

Lilly's LEAP: Strengthening Diabetes Care

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COMPANY DESCRIPTION

Eli Lilly and Co. is an Indianapolis-based global health care provider founded in 1876 by Colonel Eli Lilly. Today, the company generates \$21.2 billion in revenue¹, and its 41,275 employees develop and manufacture human pharmaceutical products and animal health products sold in 125 countries. Lilly introduced the **Lilly Expanding Access for People (LEAP)** initiative in 2015 to strengthen health care systems in developing countries, beginning in China.



THE OPPORTUNITY

China's rapid economic growth during the past three decades has helped pull nearly half of the country's population out of poverty. But China's health care system has not kept pace—new lifestyles and diets have made noncommunicable diseases such as diabetes more prevalent. China is now home to the world's largest diabetes burden, accounting for a quarter of the world's diabetic population. Awareness of the disease, its diagnosis, and its treatment in China is more prevalent in urban hospitals, with less knowledge and fewer resources available to medical staff and patients in many peri-urban and rural communities. The **Chinese government is prioritizing diabetes care** while recognizing the current health care structure is not sustainable for diabetes treatment.

Lilly CEO John Lechleiter spotted the business opportunity in addressing this community health challenge in China, where the company has engaged with endocrinologists and patients in urban hospitals for nearly a century. Lilly—a company committed to diabetes care since introducing the world's first commercially available insulin product in 1923—estimates roughly 2 billion of the world's 7 billion people can readily access its medicines, primarily in higher income nations. With **Lilly Expanding Access for People (LEAP)**, Lilly is serving an important unmet need by focusing on the **community and township health clinics, engaging primary care physicians at the community level of the health system, and providing practical, case-based, hands-on training opportunities**. Lilly has also partnered with the Chinese governmental departments to **improve the long-term health of an emerging middle class living with diabetes**, while creating a better environment for Lilly's business development in the country through LEAP.

¹ 2016 revenue figures from Eli Lilly [2016 annual report](#)

THE STRATEGY



In 2014, **Dr. Lechleiter** challenged his colleagues to expand Lilly's reach into under-resourced regions and communities through a shared value approach, where the company's best-in-class medicines could positively impact society. Key decision makers decided to address diabetes through **LEAP—a program to make quality diabetes care more accessible for people worldwide.** In a search for countries

with a large population, large unmet need for quality diabetes care, and where achieving better diabetes care at the community level was a key governmental objective, leaders in Lilly's diabetes business unit and corporate affairs division, as well as external diabetes stakeholders, prioritized China—the world's most populous country. With considerable expertise and priority placed on the disease and with a strong local contingent that understood how to apply shared value within the market, Lilly launched LEAP in early 2015 and had workers in the field that April.

Most people needing diabetes care in China must visit large, urban health centers—often major hospitals with outpatient departments that care for thousands of people each day. Specialists are typically overwhelmed, and patients may not see the same physician twice.

LEAP pushes quality treatment out to smaller, community-based facilities, where care is more convenient and personalized. The LEAP team worked with distributor partners and local health government departments to identify and support 5,500 medical institutions across 14 Chinese provinces. About 100 Lilly diabetes care partners and educators, working with the **International Diabetes Center**, delivered a training curriculum for primary care physicians. The training—to accurately diagnose diabetes, start and manage treatment, and educate patients—is provided by regional endocrinologists, and by primary care physicians experienced in insulin management. Embedding shared value into public-private partnerships helps ensure that Lilly focuses on local health authorities' top concerns, and that joint efforts lead to lasting systemic changes through the transfer of knowledge.

In addition to helping patients begin insulin therapy and maintain their treatment regime, LEAP is advising the public on the disease's effects on long-term health, its causes and risk factors, and how diabetes may be prevented or controlled through lifestyle changes and medical treatment. Lilly is gradually rolling out LEAP in a phased approach to apply learnings for better implementation as the initiative progresses.

Ensuring program sustainability is integral to making enduring contributions to health. So, LEAP has a self-financing mechanism that will generate a modest profit. Lilly expects LEAP to break even after a couple of years.

Levels of Shared Value

- **Reconceiving products and markets**— LEAP is making insulin products more accessible to China's emerging middle class;
- **Redefining productivity in the value chain**— By increasing collaboration with and expanding Lilly's existing distribution network into communities and townships, LEAP ensures insulin is available in community and township health centers with well-trained physicians, granting greater access and product availability to a broader range of customers;
- **Creating local clusters**— LEAP is building the competence and confidence of primary care physicians in the treatment and management of people with diabetes through training curriculum targeting their level of diabetes management capability. Physicians learn to recognize when insulin is needed, how to initiate and adjust insulin therapy, and how to educate their diabetic patients. Lilly Diabetes Educators, in coordination with physicians, provide peer group education support for people with diabetes.

“LEAP is a new endeavor and new way of operating. LEAP is helping to make life better for more people by creating shared and lasting value as part of Lilly's long-standing commitment to improving health in China.”

– *Brian Regele, Global Leader, Access Expansion, Eli Lilly & Co.*

RESULTS – VALUE FOR BUSINESS AND SOCIETY

In its first two years, the LEAP team continues to collect data related to LEAP's impact on Lilly's business in China. From April 2015 through Dec 2016, Lilly introduced its insulin products to about 5,000 institutions, and supported big hospitals when they refer patients to these community-level care providers. Lilly expects LEAP to break even by end of 2017, at which point LEAP will be self-sustaining, generating a modest profit.

So far, LEAP has provided 27,000 training opportunities for primary care physicians, not including those involved in public-private partnerships. By monitoring improvement in physicians' knowledge as they progress through the training curriculum, Lilly can better grasp how diabetes management capabilities increase over time, and thus track societal growth and value. In addition, LEAP has helped 144,000 patients with their insulin therapy and has provided over 16,000 people with diabetes the opportunity to learn self-management skills through small group peer learning sessions where they can interact with others in their community and discuss key concerns while receiving support.

Early results are shared primarily with current and prospective government partners.

LESSONS LEARNED, CHALLENGES AND OUTLOOK

While LEAP proved fruitful in its first two years, Lilly faced pressures in creating and introducing the program to China. Lilly established a team dedicated to LEAP's sustainability by focusing on balancing the long-term benefits for society and Lilly, while also meeting Lilly's business strategy objectives. A key factor was having this team well-integrated into Lilly's core diabetes business in China and ensuring that the metrics used to measure the team's performance could carefully balance short and long-term goals. Lilly also had to work closely with prospective partners in China in explaining how the shared value model differs from a traditional business model and from corporate social responsibility efforts.



Two years on, the LEAP team has recognized that simply having access to a medicine—in this case insulin—is never enough. Low confidence and capabilities among the physicians, and misperception or lack of diabetes understanding among patients, are obstacles to quality care. Effective access requires:

- Physicians have the **skills and confidence to prescribe** and manage insulin when appropriate
- Physicians understand that **insulin should be used continuously** and the dose properly adjusted when needed
- Patients **understand the value of adhering to insulin** as prescribed by their physician, and are provided the necessary support

While the focus for the near and medium terms will remain in helping more people in China, LEAP plans on using information gleaned from this initial focus to inform future efforts around the world.