

Nevada Type 2 Diabetes Report *2007*

Featuring Demographic, Charges, Utilization,
and Pharmacotherapy Data

Presented by
sanofi aventis

in conjunction with





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The Nevada Health Care Coalition is a partnership between public and private sectors formed for the primary purpose of improving the total community's understanding and acceptance of cost-effective delivery and utilization of medical services through educational programs and seminars. The Coalition also focuses on the creation of purchasing initiatives designed to reduce the cost of health care, for the benefit of employers, employees and the community as a whole.

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CONTACTS

Sandie Barrie, Ph.D., R.N. 775-329-8007
NHCC Programs Manager
sandiebarrie@nvbell.net

Jerry Reeves, M.D. 702-873-4943
Health Innovations LLC
HealthInnovations@cox.net

David Barhoum 425-771-5848
Employer National Account Manager
U.S. Managed Markets
sanofi-aventis

Introduction

The Nevada Health Care Coalition (NHCC) and Health Innovations are pleased to present the inaugural **Nevada Type 2 Diabetes Report** for 2007, an overview of demographic, financial, utilization and pharmacotherapy measures for Type 2 diabetes patients in key local markets in the state of Nevada. The report also provides Phoenix, Ariz., state and national benchmarks that can help providers and employers identify better opportunities to serve the needs of their patients. All data are drawn from the Therapeutics Trends Summary™ (TTS), part of the sanofi-aventis **Managed Care Digest Series®**.

The **Nevada Type 2 Diabetes Report** for 2007 helps NHCC to fulfill its purpose of improving the total community's understanding and acceptance of cost-effective delivery and utilization of medical services through educational programs and seminars.

This first edition features a number of examples of the kinds of patient-level, disease-specific data on Type 2 diabetes that can be provided using the TTS resource. NHCC and Health Innovations chose Type 2 diabetes (high blood glucose levels caused by either a lack of insulin or the body's inability to use insulin efficiently) as the focus of this resource, as the Centers for Disease Control estimate that 90% to 95% of all Americans with diabetes—translating to 5% to 7% of the U.S. population—have the Type 2 variety.

The data in this report (covering 2005 through 2006) were gathered by Verispan LLC, Yardley, Pa., a recognized leader in the health care information industry. The data in TTS provide employers with independent, third-party information they can use to benchmark their own data on patient demographics, professional (provider) and facility (hospital) charges, service utilization and pharmacotherapy.

Methodology

Through agreements with more than three dozen data providers, Verispan receives data from more than 400 million health

care professional (837p) and institutional (837i) claims annually, representing nearly 200 million unique patients, or approximately 30% of all such claims in the U.S. Data from physicians of all specialties and from all hospital types are presented in the TTS.

Verispan also gathers data on prescription activity from the National Council for Prescription Drug Programs (NCPDP). These data represent some 8 billion prescription claims annually, or more than 50% of the prescription universe. These data also represent the sampling of prescription activity from a variety of sources, including retail chains, mass merchandisers and pharmacy benefit managers, and come from a near census of more than 59,000 pharmacies in the U.S. Cash, mail-order, Medicaid, and third-party transactions are tracked.

DATA INTEGRITY

Data arriving into Verispan are put through a rigorous process to ensure that data elements match to valid references, such as product codes, ICD-9 (diagnosis) and CPT-4 (procedure) codes, and provider and facility data.

Claims undergo a careful de-duplication process to ensure that when multiple, voided, or adjusted claims are assigned to a patient encounter, they are applied to the database, but only for a single, unique patient.

Through its patient encryption methods, Verispan creates a unique, random numerical identifier for each patient, then strips away all patient-specific health information protected under the Health Insurance Portability and Accountability Act (HIPAA). The identifier allows Verispan to track disease-specific diagnosis and procedure activity across the various settings where patient care is provided (hospital inpatient, hospital outpatient, emergency rooms, clinics, doctors' offices and pharmacies), while protecting the privacy of each patient.

Data are collected and copyrighted by Verispan LLC. The role of NHCC is to help make these data more widely available to interested parties.

PATIENT DEMOGRAPHICS



PERCENTAGE OF TYPE 2 DIABETES PATIENTS, BY AGE*

MARKET	0-17		18-35		36-64		65-79		80+	
	2005	2006	2005	2006	2005	2006	2005	2006	2005	2006
Las Vegas	0.4%	0.3%	4.1%	4.0%	56.3%	54.5%	31.8%	32.6%	7.5%	8.5%
Reno	0.6	0.5	2.4	2.4	50.3	50.1	36.9	36.5	9.8	10.6
Phoenix	0.4	0.4	5.0	4.4	59.9	56.6	27.1	29.4	7.6	9.3
Nevada	0.5	0.4	3.8	3.8	56.5	55.4	31.5	31.8	7.8	8.6
NATION	0.5%	0.4%	3.8%	3.6%	52.0%	50.6%	32.5%	33.3%	11.3%	12.1%

PERCENTAGE OF TYPE 2 DIABETES PATIENTS AGES 36 TO 64 DECLINES

Of those patients diagnosed with Type 2 diabetes in 2006, just over half (50.6%) were ages 36 to 64, down from 52.0% in 2005. During this period, the percentage of Nevada Type 2 diabetes patients in this age group likewise fell, to 55.4% from 56.5% the previous year.

