

CGM for People with T2DM not on Insulin - Budget Impact Analysis from a Medicaid Perspective

EASD 17 – SEPT – 2025

Session: SO 087 CGM: replacing low glucose with low cost

E.E. Wright Jr., MD¹; J.R. Gavin III, MD, PhD²; J.R. Rowes, MD³; A. Lee, MS⁴; Y. Poon, PhD⁴

¹South Piedmont AHEC, Performance Improvement, Charlotte, North Carolina, USA

²Healing Our Village, Inc., USA

³Healthcare consultant, USA

⁴Abbott Diabetes Care, Alameda, California, USA

Disclosures

Abraham Lee disclosures:

Advisory Board or Speakers Fee: [Names]

Research support: [Names]

Consulting: [Names]

Abraham Lee and Yeesha Poon are employees of Abbott Diabetes Care.

This analysis was funded by Abbott Diabetes Care.

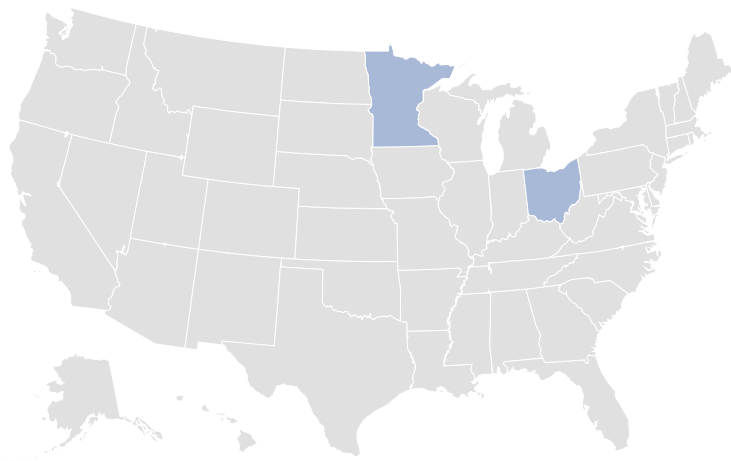
Introduction

- Medicaid is a US safety net program providing insurance for low-income children and adults
- Use of continuous glucose monitors (CGM) among Medicaid beneficiaries with type 2 diabetes (T2D) is associated with reductions in healthcare resource utilization
- Currently, Medicaid reimbursement for CGM comprise those limited to patients only on intensive insulin therapies in some states to any insulin therapies in other states

Background

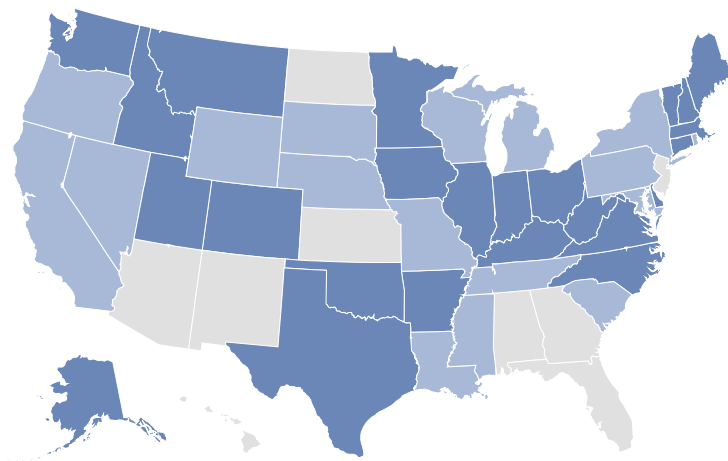
While Medicaid coverage for CGM has grown in recent years, access is still lagging behind in some states and for some populations

