# COST OFFSET ANALYSIS (COA) COMPARING REAL-TIME CONTINUOUS GLUCOSE MONITORING (RT-CGM) WITH SELF-MONITORING OF BLOOD GLUCOSE (SMBG) IN PEOPLE WITH TYPE 1 DIABETES IN EIGHT COUNTRIES

Michael E. Minshall, MPH<sup>1</sup>; John J. Isitt, MSc<sup>2</sup>; David Price, MD<sup>2</sup>; Claudia Graham, PhD<sup>3</sup>; Peter Lynch, MPH.<sup>2</sup> <sup>1</sup>Certara Evidence & Access, New York, NY, USA; <sup>2</sup>Dexcom Inc., San Diego, CA, USA; <sup>3</sup>Graham Advisors, LLC, Long Beach, CA, USA.

## Objective

A cost offset analysis (COA) was performed comparing potential clinical cost offsets for an rt-CGM system compared with SMBG alone in people with Type 1 Diabetes (T1D) and uncontrolled glycemia, in eight countries (n=5,000 per country), over a one-year time period.

## Methods

Clinical effects for HbA<sub>1c</sub> reduction from rt-CGM and SMBG were -1.0% and -0.4%, respectively, and taken from a recently published RCT.<sup>1</sup> HbA<sub>1c</sub> reductions for rt-CGM and SMBG were converted into an economic benefit based on a US study,<sup>2</sup> adjusted for the Organization for Economic Cooperation and Development (OECD) healthcare purchasing power parity along with 2019 exchange rates for non-US countries. Reduced hospitalization rates for severe hypoglycemia (SH; -73%) and diabetic ketoacidosis (DKA; -80%) were taken from a recent observational study in Belgium where SMBG was used in the year prior to countrywide reimbursement of rt-CGM and followed subsequently for one year.<sup>3</sup> Costs attributable to HbA<sub>1c</sub> reduction, SH and DKA hospitalizations were taken from country-specific published literature and inflated to 2019 values.<sup>4-20</sup>

#### Results

The modeling results for population-based and per T1D person cost offsets are summarized in Table 1. The reduction in SH hospitalization rate using rt-CGM over SMBG yielded an annual 437 fewer SH hospitalizations per country. The reduction in DKA hospitalization rate using rt-CGM over SMBG yielded an annual 179 fewer DKA hospitalizations per country. Projected annual cost offsets per person with T1D using rt-CGM over SMBG with ranges corresponding to low and high end HbA<sub>1c</sub> reduction were as follows: Australia, \$1,216-\$1,435; Canada, \$1,195-\$1,404; France, €953-€1,096; Germany, €911-€1,079; Italy, €960-€1,064; Spain, €722-€821; UK, £605-£720; USA, \$1,535-\$1,867.

| Table 1: Potential Cost Offsets for Reduced HbA <sub>1c</sub> , SH and DKA Hospitalizations for Hypothetical Cohorts of People with T1D (n=5,000) in Eight Countries (All currencies adjusted to 2019) |                                 |                                  |   |  |   |  |   |  |  |
|--|---------------------------------|----------------------------------|---|--|---|--|---|--|--|
| Country  | Low End<br>HbA₁c Cost<br>Offset | High End<br>HbA₁c Cost<br>Offset | Cost Reduction<br>for 437 Fewer<br>Severe Hypo.<br>Hospitalizations | Cost Reduction<br>for 179 Fewer<br>DKA<br>Hospitalizations | Total Cost<br>Offsets per<br>Country:<br>Low End<br>HbA <sub>1c</sub> + SH +<br>DKA | Total Cost<br>Offsets per<br>Country:<br>High End<br>HbA <sub>1c</sub> + SH +<br>DKA | Total Cost<br>Offsets per<br>person per<br>year: Low<br>End HbA <sub>1c</sub> | Total Cost<br>Offsets per<br>person per<br>year: High<br>End HbA <sub>1c</sub> |  |
| Australia (\$AU)   | \$2,831,552                     | \$3,926,973                      | \$1,133,207 <sup>4</sup>  | \$2,166,132 <sup>5</sup>                                   | \$6,080,891   | \$7,176,312  | \$1,216   | \$1,435  |  |
| Canada (\$CA)  | \$2,704,678                     | \$3,751,016                      | \$1,016,574 <sup>6</sup>  | \$2,251,827 <sup>7</sup>                                   | \$5,973,079   | \$7,019,418  | \$1,195   | \$1,404  |  |
| France (€)   | €1,857,319                      | €2,575,846                       | €1,879,693 <sup>8</sup>   | €1,026,782 <sup>9</sup>                                    | €4,763,794  | €5,482,321   | €953  | €1,096   |  |
| Germany (€)  | €2,170,742                      | €3,010,520                       | €1,628,090 <sup>10-11</sup>   | €756,161 <sup>12</sup>                                     | €4,554,993  | €5,394,771   | €911  | €1,079   |  |
| Italy (€)  | €1,342,687                      | €1,862,122                       | €2,578,319 <sup>13</sup>  | €877,770 <sup>14</sup>                                     | €4,798,776  | €5,318,211   | €960  | €1,064   |  |
| Spain (€)  | €1,276,907                      | €1,770,894                       | €1,599,653 <sup>15</sup>  | €732,543 <sup>16</sup>                                     | €3,609,103  | €4,103,091   | €722  | €821   |  |
| UK (£)   | £1,484,480                      | £2,058,769                       | £1,142,282 <sup>17</sup>  | £399,573 <sup>18</sup>                                     | £3,026,334  | £3,600,624   | £605  | £720   |  |
| USA (\$US)   | \$4,299,350                     | \$5,962,607                      | \$1,702,572 <sup>19</sup>   | \$1,671,265 <sup>20</sup>                                  | \$7,673,187   | \$9,336,444  | \$1,535   | \$1,867  |  |