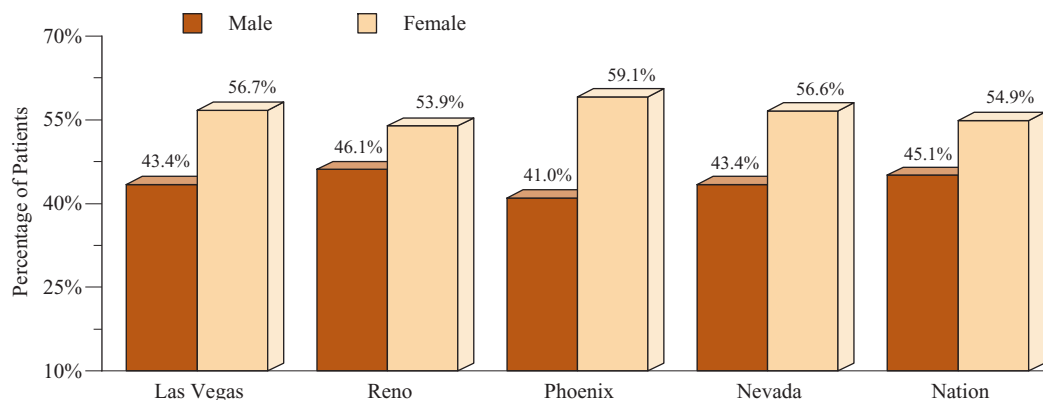
PERCENTAGE OF TYPE 2 DIABETES PATIENTS, BY LOCATION OF DIAGNOSIS*

MARKET	Location of Patient's Type 2 Diabetes Diagnosis							
	Primary Care**		Internal Medicine		Endocrinology		Cardiology	
	2005	2006	2005	2006	2005	2006	2005	2006
Las Vegas	23.8%	40.3%	11.0%	9.3%	0.2%	0.1%	1.5%	2.0%
Reno	15.7	18.0	2.5	2.4	0.9	0.9	27.3	27.9
Phoenix	19.0	19.9	7.3	7.0	2.9	3.2	1.2	1.7
Nevada	20.9	34.7	6.2	5.3	0.4	0.3	7.8	7.3
NATION	25.1%	28.2%	11.7%	10.4%	1.5%	1.3%	7.9%	7.5%

PCPs ARE MOST LIKELY TO DIAGNOSE TYPE 2 PATIENTS IN NEVADA

In 2006, 34.7% of patients diagnosed with Type 2 diabetes in the state of Nevada received their diagnosis from a primary care physician (PCP), up substantially from 20.9% in 2005, the highest share of the four specialties profiled by a wide margin. A notable 40.3% of Type 2 diabetes patients in the Las Vegas MSA were diagnosed by PCPs in 2006, the highest share of the four MSAs listed.

PERCENTAGE OF TYPE 2 DIABETES PATIENTS, BY GENDER, 2006*



Data source: Verispan LLC © 2007

NOTE: Throughout this report, the Reno MSA includes Sparks, Washoe and Storey counties.

SMALL SHARE OF TYPE 2 DIABETES PATIENTS IN RENO IS FEMALE

The ratio of female patients to all patients in the Reno MSA diagnosed as having Type 2 diabetes in 2006 was 53.9%, slightly lower than the national ratio of 54.9%. Of the three profiled MSAs, the ratio of female Type 2 diabetes patients to all patients was greatest in the Phoenix MSA, at 59.1%.

* On all pages, the percentages are representative of the universe of Type 2 diabetes patients on whom claims data have been collected in a given year.

** "Primary care" consists of both general and family practitioners.

PATIENT DEMOGRAPHICS

PERCENTAGE OF TYPE 2 PATIENTS WITHOUT COMPLICATIONS RISES

Between 2005 and 2006, the shares of patients diagnosed with Type 2 diabetes and no complications increased in all three MSAs profiled. Reno reported the greatest annual growth in this share, to 50.1% from 47.7% the year before. Nationally, the percentage of patients diagnosed with Type 2 diabetes and no complications also grew, to 64.2% from 62.7% in 2005.

PATIENT SHARE WITH TWO COMPLICATIONS DECREASES IN RENO

In 2006, the share of Type 2 diabetes patients in the Reno MSA diagnosed with two complications dropped to 9.7% from 11.4% in 2005. Each of the three profiled MSAs, and the state of Nevada, reported larger shares of patients with Type 2 diabetes and two complications in 2006 than that of the national average (6.7%).

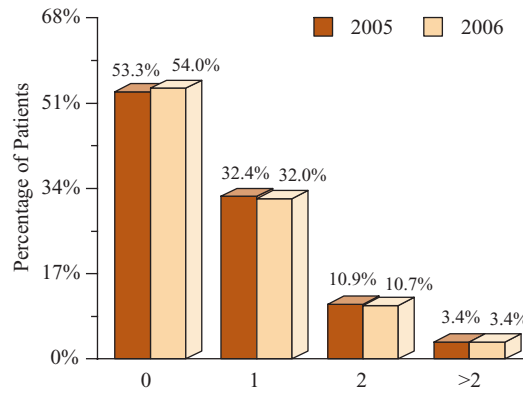
SHARE OF NV TYPE 2 PATIENTS WITH MANY COMPLICATIONS RISES

The percentage of Type 2 diabetes patients in the state of Nevada with more than two diagnosed complications rose to 3.3% in 2006 from 3.2% in 2005. Of the three MSAs listed, Las Vegas reported the highest share of patients with more than two complications, at 3.4%, unchanged from the previous year. Nationally, this share declined modestly in 2006, to 1.7% from 2.0% in 2005.

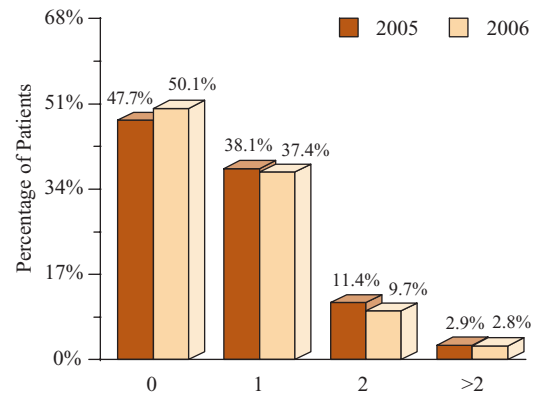
PERCENTAGE OF TYPE 2 DIABETES PATIENTS, BY NUMBER OF COMPLICATIONS*

MARKET	0		1		2		>2	
	2005	2006	2005	2006	2005	2006	2005	2006
Las Vegas	53.3%	54.0%	32.4%	32.0%	10.9%	10.7%	3.4%	3.4%
Reno	47.7	50.1	38.1	37.4	11.4	9.7	2.9	2.8
Phoenix	56.2	57.5	30.2	29.9	10.4	9.6	3.3	3.0
Nevada	52.8	54.0	33.2	32.4	10.8	10.3	3.2	3.3
NATION	62.7%	64.2%	28.2%	27.5%	7.2%	6.7%	2.0%	1.7%