2017



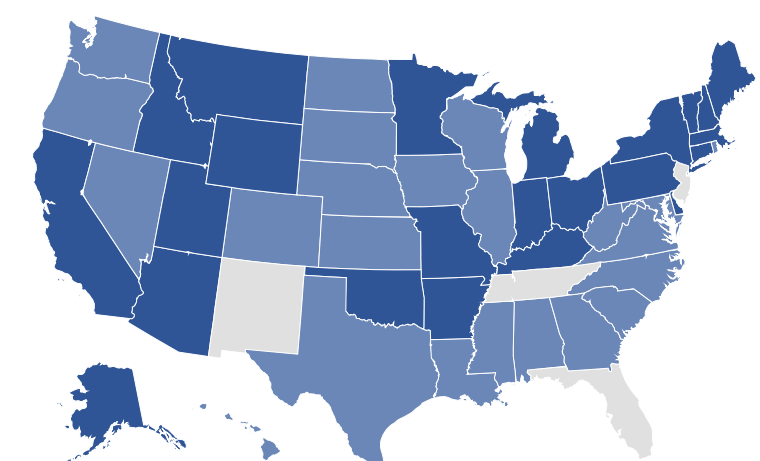
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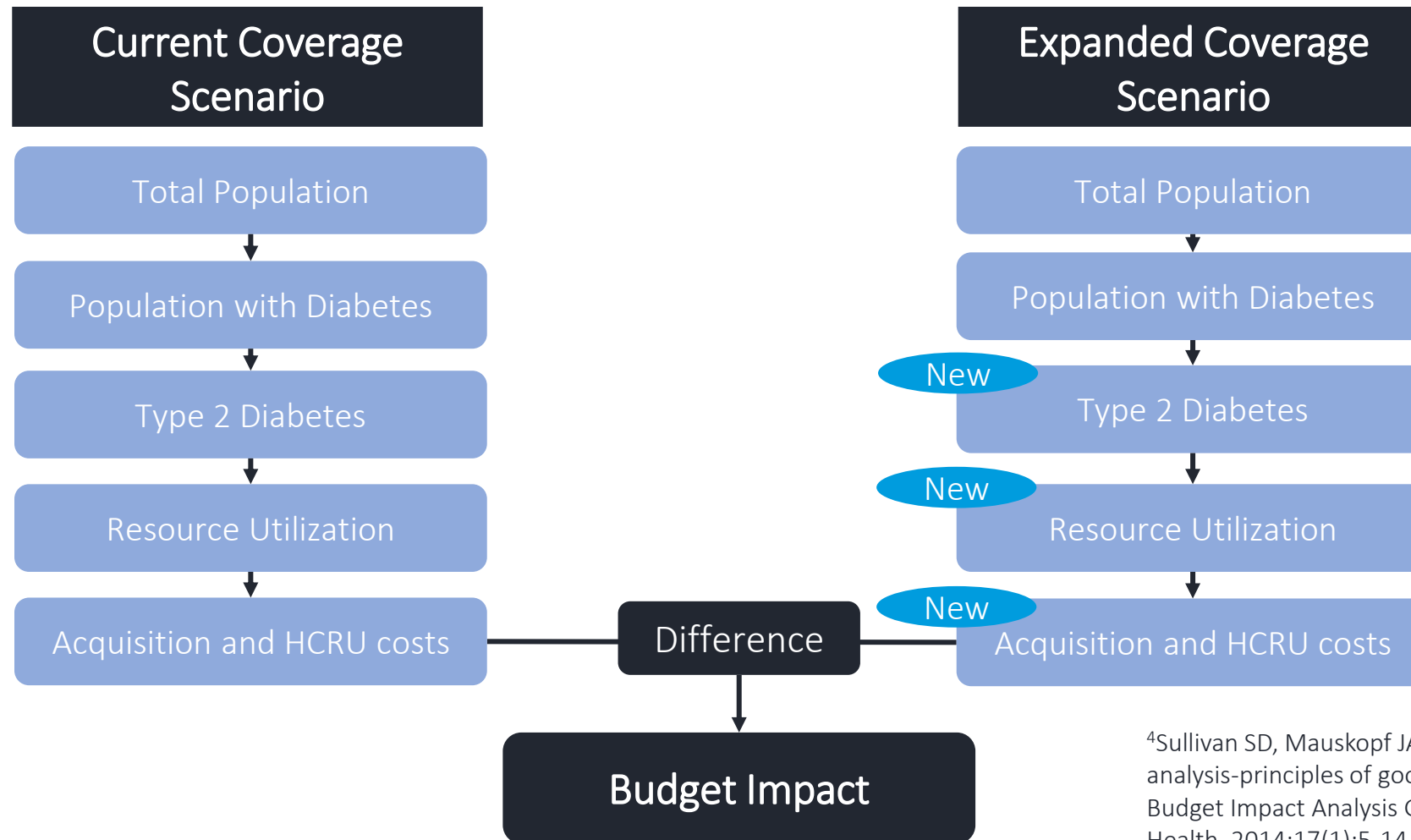
-  - No CGM coverage
-  - Coverage for T1D only
-  - Coverage for T1D and T2 MDI
-  - Coverage for all insulin users

Objective

To estimate the budget impact of **expanding CGM access** to all adults covered by **Medicaid** with **T2DM** across the United States.

