

	Average	Bootstrapping 95% confidence level
Total costs per patient and year [DM]	5,539	5,184–5,894
Total costs for Germany [DM]	21 billion	19,5–22,5 billion
HbA1c	7.84	7.63–8.07
Treatment type [%]		
Diet	19.4	16.7–22.1
OAD	53.0	49.6–56.4
Insulin	27.6	24.5–30.7

**PDB4****EFFECT OF A POLICY CHANGE ON USE OF BLOOD GLUCOSE MONITORS BY DIABETICS WITH MEDICARE COVERAGE**

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**OBJECTIVE:** To study the impact of a Medicare policy change, effective July 1998, extending coverage for glucose test equipment to all diabetics, including those not using insulin. **METHODS:** Using a file of 5% of Medicare beneficiaries, we identified those with continuous fee-for-service coverage from 1996-1998 and a diabetes diagnosis on inpatient or physician claims in 1997. Monitor and test strip use was determined by allowed claims in the durable medical equipment claim files. **RESULTS:** We identified 163,990 diabetic subjects (estimated prevalence among Medicare beneficiaries, 14%). Fourteen percent of diabetics were estimated to have used glucose monitors prior to January 1997; an additional 6.1% had new monitor claim(s) between January 1997 and December 1998. From July through December 1998, mean number of new monitor users per month was nearly triple that observed prior to July 1998. Nearly all of those beginning monitor use between January 1997 and June 1998 had claim modifiers indicating insulin dependence, compared to 59% of new users between July and December 1998. The proportion of subjects with test strip or monitor claims in 1999 did not differ significantly between those who commenced use prior to July 1998, and those who did so between July 1998 and December 1998; among new users of monitors, insulin users and non-users were equally likely to have monitor or strip claims in 1999. Insulin users had a higher number of claims per person. **CONCLUSIONS:** Although extended coverage increased new glucose monitor use in insulin users and non-users, overall use by diabetics remained relatively low. New and established users were equally likely to sustain use in 1999. As new technology becomes available for glucose monitoring, claims data offer a method of identifying the potential target population and estimating the likely impact of coverage policy changes on utilization and costs.

**PDB5****THE ECONOMIC BURDEN OF TYPE 2 DIABETES ON THE INDIVIDUAL**Holmes J<sup>1</sup>, Bottomley J<sup>2</sup>, Gillam S<sup>3</sup>, Murphy M<sup>4</sup><sup>1</sup>Economists Advisory Group (EAG), London, UK; <sup>2</sup>SmithKline Beecham Pharmaceuticals, Hertfordshire, UK, <sup>3</sup>The King's Fund, London, UK, <sup>4</sup>British Diabetic Association, London, UK

**OBJECTIVE:** To estimate the personal expenditure and lost earnings borne by individuals as a result of Type 2 Diabetes. **METHOD:** A postal questionnaire was sent to a random sample of 750 Type 2 Diabetes patients and their informal carers at each of 4 UK clinical centres as part of the T<sup>2</sup>ARDIS cost of illness survey. The samples were drawn from registers including patients receiving only primary care as well as those receiving hospital care. Personal expenditure data were collected from the questionnaire. Lost earnings were estimated for working age respondents who reported that they were not working full time because of their diabetes or because of the demands of caring for someone with Type 2 Diabetes. Age and gender specific average earnings were then applied, adjusted downwards for national unemployment. **RESULTS:** A total of 1578 patients (52.6%) and 500 regular informal carers responded to the survey. There was no significant response bias amongst the patients, based on checks of non-respondent demographics and treatment regimes. The patients (n = 1578) reported average personal expenditure of £234 per year (SD 1486), but those with an informal carer (n = 500) reported higher average expenditure at £384 per year (SD 2195). A wide range of expenditure items was reported but the largest single category of expenditure was private healthcare and OTC medication. Carers themselves (n = 500) reported an average of £161 (SD 549) personal expenditure per year. The lost earnings of patients and carers combined were estimated at £568 (SD 3463) per patient (n = 1578), and £1441 (SD 5620) per patient with a carer (n = 500). **CONCLUSION:** People with Type 2 Diabetes and their informal carers incur a substantial economic burden, before consideration of the impact on their quality of life. This burden includes significant personal expenditure, particularly on private healthcare, and significant lost earnings as a result of the condition.

**PDB6****THE FINANCIAL EFFECTS OF INTERFACE AGREEMENTS FOR DIABETES MELLITUS: SOCIOECONOMIC RELEVANCE OF INTENSIVE CONTROLLED INSULIN THERAPY WITH INSULIN LISPRO COMPARED TO REGULAR HUMAN INSULIN**Kilburg A<sup>1</sup>, Clouth J<sup>2</sup>, Daniel D<sup>1</sup>, Kirchoff D<sup>1</sup>, Rychlik R<sup>1</sup><sup>1</sup>Institute of Empirical Health Economics, Burscheid, Germany; <sup>2</sup>Lilly Deutschland GmbH, Bad Homburg, Germany

**OBJECTIVES:** To assess the costs of intensive controlled therapy with insulin lispro compared to regular human