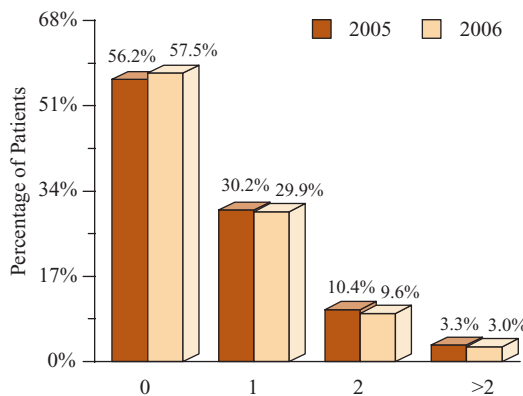
PERCENTAGE OF TYPE 2 DIABETES PATIENTS, BY NUMBER OF COMPLICATIONS, LAS VEGAS*



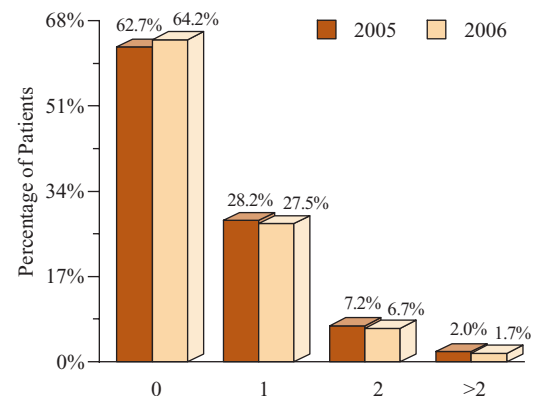
PERCENTAGE OF TYPE 2 DIABETES PATIENTS, BY NUMBER OF COMPLICATIONS, RENO*



PERCENTAGE OF TYPE 2 DIABETES PATIENTS, BY NUMBER OF COMPLICATIONS, PHOENIX*

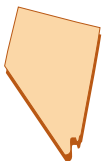


PERCENTAGE OF TYPE 2 DIABETES PATIENTS, BY NUMBER OF COMPLICATIONS, SALT LAKE CITY*



* Complications of Type 2 diabetes include, but are not limited to, coronary artery disease, hypoglycemia, nephropathy, neuropathy and retinopathy.

Data source: Verispan LLC © 2007



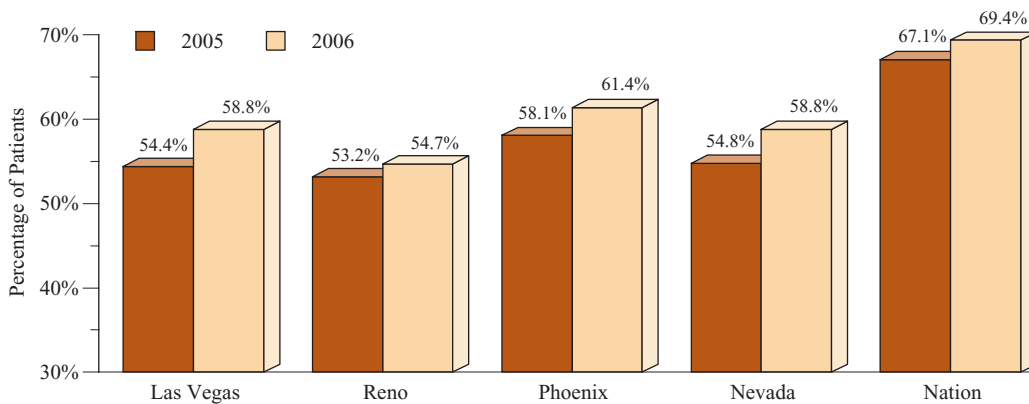
PERCENTAGE OF TYPE 2 DIABETES PATIENTS, BY NUMBER OF COMORBIDITIES*

MARKET	0		1		2		>2	
	2005	2006	2005	2006	2005	2006	2005	2006
Las Vegas	31.0%	34.5%	23.4%	24.3%	33.1%	30.8%	12.6%	10.4%
Reno	31.0	32.1	22.2	22.6	33.8	34.5	13.1	10.8
Phoenix	34.8	37.2	23.3	24.2	30.9	29.2	11.1	9.3
Nevada	31.7	34.9	23.1	23.9	32.7	30.9	12.5	10.3
NATION	41.6%	45.4%	25.5%	24.0%	26.6%	25.0%	6.3%	5.6%

LARGER SHARE OF NEVADA PATIENTS IS COMORBIDITY-FREE

Of all Type 2 diabetes patients in Nevada, 34.9% were without a diagnosed comorbidity in 2006, up from 31.7% in 2005. The greatest share of comorbidity-free patients was in the Phoenix MSA, at 37.2%, up from 34.8% the previous year. Nationwide, this percentage also increased, to 45.4% in 2006 from 41.6% in 2005.

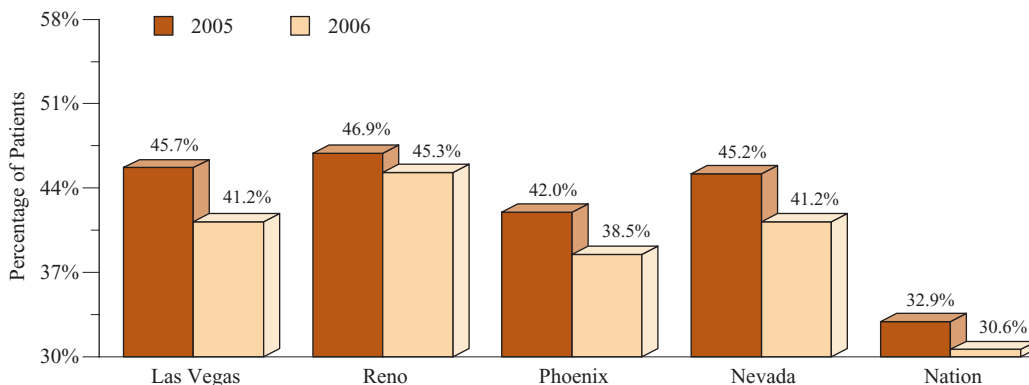
PERCENTAGE OF TYPE 2 DIABETES PATIENTS WITH ONE COMORBIDITY OR FEWER*



SHARE OF RENO TYPE 2 PATIENTS WITH TWO COMORBIDITIES RISES

In 2006, the percentage of Type 2 diabetes patients in Reno diagnosed with exactly two comorbidities grew, to 34.5% from 33.8% in 2005, the only MSA to report such an increase. By comparison, Type 2 diabetes patients in the Las Vegas MSA saw this share decline, to 30.8% from 33.1% the year before.

