Sunday, June 7, at the American Diabetes Association’s 75th Scientific Sessions.

In 2011 the Centers for Medicare and Medicaid Services (CMS) implemented the competitive bidding program in nine pilot markets. The intent of the competitive bidding program was to reduce out-of-pocket expenses for fee-for-service Medicare beneficiaries and provide cost-savings to Medicare for certain durable medical equipment, including SMBG supplies, while ensuring beneficiary access to quality items and services.

In April 2012, one year following implementation of the program, CMS reported that there was no disruption in access to SMBG supplies among Medicare beneficiaries with diabetes in the test sites and no negative healthcare consequences as a result of competitive bidding. With these positive reports, the program was implemented nationwide, enrolling all Medicare beneficiaries in July 2013.

Recognizing the potential benefit of reducing expenses for Medicare beneficiaries, particularly among minority populations, the National Minority Quality Forum (The Forum) engaged some of the nation’s leading endocrinologists to undertake a study to confirm CMS’s conclusions for beneficiaries with diabetes whose use of insulin required them to access SMBG supplies.

The Forum’s study concludes that beneficiaries in the program’s nine test markets received only a portion of the SMBG supplies they needed. A propensity score matched analysis, which assessed CMS data from 2009 to 2012, finds the number of beneficiaries with only partial SMBG acquisition increased by 23 percent in the test markets compared to 1.7 percent in the non-test markets. Propensity score matching was adopted to reduce selection bias due to imbalance in study covariates.

The study reports that partial SMBG acquisition coincided with a higher number of deaths and hospitalizations in the test markets in 2011, the year the competitive bidding program was implemented:
- The number of deaths in the propensity score matched analysis was nearly twice as high in the pilot markets compared with the rest of the Medicare population (102 deaths in test markets vs. 60 deaths in non-test markets).
- Nearly 1,000 beneficiaries in test markets were admitted to the hospital at a cost of $10.7 million compared to 460 beneficiaries in non-test markets at a cost of $4.7 million in the propensity score matched analysis.

“Based on our findings, our original hypothesis regarding the potential benefits of the program was incorrect and it is quite clear that access to diabetes testing supplies was somehow disrupted in the test markets,” said Jaime Davidson, MD, clinical professor of Medicine at the University of Texas Southwestern Medical Center, and an author of the study. “For people with diabetes – especially those older adults in the Medicare population – consistent access to a quality glucose meter, sterile finger lancets and enough test strips is absolutely critical to managing their disease, and this study shows that this disruption in access to life saving medical supplies has been detrimental to patient care.”

“Results of the study show that beneficiaries are suffering following the implementation of the CMS program, and this disruption will be perpetual, as the process requires suppliers to resubmit bids every three years,” Davidson added.

“In human clinical trials, investigators have an obligation to monitor the safety of study participants and terminate the study immediately whenever risk to patients is detected,” said Gary A. Puckrein, PhD, president and CEO of The Forum and lead study author. “Given the prospective approach taken in implementing competitive bidding, CMS should be held to the same standards as the managers of any other clinical trial. A clinical trial’s safety review board looking at these findings would stop a trial out of an abundance of caution for patients. CMS undertook the competitive bidding program without an independent safety review board so policymakers have to assume the responsibility. They should suspend the competitive bidding process until CMS can effectively monitor the program and ensure that Medicare beneficiaries – a population critically vulnerable to the acute and chronic complications of diabetes – are protected from potentially harmful consequences.”

† Test sites included Charlotte-Gastonia-Concord (North Carolina and South Carolina); Cincinnati-Middletown (Ohio, Kentucky and Indiana); Cleveland-Elyria-Mentor (Ohio); Dallas-Fort Worth-Arlington (Texas); Kansas City (Missouri and Kansas); Miami-Fort Lauderdale-Pompano Beach (Florida); Orlando (Florida); Pittsburgh (Pennsylvania); and Riverside-San Bernardino-Ontario (California).

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About the National Minority Quality Forum

The National Minority Quality Forum (The Forum) is a Washington, DC–based not-for-profit, non-partisan, independent research and education organization dedicated to improving the quality of health care that is available for and provided to all populations. The Forum develops user-friendly, web-based disease indices that provide a unique two-dimensional view of the prevalence and impact of diseases by zip code, including diabetes, kidney disease, heart disease and HIV/AIDS. Visit our website at www.nmqf.org. Look for us on Facebook (National Minority Quality Forum), and follow us on Twitter (http://www.twitter.com/NMQF).

About the Competitive Bidding Program

The Centers for Medicare and Medicaid Services’ (CMS) Competitive Bidding Program (CBP) is mandated by Congress through the Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (MMA). The program required Medicare to replace the fee schedule payment methodology for selected Durable Medical Equipment, Prosthetics, Orthotics and Supplies (DMEPOS) items, such as respiratory devices, mobility equipment and diabetes testing supplies, with a competitive bid process. DMEPOS suppliers must compete to become Medicare contract suppliers by submitting bids, and CMS awards contracts to winning suppliers. The intent of the program is to reduce beneficiary out-of-pocket expenses and save Medicare money while ensuring beneficiary access to quality items and services.

Acknowledgments

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