

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

328



FROM: Human Resources Department

SUBMITTAL DATE:
January 26, 2009

SUBJECT: Approval of contract amendment with the Joslin Diabetes Center, Inc. for Professional Consultation and Materials for Program Development for the Exclusive Care Disease Management Center.

RECOMMENDED MOTION: 1) Approve the contract amendment for professional consultation and educational materials from the Joslin Diabetes Center, Inc.; 2) authorize the Chairperson to sign four (4) copies of the attached Agreement and; 3) retain one (1) copy of the signed Agreement and return three (3) copies to Human Resources for distribution.

BACKGROUND: On June 3, 2008, Agenda Item 3.42, the Board of Supervisors approved a Sole Source Agreement with Joslin Diabetes Center, Inc., to provide professional consultation and educational materials to the Exclusive Care Disease Management Center.

Ronald W. Komers
Asst. County Executive Officer/Human Resources Dir.

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 157,460	In Current Year Budget:	Yes
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	No
	Annual Net County Cost:	\$ 0	For Fiscal Year:	2008/09

SOURCE OF FUNDS: Exclusive Care	Positions To Be Deleted Per A-30	<input type="checkbox"/>
	Requires 4/5 Vote	<input type="checkbox"/>

C.E.O. RECOMMENDATION: APPROVE

BY:
Elizabeth J. Olson

County Executive Office Signature

ATTACHMENTS FILED WITH THE CLERK OF THE BOARD BY: LUCY FURUTA 2/4/09 DATE
 FORM APPROVED COUNTY COUNSEL
 Departmental Concurrence

- Consent
- Policy
- Consent
- Policy

Dep't Recomm.:
Per Exec. Ofc.:

Prev. Agn. Ref.: 6/03/2008, Item 3.42 | **District:** | **Agenda Number:**

3.30

BACKGROUND continued;

The Joslin Diabetes Center, Inc., is a 501c (3) non-profit organization affiliated with Harvard Medical School and has over 100 years of history and a quarter million treated patients. Joslin has an international reputation as the foremost diabetes research, care, and education center in the world. The Joslin Diabetes Center, Inc. has pioneered and continues to set the standards for much of today's specialty diabetes care.

Joslin is working with the Exclusive Care Disease Management Center to ensure the development of a program that provides the best possible care to diabetic patients. The Joslin approach is to divide the scope of work into two (2) phases. The first phase (approximately \$42,539) includes a complete assessment of the Exclusive Care program and needs by Joslin, with recommendations for the development of an effective disease management program for diabetes. Phase II includes providing professional consulting services and various patient educational and materials (not to exceed \$157,460) to assist the Disease Management Center in fully developing a high quality diabetes disease management program for County of Riverside employees.

Phase I has been completed in partnership with Joslin. As a result, Joslin has developed a report of recommendations to the Disease Management Center (Executive Summary is incorporated as Attachment B) and has developed a project plan for Phase II. Phase II will include creating a cooperative work plan that will include developing a "Value Based Design" program for our pharmacy benefit program as well as a "Pay for Performance Program" for physicians within the Exclusive Care Network, and provide guidance in a number of areas related to the management of patients who receive care from the Disease Management Center and/or are within the Exclusive Care or Blue Shield Health Plans.

Joslin has experience integrating its expertise into various settings including the Centers for Medicare & Medicaid Services (CMS), the Veterans Administration, the U.S. Dept. of Defense, and the University of Mississippi Medical Center. Along with other projects, The Joslin Diabetes Center, Inc. has also successfully implemented a program for primary care practice support that has substantially improved diabetes care in 1,600 practices in New York City and Detroit. The Joslin Diabetes Center, Inc. has specific staff and the program to assist organizations like Exclusive Care in the continued development of disease management programs.

The partnership with Joslin will create opportunities to improve patient care and also encourage increased participation in the program from Exclusive Care health plan members, Blue Shield Plan members, and other plans contracted with the Disease Management Center. This will eventually lead to a cost savings for Exclusive Care and also the County of Riverside. According to the American Diabetes Association, it currently costs \$11,744 annually to manage a patient with diabetes. Exclusive Care currently has over 892 members that have been diagnosed with diabetes (7.2% of Exclusive Care's enrolled membership). It is anticipated that there are other members within the plan who can benefit from this program but have not yet been identified. A component of Exclusive Care's work with Joslin will be to find ways to identify members who show indicators of diabetes, pre-diabetes and metabolic syndrome. If half of the diagnosed Exclusive Care members participate and succeed at managing their diabetes within five years in this program, the Disease Management Center will more than pay for itself.¹ When this program successfully serves all members with the County who have diabetes, the County as a whole will realize a cost savings in its health plans as well as lower absenteeism rates within the County employee population which will also result in a cost savings.

The Amendment, which outlines Phase II is incorporated as Attachment A. The Executive Summary of Joslin's report of recommendations to the Disease Management Center is incorporated as Attachment B. There is no impact to the County General Fund, as the program is funded by the 13,000 members of the Exclusive Care Health Plan.

¹ Decreasing the health care costs for 446 Exclusive Care members with diabetes would save the health plan roughly \$5,237,824.00 annually. The Disease Management Center anticipates spending approximately \$4,000,000 in 5 years for staff and overhead costs.