PERCENTAGE OF TYPE 2 DIABETES PATIENTS WITH TWO OR MORE COMORBIDITIES*

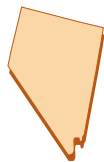


PATIENT SHARE WITH MANY COMORBIDITIES DECLINES IN NEVADA

The percentage of Type 2 diabetes patients in the state of Nevada diagnosed with two or more comorbidities dropped to 41.2% in 2006 from 45.2% in 2005. Of the three MSAs listed, Type 2 diabetes patients in Phoenix were least likely to have two or more comorbidities. In 2006, all three MSAs listed reported shares well above the national average (30.6%).

Data source: Verispan LLC © 2007

* Comorbidities of Type 2 diabetes include, but are not limited to, congestive heart failure, coronary artery disease, dysmetabolic syndrome, hyperlipidemia, hypertension and obesity.



HOSPITAL CHARGES

ER HOSPITAL CHARGES INCREASE FOR TYPE 2 PATIENTS IN NEVADA

Between 2005 (\$1,128) and 2006 (\$1,388), average charges for care delivered to Type 2 diabetes patients at hospital emergency rooms in Nevada climbed 23.0%. Such charges also grew notably for Type 2 diabetes patients in the Las Vegas MSA, to \$1,534 from \$1,260 the year before, or 21.7%.

HOSPITAL INPATIENT CHARGES CLIMB FOR TYPE 2 PATIENTS

Average annual hospital inpatient charges for patients nationwide diagnosed with Type 2 diabetes rose 5.0%, to \$41,381 from \$39,401 in 2005. By comparison, hospital inpatient charges were \$60,973 for Type 2 diabetes patients in Nevada in 2006, up a notable 16.6% from \$52,308 the prior year.

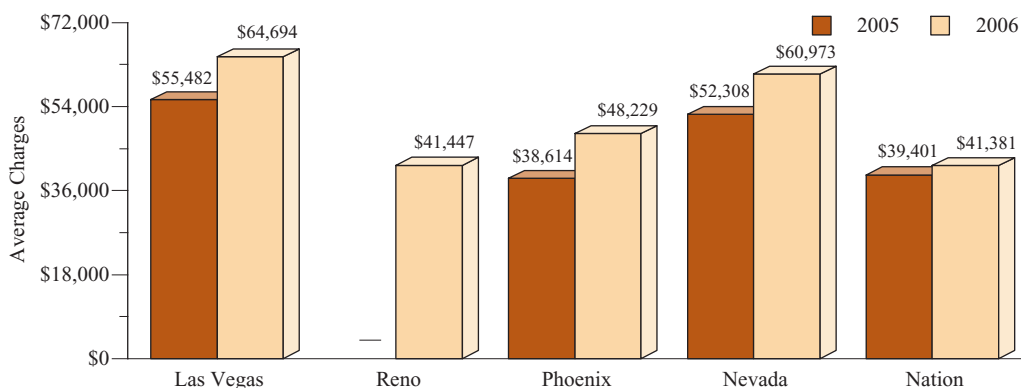
TYPE 2 PATIENTS IN RENO SEE A RISE IN OUTPATIENT CHARGES

In 2006, average hospital outpatient charges per year in the Reno MSA climbed more than 30%, to \$3,993 from \$3,049 in 2005. In spite of this increase, such charges remained lowest of the three MSAs profiled. Meanwhile, hospital outpatient charges for Type 2 diabetes patients statewide were \$5,183, up 21.6% from \$4,263 in 2005.

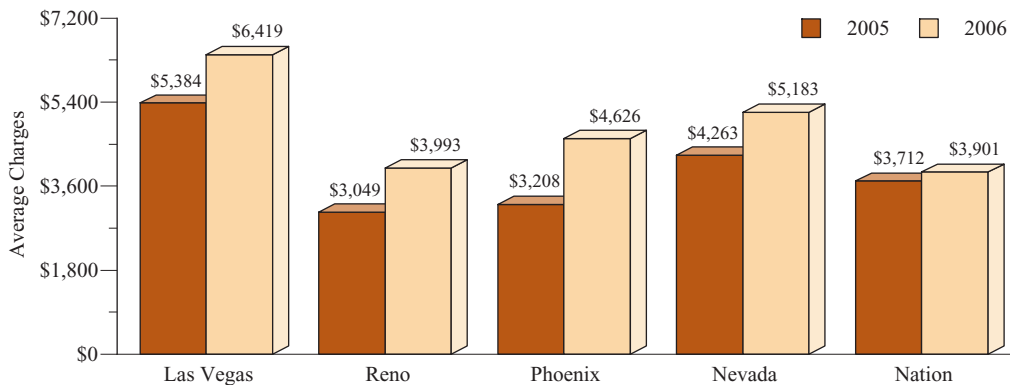
HOSPITAL CHARGES PER YEAR FOR TYPE 2 DIABETES PATIENTS*,**

MARKET	Emergency Room		Hospital Inpatient		Hospital Outpatient	
	2005	2006	2005	2006	2005	2006
Las Vegas	\$1,260	\$1,534	\$55,482	\$64,694	\$5,384	\$6,419
Reno	958	988	—	41,447	3,049	3,993
Phoenix	1,927	1,927	38,614	48,229	3,208	4,626
Nevada	1,128	1,388	52,308	60,973	4,263	5,183
NATION	\$1,243	\$1,299	\$39,401	\$41,381	\$3,712	\$3,901

HOSPITAL INPATIENT CHARGES PER YEAR FOR TYPE 2 DIABETES PATIENTS*,**



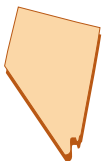
HOSPITAL OUTPATIENT CHARGES PER YEAR FOR TYPE 2 DIABETES PATIENTS*,**



Data source: Verispan LLC © 2007

* Data reflect the charges generated for Type 2 diabetes patients by the facilities that delivered care. The data also reflect the average amounts charged in Type 2 diabetes patient claims, not the amount the claims paid.