Methods

A budget impact analysis addresses the expected changes in the expenditure after the adoption of a new intervention.⁴



⁴Sullivan SD, Mauskopf JA, Augustovski F, et al. Budget impact analysis-principles of good practice: report of the ISPOR 2012 Budget Impact Analysis Good Practice II Task Force. Value Health. 2014;17(1):5-14. doi:10.1016/j.jval.2013.08.2291

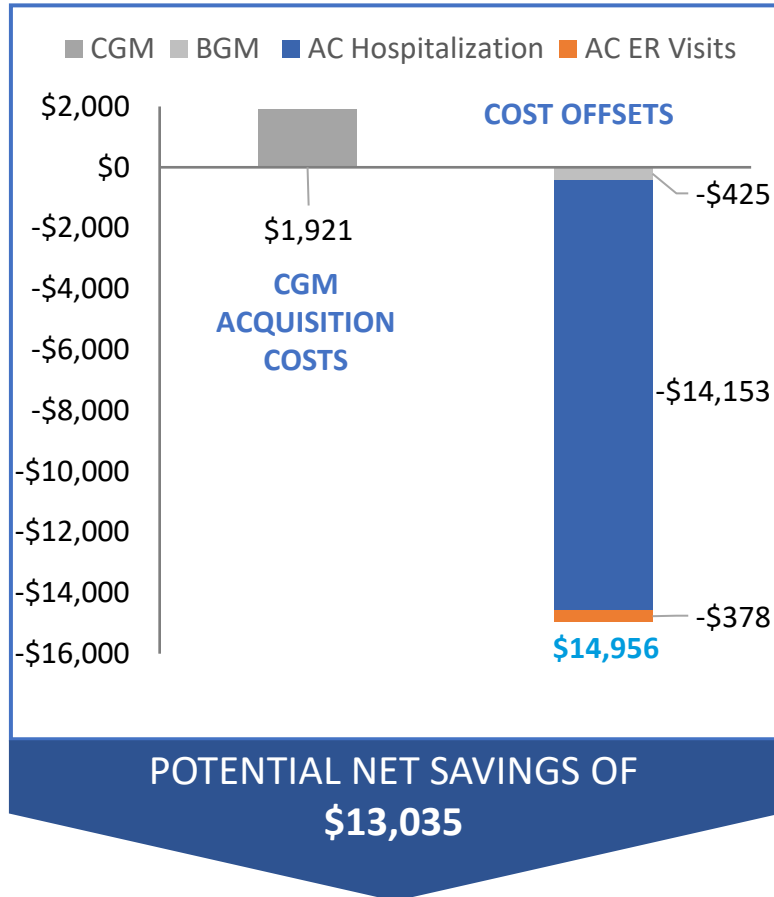
Methods

Domain	Input Summary	
Study Design	Budget Impact Model	
Time Horizon	3 years	
Population	Adult Medicaid beneficiaries with T2D in the United States (US; N = 72,058,701 lives)	
Scenarios	<u>Current Coverage Scenario</u> CGM coverage only for people on multiple daily injections (MDI) of insulin	<u>Expanded Coverage Scenario</u> CGM expanded to include all adults with T2D
Direct Costs	Glucose monitoring, all-cause hospitalizations, ER visits	
Uptake Rate	For years 1, 2, 3; in MDI users, an uptake increase of 1%, 2%, 3% respectively; Basal insulin users, an uptake increase of 2%, 4%, 6%; Non-Insulin users, an uptake increase of 5%, 10%, 15%	
Outcomes	<ul style="list-style-type: none"> • Per converting patient per year (PPPY) costs • Budget Impact – per member per month (PMPM) cost 	

