

Docs debate the value of virtual diabetes therapies

Article

The news: Physicians debated the clinical value of digital therapeutics (DTx) at the **American Diabetes Association (ADA)** annual meeting held June 25-29, [according to](#) STAT.

- While some doctors agreed programs like **Livongo for Diabetes** helped [reduce](#) medical spending, other docs were more wary of tech like it
- For example, **Dr. Kasia Lipska**, endocrinologist at **Yale School of Medicine**, suggested a strong potential for bias in digital diabetes companies' clinical trial results. While some DTx trials reveal a small reduction in patient weight or hemoglobin A1C (diabetes metric), they

often lack long-term follow up or were based on small groups of patients with no control groups.

How we got here: The digital diabetes market is maturing, with more payers covering the tech and more investors pouring funding into the startups developing it:

- **For example, Virta [raised](#) \$133 million this year, and it [nabbed](#) the attention of large payers like BCBS North Carolina.** The DTx company [boasts](#) patients who replaced diabetes drugs with its digital program saved \$160 on monthly costs (insulin alone costs \$365 per month, for instance).
- **Now, entrants like Virta Health and Omada tout sky-high valuations.** Virta achieved a valuation over [\\$1 billion](#) thanks to its most recent VC funding rounds—which it'll likely use to get more payers on board with its tech.

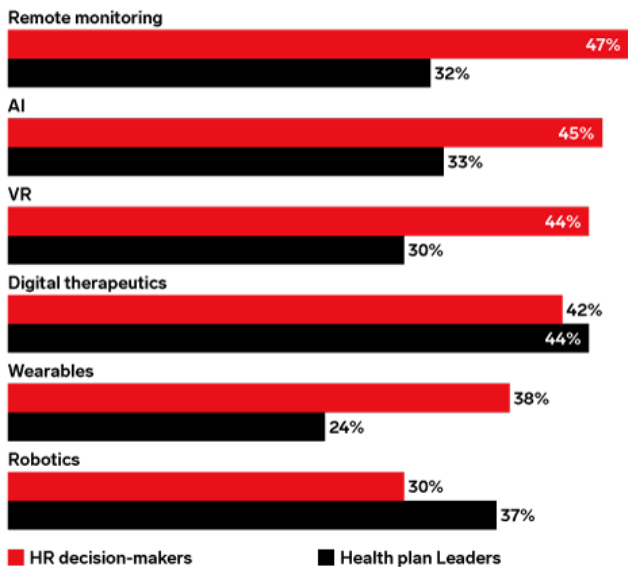
The bigger picture: Even though payers are increasingly covering digital therapies, doctors have to be willing to prescribe the tech—something they won't do if they're skeptical about the quality of clinical evidence backing it.

DTx players will have to showcase unbiased clinical evidence to land in doctors' good graces—especially those being reimbursed under value-based schemes. It's ultimately up to the physician to decide on whether or not a digital therapy is a good fit for their patient. Considering more physicians are becoming tied to value-based agreements ([67%](#) of Humana Medicare patients are treated by physicians in VBC contracts, for instance), it may be too risky for them to prescribe digital therapies if there's uncertainty around whether they'll actually improve health outcomes for all types of patients.

For example, when DTx companies conduct cost and clinical analyses of their programs, some firms [selected](#) patients who have already agreed to try the service—which means that patients participating in these clinical studies may already be “more motivated, healthy users who might do well regardless of whether they were using the app or not,” [according to](#) doctors at the ADA conference.

Emerging Technologies that Will Have the Greatest Impact* on Healthcare According to US HR Decision-Makers vs. Health Plan Leaders, Nov 2020

% of respondents



Note: *In the future

Source: Evernorth, "Health Care in Focus" conducted by Ipsos, March 10, 2021

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