** Hospital charge data on pages 6–7 represent average hospital charges per Type 2 diabetes patient per year.



HOSPITAL INPATIENT CHARGES PER YEAR FOR TYPE 2 DIABETES PATIENTS, BY PAYER*

MARKET	Commercial Insurance**		Medicaid		Medicare	
	2005	2006	2005	2006	2005	2006
	Las Vegas	\$49,496	\$52,843	\$53,821	\$69,776	\$65,414
Reno	—	33,148	21,062	33,601	—	45,354
Phoenix	41,747	46,972	—	17,832	32,526	45,606
Nevada	47,755	50,643	51,942	66,446	57,707	68,439
NATION	\$35,593	\$36,468	\$36,668	\$37,917	\$39,309	\$41,689

MEDICAID HOSPITAL INPATIENT CHARGES CLIMB IN LAS VEGAS

Type 2 diabetes patients with Medicaid coverage in Las Vegas reported average annual charges of \$69,776 for hospital inpatient care in 2006, up 29.6% from \$53,821 in 2005. Such charges were slightly lower for Type 2 diabetes patients with Medicaid coverage in Nevada, at \$66,446, up 27.9% from \$51,942 the year before.

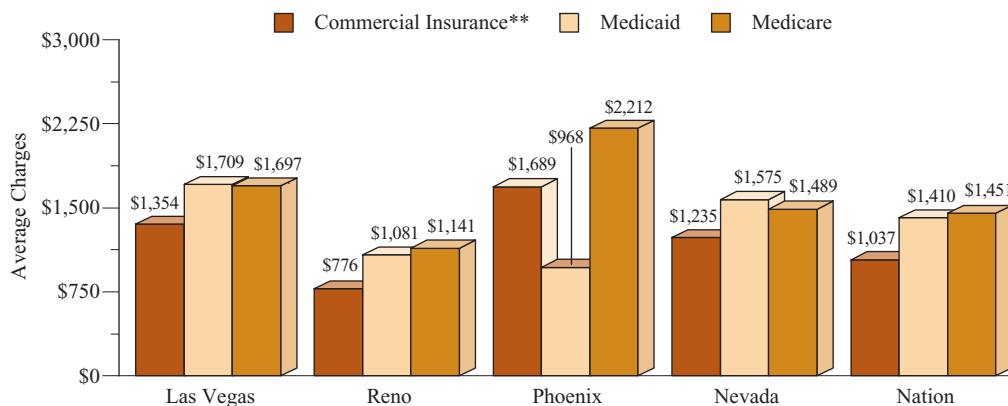
HOSPITAL OUTPATIENT CHARGES PER YEAR FOR TYPE 2 DIABETES PATIENTS, BY PAYER*

MARKET	Commercial Insurance**		Medicaid		Medicare	
	2005	2006	2005	2006	2005	2006
	Las Vegas	\$5,755	\$6,129	\$5,210	\$6,084	\$4,299
Reno	2,804	3,075	3,099	4,054	3,306	4,675
Phoenix	3,387	4,652	—	2,528	2,730	4,406
Nevada	4,465	4,971	4,274	5,328	3,771	5,134
NATION	\$3,202	\$3,277	\$3,620	\$3,735	\$4,023	\$4,347

OUTPATIENT CHARGES RISE FOR MEDICARE TYPE 2 PATIENTS IN NV

Average annual charges for hospital outpatient care delivered to Type 2 diabetes patients with Medicare coverage in Nevada increased notably in 2006, to \$5,134 from \$3,771 in 2005. Average annual hospital outpatient charges were 18.1% higher for Medicare Type 2 patients in Nevada than the national average (\$4,347) in 2006.

HOSPITAL EMERGENCY ROOM CHARGES PER YEAR FOR TYPE 2 DIABETES PATIENTS, BY PAYER, 2006*



HOSPITAL ER CHARGES IN RENO ARE LOWER THAN THE NATION

In each of three payer type categories, average hospital emergency room charges for care delivered to Type 2 diabetes patients were lower in the Reno MSA than the nation. For example, average Medicare emergency room charges were \$1,141 in Reno in 2006, 21.4% less than such charges nationwide (\$1,451).

Data source: Verispan LLC © 2007

NOTE: 2005 Charge data for the Salt Lake City MSA were unavailable.

* Figures reflect the charges generated for Type 2 diabetes patients by the facilities that delivered care. See page 9 for additional information on payers.

** Includes commercial insurance companies, Blue Cross/Blue Shield, HMOs, PPOs, point-of-service plans and exclusive provider organizations.

PROFESSIONAL CHARGES

ASC PROFESSIONAL CHARGES ARE HIGH IN THE LAS VEGAS MSA

Ambulatory surgery center (ASC) charges for Type 2 diabetes patients diagnosed in Las Vegas generated average professional charges of \$5,090 in 2006, highest of the three profiled MSAs by a considerable margin. By comparison, professional charges for ASC services provided to Type 2 diabetes nationwide were \$2,791.

HOSPITAL INPATIENT CHARGE AVERAGE DECLINES IN NEVADA

Average hospital inpatient professional charges for Type 2 diabetes patients in Nevada fell 6.5% in 2006, to \$3,805 from \$4,071 in 2005. Of the three MSAs listed, such charges were highest for Type 2 diabetes patients in Reno (\$4,279) and lowest for patients in Phoenix (\$2,901). Type 2 diabetes patients nationwide reported a 11.7% drop in these charges, to \$5,653 from \$6,404 in 2005.

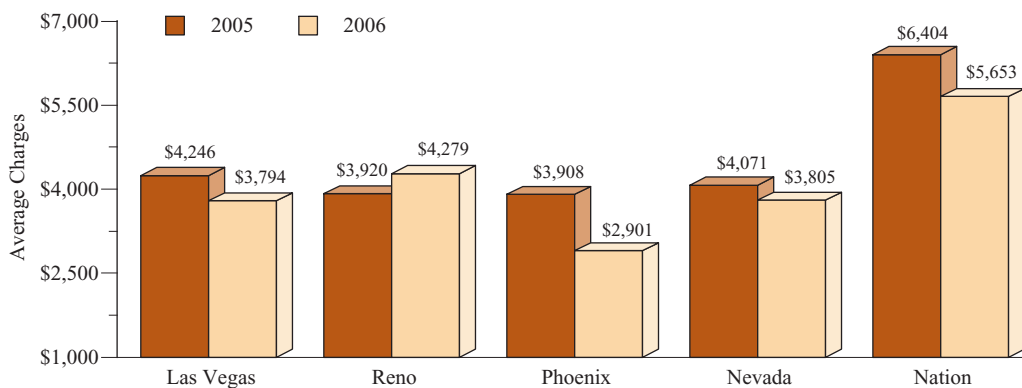
PROFESSIONAL OFFICE CHARGES DECREASE SHARPLY NATIONWIDE

Between 2005 (\$3,266) and 2006 (\$2,630), average professional office charges fell nearly 20% for Type 2 diabetes patients nationwide. Still, the national average was notably higher than such charges in the state of Nevada, to \$1,642 from \$1,610 the previous year.

