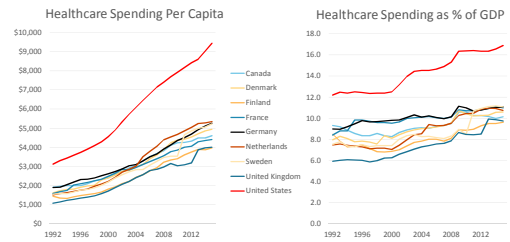


Economic Burden of IBD

Walter R. Peters, Jr. MD, MBA, FACS, FASCRS
Management of IBD – State of the Art
April 22, 2017

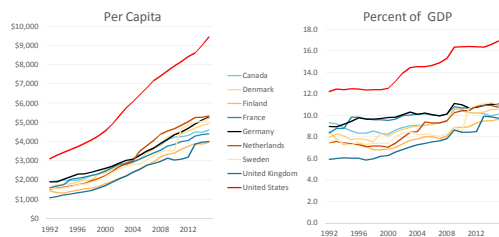


We have a problem...



OECD Health Statistics 2016

Global Healthcare Spending

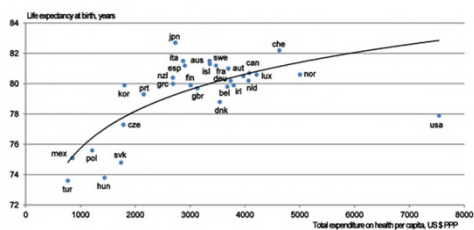


OECD Health Statistics 2016

Global Healthcare Spending vs GDP



Value in Healthcare



OECD 2010, "Health care systems: Getting more value for money"

Costs related to IBD

- Direct Costs
 - Inpatient
 - Surgery
 - Outpatient visits
 - Pharmaceuticals
- Indirect Costs
 - Missed work and school
 - Caregiver time
- Decreased productivity



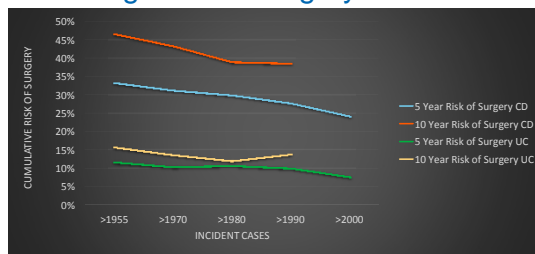
Cost of Crohn's Disease

- Medical Expenditure Panel Survey (MEPS)
 - Higher medical costs (\$13,446 vs \$6029)
 - More likely to miss work or school
 - More lost earnings (\$1249 vs \$644)
 - Increased incremental cost of \$8023
- Estimated \$3.48 billion in total national costs
- CD is more costly per patient per year than diabetes, coronary artery disease, stroke, or COPD

Cost of Inflammatory Bowel Disease

- Direct Costs (1999-2005)
 - Crohn's Disease: \$8,265 to \$18,963
 - Ulcerative Colitis: \$5,066 to \$15,020
- Indirect Costs (1999)
 - \$5,228 per patient
 - \$3.6 billion
- Total annual financial burden
 - \$14.6 billion to \$31.6 billion

Declining Risk of Surgery



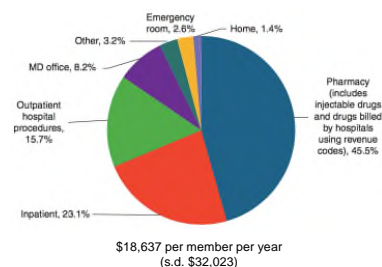
Cost Shift: the COIN Study

- Pre-Biologic Era
 - Hospitalization and surgery account for over half of IBD healthcare costs
 - Productivity losses account for half of total cost in Europe
- Biologic Era
 - Healthcare costs for CD 3x more than UC
 - Hospitalization and surgery account for ~20% and ~1% of healthcare costs
 - Productivity losses account for 16% of CD total costs
 - Productivity losses account for 39% of UC total costs
 - Biologics account for 64% of CD and 31% of UC healthcare costs

Health Insurance Paid Costs: Crohn's

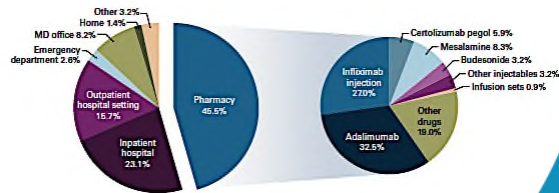
- \$18,637 per member per year (s.d. \$32,023)
 - Patient copays and deductibles not included
- Pharmacy costs 45.5% of total cost
 - Adalimumab 33%
 - Infliximab 27%
 - Mesalamine 8%
- 28% of patients account for 80% of total costs

Health Insurance Paid Costs: Crohn's



Health Insurance Paid Costs

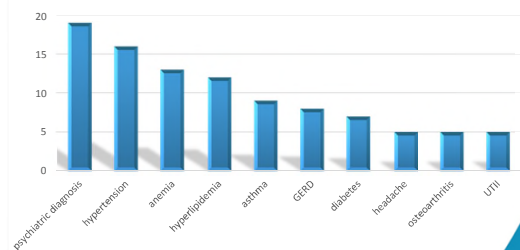
\$18,637 per member per year (s.d. \$32,023)
Co-pays and deductibles not included



