

New Study Uncovers High Cost Variability of Crohn's, Ulcerative Colitis

CHICAGO – May 4, 2020 – Inflammatory bowel diseases may require a more intense approach than other chronic gastrointestinal diseases in value-based care programs. That's because they have much higher cost volatility, according to an <u>abstract</u> published in the May online supplement to *Gastroenterology* and selected for oral presentation at Digestive Disease Week 2020.

In finance, the volatility of a stock is measured using a beta coefficient — measuring the relative volatility of an individual stock in relation to that of an index. For this abstract, researchers borrowed that concept to categorize GI diseases and uncover their relative cost volatility to that of an index.

Their index was created using the following major GI diseases: GERD, peptic ulcer disease, gastritis, Celiac disease, pancreatitis, IBS, Crohn's, ulcerative colitis (UC), colon polyps and diverticulitis. Using that index, they calculated each disorder's beta rating.

Inflammatory bowel diseases — namely Crohn's and UC — were identified as high beta conditions because their cost volatility was much higher when compared to the index.

"Patients with Crohn's and UC tend to normalize their conditions, which means they often can't tell when their symptoms are worsening," said Lawrence Kosinski, MD, Founder and Chief Medical Officer of SonarMD, and the lead author of the abstract. "That can lead to complications and hospitalizations – and highly variable per capita costs."

The other diseases (gastritis, GERD, colon polyps, peptic ulcer disease, Celiac disease, pancreatitis, IBS and diverticulitis) are low beta conditions when compared to the index, with low cost volatility.

The researchers concluded that GI diseases with different beta rankings need different approaches to improve patient outcomes and lower the cost of care.

Low beta conditions with more predicable costs and outcomes may be better suited for value-based programs like bundled payments and episodes of care since their cost volatility is low.

Meanwhile, high beta conditions need value-based programs that focus on care coordination, patient engagement and disease management to truly improve care and lower costs.

"Payers and gastroenterologists need to work together to engage patients with high beta conditions, track symptoms, catch deterioration early, and intervene before it becomes a bigger problem," said Dr. Kosinski. "That way, patients stay healthier and out of the hospital, resulting in lower costs."

About SonarMD

SonarMD is a care coordination and drug optimization solution for gut health. SonarMD's clinical staff and technology make it easier for patients and specialists to work together virtually to detect and address worsening symptoms sooner and make the right treatment decisions. The company contracts with payers and works directly with sub-specialists in their network to provide value-based care. SonarMD is starting in inflammatory bowel disease where it has proven to reduce hospitalizations, saving health plans more than 15% per member per year. For more information, visit <u>www.SonarMD.com</u> and engage with SonarMD on <u>LinkedIn</u> and <u>Twitter</u>.

About Digestive Disease Week®

Digestive Disease Week® (DDW) is the largest international gathering of physicians, researchers and academics in the fields of gastroenterology, hepatology, endoscopy and gastrointestinal surgery. Jointly sponsored by the American Association for the Study of Liver Diseases (AASLD), the American Gastroenterological Association (AGA) Institute, the American Society for Gastrointestinal Endoscopy (ASGE) and the Society for Surgery of the Alimentary Tract (SSAT), DDW showcases more than 5,000 abstracts and hundreds of lectures on the latest advances in GI research, medicine and technology. More information can be found at www.ddw.org.