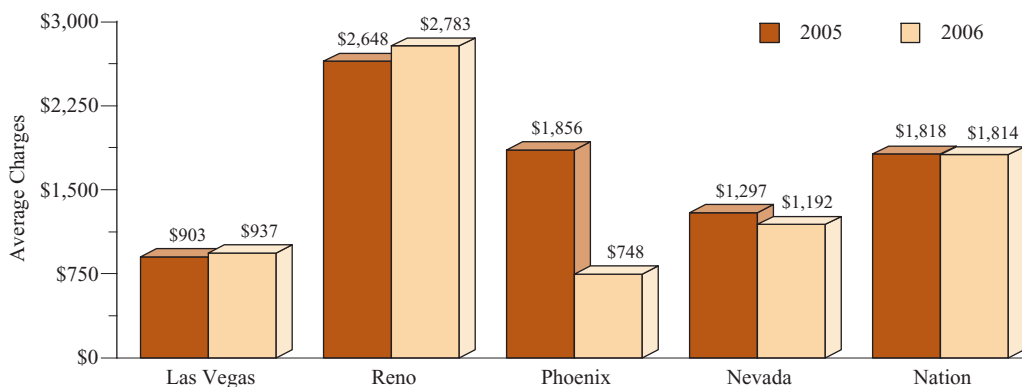
PROFESSIONAL CHARGES PER YEAR FOR TYPE 2 DIABETES PATIENTS*

MARKET	ASC**		Emergency Room		Hospital Inpatient		Hospital Outpatient		Office	
	2005	2006	2005	2006	2005	2006	2005	2006	2005	2006
Las Vegas	\$4,515	\$5,090	\$405	\$482	\$4,246	\$3,794	\$903	\$937	\$1,857	\$1,809
Reno	1,989	2,211	507	566	3,920	4,279	2,648	2,783	1,252	1,227
Phoenix	1,981	1,694	614	550	3,908	2,901	1,856	748	1,342	765
Nevada	3,632	4,103	414	492	4,071	3,805	1,297	1,192	1,610	1,642
NATION	\$2,838	\$2,791	\$546	\$575	\$6,404	\$5,653	\$1,818	\$1,814	\$3,266	\$2,630

PROFESSIONAL INPATIENT CHARGES PER YEAR FOR TYPE 2 DIABETES PATIENTS*



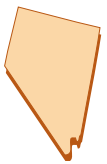
PROFESSIONAL OUTPATIENT CHARGES PER YEAR FOR TYPE 2 DIABETES PATIENTS*



Data source: Verispan LLC © 2007

* Professional charges are those generated by the providers delivering care to Type 2 diabetes patients in various settings.

** Ambulatory surgery center.



PROFESSIONAL INPATIENT CHARGES PER YEAR FOR TYPE 2 DIABETES PATIENTS, BY PAYER*

MARKET	Commercial Insurance		Medicaid		Medicare	
	2005	2006	2005	2006	2005	2006
	Las Vegas	\$3,323	\$3,188	\$5,742	\$3,411	\$6,490
Reno	3,505	3,615	—	5,974	4,002	4,098
Phoenix	3,275	2,400	—	2,228	4,239	3,282
Nevada	3,282	3,144	4,818	4,094	5,667	4,559
NATION	\$5,127	\$4,767	\$5,118	\$4,553	\$6,300	\$5,380

MEDICARE INPATIENT HOSPITAL CHARGES DECLINE IN LAS VEGAS

In 2006, average professional inpatient hospital charges per year for Type 2 diabetes patients in the Las Vegas MSA with Medicare coverage fell 26.9%, to \$4,663 from \$6,490 in 2005. Meanwhile, such charges declined a more modest 19.6% for Type 2 diabetes patients in the state of Nevada, to \$4,559 from \$5,667 the previous year.

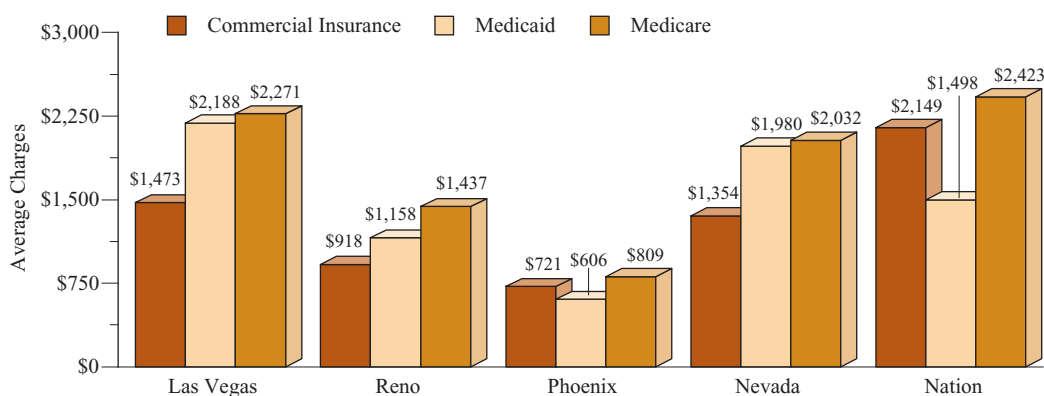
PROFESSIONAL OUTPATIENT CHARGES PER YEAR FOR TYPE 2 DIABETES PATIENTS, BY PAYER*

MARKET	Commercial Insurance		Medicaid		Medicare	
	2005	2006	2005	2006	2005	2006
	Las Vegas	\$821	\$957	\$956	\$1,123	\$1,482
Reno	2,520	2,571	723	1,249	2,631	2,913
Phoenix	1,749	—	2,100	1,114	2,122	1,051
Nevada	1,084	992	890	1,152	2,336	1,658
NATION	\$1,667	\$1,769	\$1,273	\$1,297	\$1,564	\$1,541

OP CHARGE AVERAGE RISES FOR MEDICAID RECIPIENTS IN NEVADA

Professional outpatient charges for care delivered to Type 2 diabetes patients in Nevada with Medicaid coverage climbed nearly 30% in 2006, to \$1,152 from \$890 in 2005. In spite of this growth, such charges were still 11.2% less than the national average of \$1,297.