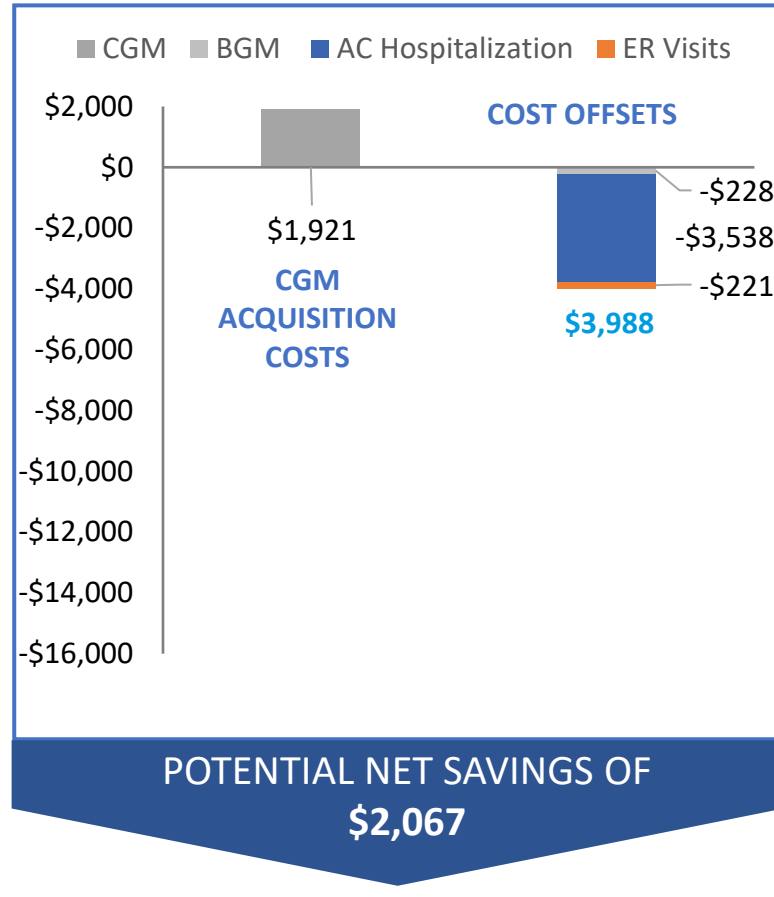
Results – Per Converting Patient Per Year