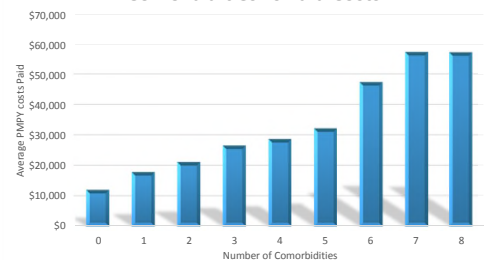
Health Insurance Paid Costs

	High Cost 28%	Low Cost 72%
Mean paid PMPY (sd)	\$45,602 (\$44,387)	\$8,153 (\$16,306)
Median paid PMPY	\$33,394	\$3,618
% with ≥ 1 comorbidity	77	47
% with anti-TNF use	64	12
% with inpatient hospital claims	52	11
Mean paid PMPY for inpatient hospital claims	\$12,823 (\$36,385)	\$818 (\$8,056)

Most Common Comorbidities

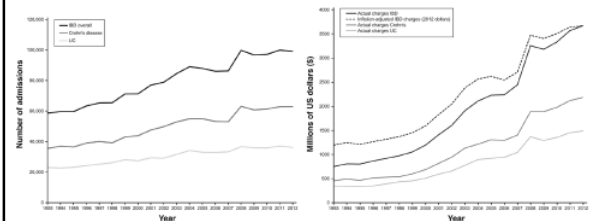


Comorbidities vs Paid Costs



It's going to get worse...

- Prevalence
 - 1.2M to 1.6M patients in US (0.5% of population)
 - Rapidly increasing newly industrialized countries
- Compounding prevalence
 - Chronic disease
 - Young age of onset
 - Low mortality
- Exponential increase in developing countries



We can do better...

$$\text{Value in Healthcare} = \frac{\text{outcomes patients care about}}{\text{cost of obtaining those outcomes}}$$

We must acknowledge our responsibility for *both* the numerator and denominator

Infliximab (Remicade®)



- Crohn's Disease
- 70 Kg dosed at 5 mg/kg
- Loading weeks 0, 2 and 6
- Maintenance q 8 weeks

\$25,600

Adalimumab (Humira®)



- Crohn's Disease
- 160 mg week 0
- 80 mg week 2
- Maintenance: 40 mg q 2 wk

\$72,420

Vedolizumab (Entyvio®)



- Crohn's Disease
- 70 Kg dosed at 300 mg
- Loading weeks 0, 2 and 6
- Maintenance q 8 weeks

\$43,360

Ustekinumab (Stelara®)



- Crohn's Disease
- 70 Kg
- Loading dose: 390 mg
- Maintenance: 90 mg q 8 wk

\$78,730

Colorectal Surgery Fellow



- Desire to learn, maybe help
- ??? Kg
- Loading dose: Food
- Maintenance: 4 meals per day

\$76,000

Laparoscopic Ileocolic Resection



- Crohn's Disease
- 70 Kg
- No prior surgery
- Length of Stay: 3 days

\$14,000

Cost Effectiveness of Biologics

Threshold of 35,000 € / QALY

- Effective for:
 - Induction of remission in severe CD (cf. conventional medical treatment)
 - Acute exacerbation of severe UC (cf. medical treatment or surgery)
- Not cost effective for:
 - Treatment of severe CD (cf. surgery)
 - Moderate CD
 - Post surgical resection of CD
 - Moderate UC
- Unclear for:
 - Maintenance treatment of CD
 - Comparison between biologics

The Cost of Suboptimal Therapy

- Suboptimal therapy
 - discontinuation or switch (except for CS)
 - dose escalation, augmentation, inadequate loading (biologics)
 - prolonged CS use (>3 months)
 - surgery or hospitalization
- 80% had ≥ 1 suboptimal treatment marker
- Total costs higher with suboptimal therapy
 - Crohn's \$18,736 vs. \$10,878
 - UC \$12,679 vs. \$9,653

US Insurance claims 2006-2010
Rubin. Aliment Pharmacol Ther 2014; 39: 1143-1155

"The best opportunities to reduce IBD-related costs may be in optimizing evidence-based anti-TNF use, preventing avoidable acute care services, and ensuring care coordination of patients with high resource utilization."

Park. Am J Gastroenterol 2016; 111:15-23

"The economic impact of suboptimal therapy among UC and CD patients is substantial."

Rubin. Aliment Pharmacol Ther 2014; 39: 1143-1155

Multidisciplinary Care



- US Healthcare is delivered in silos
- Integrated Practice Units
 - Multidisciplinary team
 - Co-located
 - Shared records
 - Effective communication
 - Increase patient value
 - Prepare for bundled payments
 - Beneficial for complex patients

Benefits of a Dedicated IBD Service

- IBD Service-Royal Adelaide
 - Specialist GI
 - Nurse Coordinator
 - Joint GI-Surgery Clinic
 - Protocol-driven lab work
 - Single point of contact
- Results
 - Admissions decreased
 - Cost of inpt care decreased

- IBD Center-BUMC
 - Specialist GI
 - Joint GI-CRS Clinics
 - Common EMR
 - Infusion Center
 - Protocol-driven lab work
 - Single point of contact
 - Ostomy care
 - Process and PRO metrics
 - Monthly MDT Conference

Measure What We Do

- Process Measures
 - AGA Quality Measures (2011)
 - CCFA Process Measures
 - PQRS
- Outcomes Measures
 - CCFA Outcomes Measures
- Patient Reported Outcomes
 - PROMIS
- ICHOM IBD-Control



We have a problem...

- IBD poses an economic burden on patients and society
- The prevalence of IBD will increase
- Biologic agents are now the main drivers of cost
- A minority of patients drive the majority of costs
- Suboptimal care is expensive

And we can do better...



- Acknowledge our stewardship role
- Follow practice guidelines
- Identify the high risk patient
- Practice collaboratively
- Collect outcomes data