PROFESSIONAL OFFICE/CLINIC CHARGES PER YEAR FOR TYPE 2 DIABETES PATIENTS, BY PAYER, 2006*



PROFESSIONAL OFFICE CHARGES ARE LOW IN THE RENO MSA

Average professional office charges for Type 2 diabetes patients in Reno were lower than such charges for Type 2 diabetes patients in the state of Nevada, regardless of payer. For example, average professional office charges for Type 2 diabetes patients with commercial insurance in Reno were \$918 in 2006, considerably lower than such charges statewide (\$1,354).

Data source: Verispan LLC © 2007

* Professional charges are those generated by the providers delivering care to Type 2 diabetes patients in various settings.

USE OF SERVICES

SHARE OF TYPE 2 PATIENTS RECEIVING A1C TESTS IN RENO DIPS

The share of Type 2 diabetes patients in the Reno MSA who received an A1C test slipped to 70.9% in 2006 from 71.5% in 2005, lowest of the MSAs profiled. Statewide, 74.3% of Type 2 diabetes patients were administered an A1C test, up from 74.1% the previous year. Meanwhile, this share fell fractionally for Type 2 diabetes patients nationwide in 2006, to 73.9% from 74.1% in 2005.

EYE EXAMS ARE GIVEN TO A LARGER SHARE OF TYPE 2 PATIENTS IN NV

In 2006, ophthalmologic examinations were administered to 63.8% of Type 2 diabetes patients in Nevada, up from 63.6% in 2005. Of the three profiled MSAs, Type 2 diabetes patients in Reno (70.8%) were most likely to receive ophthalmologic examinations, while patients in Las Vegas (62.9%) were least likely. By comparison, 68.8% of Type 2 diabetes patients nationwide were administered such tests.

BG TESTS ARE GIVEN TO MOST LAS VEGAS MEDICARE PATIENTS

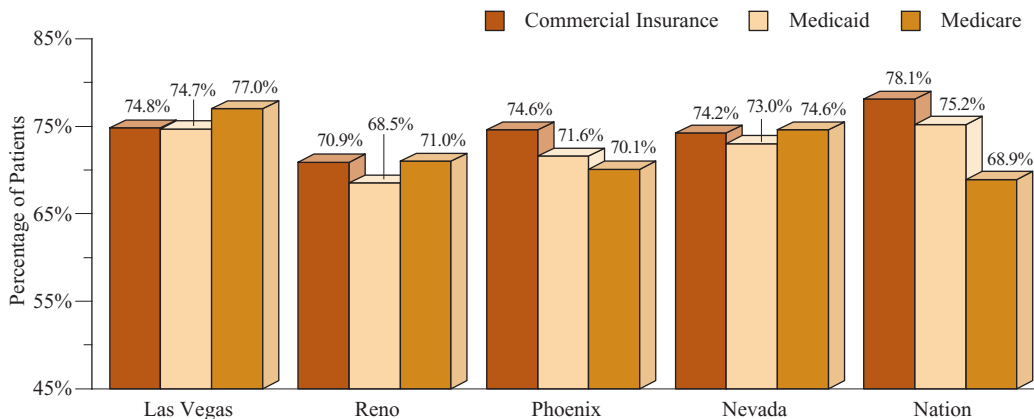
Of Type 2 diabetes patients in the Las Vegas MSA with Medicare coverage, 91.1% received a blood glucose test in 2006. By comparison, 86.5% of Type 2 diabetes patients with Medicare coverage nationwide took a blood glucose test in 2006.

* A1C tests measure how much glucose has been in the blood during the past 3-4 months.

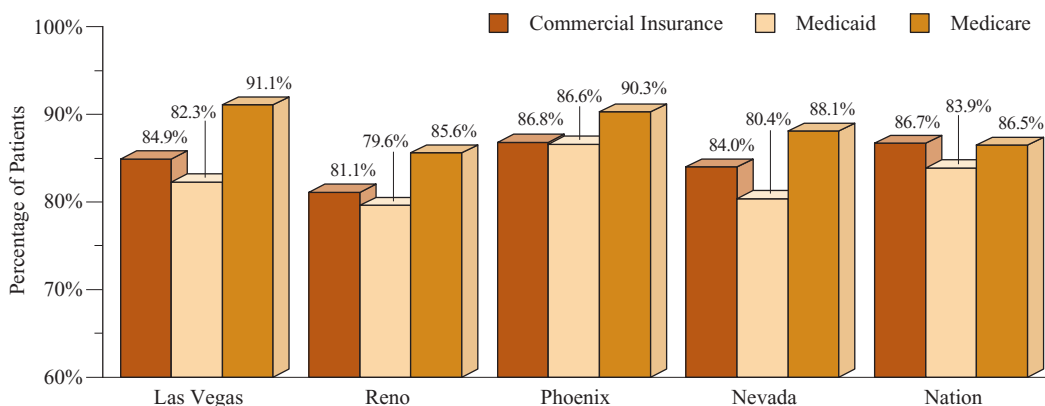
PERCENTAGE OF TYPE 2 DIABETES PATIENTS, BY SERVICE

MARKET	A1C Test*		Blood Glucose Test		Serum Cholesterol Test		Ophthalmologic Exam		Urine Glucose Test	
	2005	2006	2005	2006	2005	2006	2005	2006	2005	2006
	Las Vegas	75.7%	75.8%	87.7%	87.6%	85.3%	85.0%	63.4%	62.9%	85.4%
Reno	71.5	70.9	83.7	83.6	82.7	81.2	69.8	70.8	82.5	82.1
Phoenix	73.1	73.0	87.9	88.0	85.7	85.5	69.8	69.3	86.5	85.7
Nevada	74.1	74.3	85.8	85.7	83.7	83.0	63.6	63.8	83.9	83.0
NATION	74.1%	73.9%	86.4%	86.5%	83.9%	83.7%	68.8%	68.8%	83.2%	83.0%