FIGURE 1: PER CONVERTING PATIENT PER YEAR (PPPY) BUDGET IMPACT

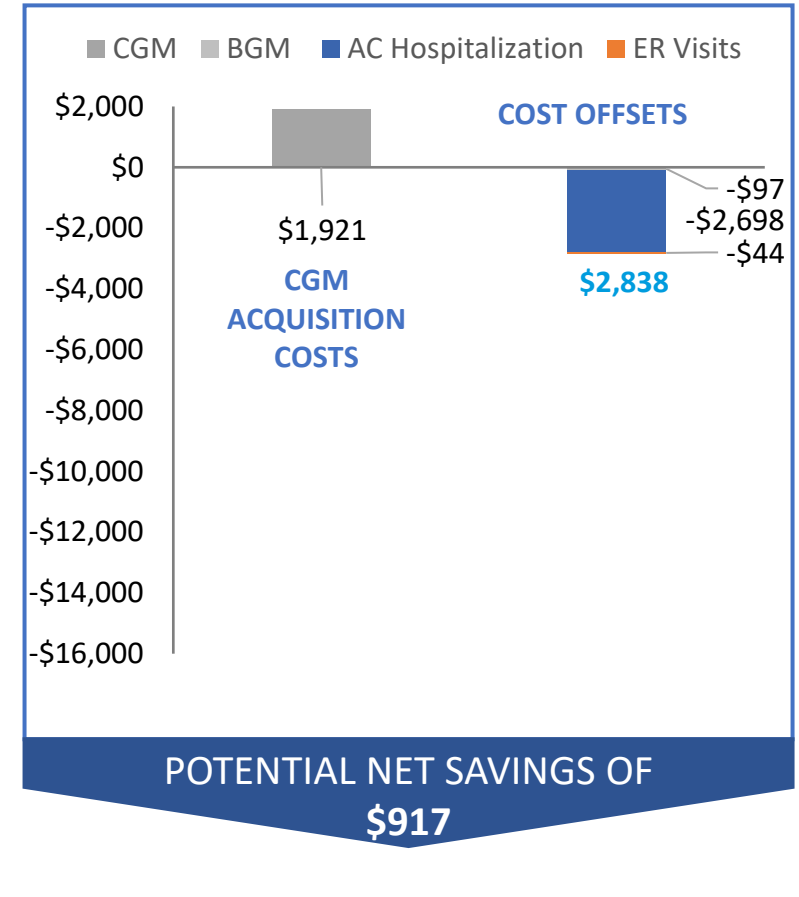
A. PEOPLE LIVING WITH T2D ON MDI



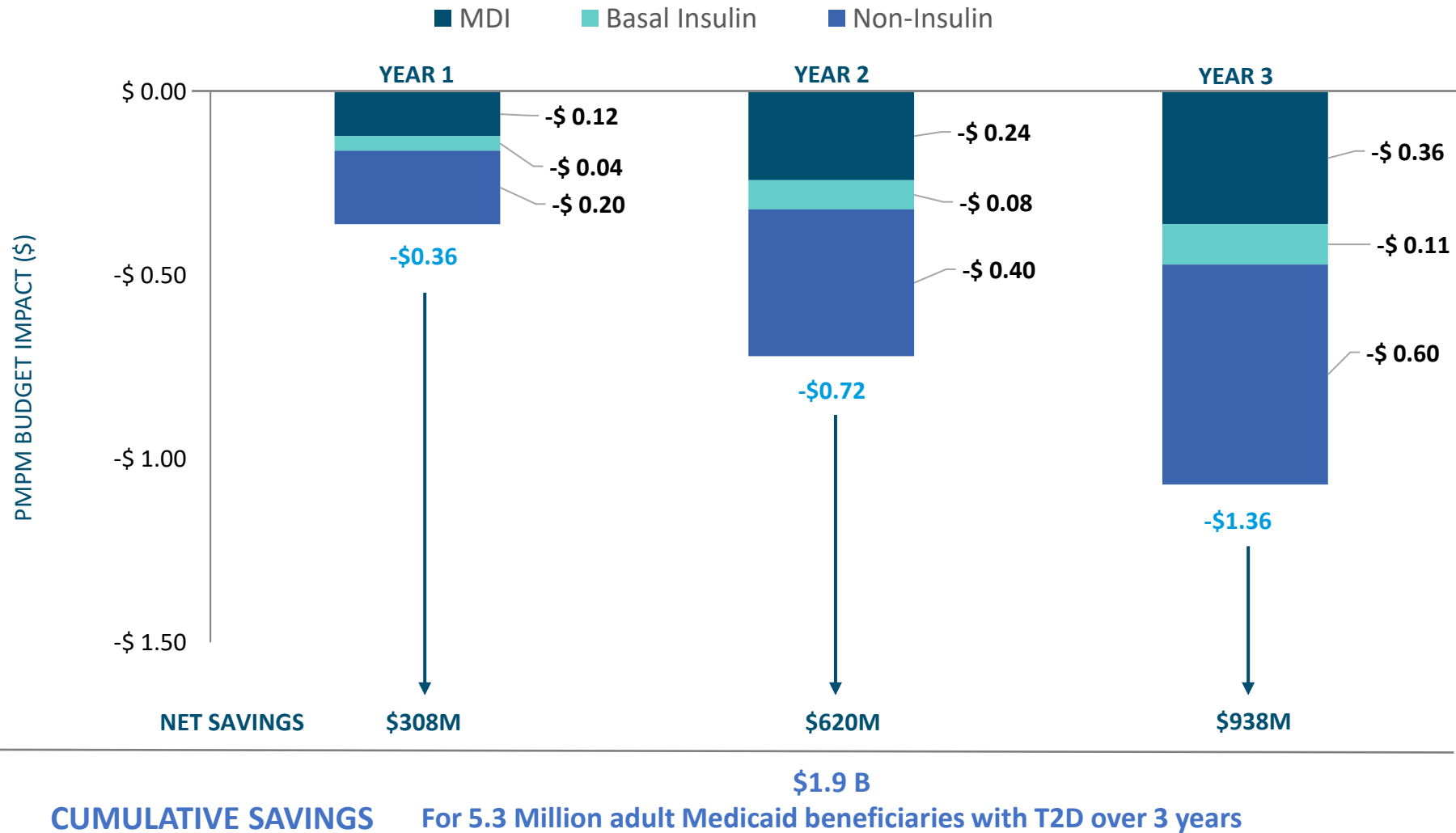
B. PEOPLE LIVING WITH T2D ON BASAL INSULIN



C. PEOPLE LIVING WITH T2D NOT ON INSULIN



Results – Savings Per Member Per Month



Results

- An estimated 5.3 million adults with T2DM covered by Medicaid may benefit from using CGM as part of their diabetes management
- In all treatment segments in T2DM, acquisition cost for CGM is offset by reductions in HCRU
- Annual PMPM for Medicaid is -\$0.36, -\$0.72, -\$1.36 in Year 1, 2, and 3, respectively
- Net savings total \$308 M, \$620 M, \$938 M in Year 1, 2, and 3, respectively
- One-way sensitivity analysis identified HCRU reduction in Non-Insulin T2DM and cost of hospital inpatient visit as the major cost drivers

Discussion and Conclusions

- CGM coverage for Medicaid beneficiaries with T2D can result in net cost savings for state Medicaid plans across all diabetes treatments, MDI, basal insulin, and other non-insulin.
- At \$14,742 per ACH stay among patients with T2DM, all-cause hospitalization was the major cost-driver on Medicaid's budget. CGM coverage for beneficiaries with T2DM including those on non-insulin therapy resulted in cost savings from the perspective of Medicaid in the US.
- Limitations:
 - Hospital facility costs are based on 2018 data; costs have increased in most recent years
 - Other HCRU such as outpatient visits were not included due to limited available data

Thank you