#### Conclusions

Our modelling study demonstrates significant potential clinical and economic benefits for rt-CGM compared with SMBG in people with T1D which may provide compelling information for healthcare decision makers in each country.

| References  |  |  |  |  |  |  |  |
|---|--|--|--|--|--|--|--|
| <ol> <li>Beck RW, et al, 2017. JAMA, 317(4), 371-378.</li> <li>Wagner EH, et al, 2001. JAMA, 285(2), 182-189.</li> <li>Charleer S, et al, 2018. The Journal of Clinical Endocrinology and Metabolism. 103(3):1224-1232.</li> <li>Ly TT, et al, 2014. Value in Health, 17(5), 561-569.</li> <li>Australia Government. (2016). AR-DRG Method: Cost weight (found in:<br/>'round_17_nhcdc_cost_weight_tables_v6.0') for code 'K60A DIABETES W CATASTROPHIC OR<br/>SEVERE CC' (\$4966) found in Table 1, Australian public hospital cost report 2013-2014, Round<br/>18.</li> <li>Canadian Agency for Drugs and Technologies in Health (CADTH), 2013.<br/><u>https://www.cadth.ca/media/pdf/OP0512 Diabetes RecsReport 2nd 3rd-line e.pdf</u>.</li> <li>Brown ST, et al, 2014. Clinical Therapeutics, 36(11), 1576-1587.</li> <li>Torreton E, et al, 2013. Value in Health, 16(7), A436.</li> <li>French Government. (2016). Summation of DRG codes 10M08T, 10M081, 10M082, 10M083,<br/>10M084. <u>http://www.scansante.fr/r%C3%A9f%C3%A9rentiel-de-co%C3%BBts-mco-2013;</u><br/>http://www.scansante.fr/applications/statistiques-activite-MCO-par-GHM?secteur=MCO.</li> </ol> | <ol> <li>Hammer M, et al, 2009. Journal of Medical Economics, 12(4), 281-290.</li> <li>Zöllner YF, et al, 2016. Journal of Diabetes Science and Technology, 10(5), 1142-1148.</li> <li>Icks A, et al, 2013. Experimental and Clinical Endocrinology &amp; Diabetes, 121(1), 58-59.</li> <li>Parekh W, et al, 2018. Diabetes Therapy, 9(3), 1037-1047.</li> <li>Ciampichini R, et al, 2014. Value in Health, 17(7), A353.</li> <li>Crespo C et al, 2013. Avances en Diabetología, 29(6), 182-189.</li> <li>e-Salud. (2018). Cost of procedures according to official tariffs (250.12-Diabetes con cetoacidosis tipo II o no especificadas descompensadas).</li> <li>McEwan P et al, 2015. BMJ Open Diabetes Research &amp; Care, 3(1), e000057.</li> <li>Dhatariya KK, et al, 2017. Diabetic Medicine, 34(10), 1361-1366.</li> <li>Liu J, et al, 2018. Current Medical Research and Opinion, 34(1), 171-177.</li> <li>Tieder JS, et al, 2013. Pediatrics, 132(2), 229-236.</li> </ol> |  |  |  |  |  |  |



Abstract 215 Poster Board #178

Dexcom