PERCENTAGE OF TYPE 2 DIABETES PATIENTS RECEIVING A1C TESTS, BY PAYER, 2006*



PERCENTAGE OF TYPE 2 DIABETES PATIENTS RECEIVING BLOOD GLUCOSE TESTS, BY PAYER TYPE, 2006



Data source: Verispan LLC © 2007



PERCENTAGE OF TYPE 2 DIABETES PATIENTS USING INSULIN THERAPIES

MARKET	Any Insulin Product		Intermediate-Acting Insulin		Long-Acting Insulin		Short-Acting Insulin		Mixed Insulin	
	2005	2006	2005	2006	2005	2006	2005	2006	2005	2006
	Las Vegas	27.8%	29.1%	6.2%	4.6%	14.7%	15.2%	12.7%	12.2%	6.5%
Reno	29.0	30.4	7.3	5.1	14.9	15.2	14.6	12.8	6.8	6.4
Phoenix	31.4	33.6	8.6	6.7	13.8	15.8	15.8	15.1	8.7	8.2
Nevada	28.1	29.5	6.6	4.9	14.6	14.9	13.2	12.3	6.5	5.4
NATION	31.7%	34.8%	7.0%	5.7%	15.3%	17.1%	14.7%	14.6%	9.9%	9.6%

LAS VEGAS TYPE 2 PATIENT USE OF ANY INSULIN INCREASES

The share of Type 2 diabetes patients in the Las Vegas MSA using any insulin product grew in 2006, to 29.1% from 27.8% in 2005. In spite of this growth, Type 2 diabetes patients in Las Vegas had the lowest rate of insulin use of the three MSAs profiled. Nationwide, more than one-third (34.8%) of Type 2 diabetes patients used any insulin product in 2006.

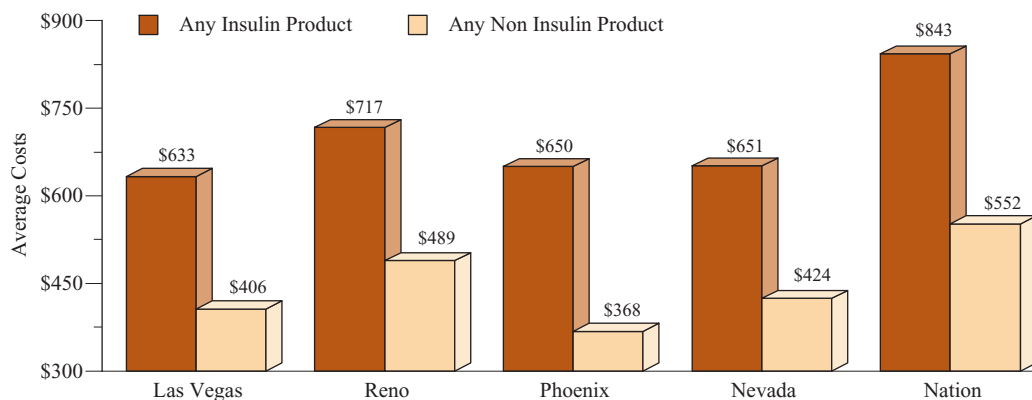
PERCENTAGE OF TYPE 2 DIABETES PATIENTS USING NON-INSULIN HYPOGLYCEMIC THERAPIES

MARKET	Any Non-Insulin Product		Biguanides		Sulfonylureas		Insulin Sensitizing Agents	
	2005	2006	2005	2006	2005	2006	2005	2006
	Las Vegas	85.8%	85.7%	48.9%	51.8%	42.4%	39.7%	30.5%
Reno	84.4	84.0	53.4	54.6	35.0	34.6	27.3	28.9
Phoenix	82.9	82.2	54.1	55.3	42.0	39.5	27.1	26.6
Nevada	85.2	85.0	49.9	52.2	40.4	38.2	29.1	29.3
NATION	85.0%	84.7%	50.0%	51.7%	42.2%	40.8%	31.1%	31.1%

LARGER SHARE OF NV TYPE 2 PATIENTS TAKES BIGUANIDES

In 2006, 52.2% of Type 2 diabetes patients in Nevada used Biguanides, up from 49.9% in 2005. Similarly, 51.7% of Type 2 diabetes patients nationwide took Biguanides, up slightly from 50.0% the previous year. Moreover, the share of patients that used Biguanides rose in each of the three MSAs listed, most notably Phoenix, to 55.3% from 54.1% in 2005.

AVERAGE PAYMENT PER TYPE 2 DIABETES PATIENT, BY TYPE OF THERAPY, 2006*



Data source: Verispan LLC © 2007

Biguanides

Improve insulin sensitivity; reduce the production of glucose by the liver, decrease intestinal absorption of glucose, and increase the peripheral uptake and use of circulating glucose.

Insulin Sensitizing Agents

Improve response to insulin in liver, adipose tissue, and skeletal muscle, resulting in decreased production of glucose by the liver and increased peripheral uptake and use of circulating glucose.

Sulfonylureas

Stimulate the release of insulin in the pancreas.

PER-PATIENT INSULIN COSTS ARE HIGHEST IN THE RENO MSA

Insulin treatment payments per patient diagnosed with Type 2 diabetes in the Reno MSA were \$717 per year in 2006, 10.1% higher than such payments statewide (\$651). Of the three MSAs listed, per-Type 2 diabetes patient insulin payments were highest in the Reno MSA and lowest in the Las Vegas MSA (\$633).

* Figures reflect the per-patient yearly costs for Type 2 diabetes patients receiving a particular type of therapy.

NEVADA TYPE 2 DIABETES REPORT for 2007

The Nevada Health Care Coalition, in conjunction with sanofi-aventis U.S. LLC, is pleased to bring you this first edition of the **Nevada Type 2 Diabetes Report** for 2007.

The report features key national, state and local patient-level, Type 2 diabetes data from the Therapeutics Trends Summary™, part of the sanofi-aventis **Managed Care Digest Series®**.

- Demographics
- Hospital and Professional Charges
- Use of Services
- Pharmacotherapy

We look forward to providing you with another **Nevada Type 2 Diabetes Report** in 2008.

