

Introduction

On-the-job injuries often involve chronic pain and long-term liability for workers compensation payors. Many times, pain from a chronic injury is treated with narcotics. According to the *2010 Progressive Medical Drug Spend Analysis*, narcotic spending accounts for 34 percent of workers compensation medication expenses.¹ And while narcotics can be beneficial in the treatment plan for a patient in pain, there are serious risks involved when they are not used properly.

The Centers for Disease Control (CDC) and the Substance Abuse and Mental Health Services Administration (SAMHSA) both indicate increasing misuse and abuse of narcotics over the past decade. SAMHSA data shows there was a significant increase from 2000 to 2006 in the treatment of substance abuse cases related to abuse of opioid analgesics.² In addition, another study co-released by CDC and SAMHSA found emergency room visits linked to nonmedical use of narcotics rose 111 percent between 2004 and 2008.³

As the cost of prescriptions, including narcotic medications, directly impacts the cost of a workers compensation claim, insurers are looking for ways to quickly get control of cases of misuse and abuse. One of the most efficient ways to manage narcotic use in a claimant population is to partner with a pharmacy benefit manager (PBM). A PBM can clearly define a strategy for proactively and effectively monitoring narcotics. These plans and strategies help payors ensure injured worker safety and reduce expenses.

The Workers Compensation Narcotics Quandary

Narcotics, also referenced as opioids or opiates, have a long history of being used to therapeutically treat pain resulting from on-the-job injuries. They are often prescribed to alleviate pain after an injury first occurs, when other drugs are ineffective for acute pain and in chronic pain cases.

And, while narcotics are considered safe and effective if used properly, they have the potential for leading to addiction and abuse if their use is not monitored and controlled. Misuse and abuse of narcotics represent three areas of particular concern for workers compensation insurers including:

- Potential for serious health risks.
- Higher percentage of medical expenses as claims age.
- Risk of litigation.

Potential for Serious Health Risks

The United States Food and Drug Administration (FDA) has recognized serious risks associated with narcotics use including respiratory depression, central nervous system depression, addiction, and death. Some of these risks are associated with improper dosing, indication, patient selection, abuse and addiction. As a result of these adverse events, the FDA has begun to take serious steps to monitor whether the benefits of narcotic medications outweigh the risks associated with short and long term usage.⁴

These steps include an FDA-led panel developing Risk Evaluation and Mitigation Strategy (REMS) for long-acting narcotics. The purpose of REMS is to ensure that prescribers are educated regarding the proper use of narcotics and that benefits outweigh risks associated with:

- Abuse.
- Misuse.
- Overdose, both accidental and intentional.

Narcotics, including methadone tablets, fentanyl patches and extended-release medications containing morphine, oxycodone, and oxycodone are among the medications effected by the REMS requirement. Narcotics on the FDA's list are provided in a table at the end of this article.⁵

Recently, the FDA proposed plans to further address the increasing misuse and abuse of narcotics specifically related to extended-release (ER) and immediate-release (IR) opioid analgesics. While a panel committee agreed the goals of the REMS are appropriate, the individual components of the REMS are insufficient to address the misuse and abuse of ER opioid analgesics. It was agreed that these particular REMS plans be tabled until there is a stronger proposal in place.⁶

Higher Percentage of Medical Expenses as Claims Age

While narcotics account for more than a quarter of workers compensation medication spending, even more troubling is the allocation of that spending. In a recent study released by the National Council on Compensation Insurance, narcotics' total share of medication expenses increases as claims age – from 15 percent in year one to as much as 35 percent in the fifth year of service.⁷

The role narcotics play in total workers compensation claims expenses has not gone unnoticed by state workers compensation funds. For example, the Arizona State Compensation Fund noted they were easily able to pinpoint over-prescribing of narcotics as a key source of inflated medical costs.⁸

What's more, the longer an injured worker is on narcotics, the longer the delay in the injured worker's ability to return to work in a timely fashion. There is also an increased likelihood the payor will need to pay for rehabilitation programs for addiction.

Risk of Litigation

Narcotic abuse poses serious legal risks for workers compensation payors. While much of the litigation to date has been targeted against physicians and pharmacies, there are many experts who believe workers compensation payors will be next. This is because payors have access to data showing patterns of abuse and misuse and may have the duty to warn injured workers and prescribers in cases involving potential misuse.⁹

Workers compensation payors not taking proactive measures to monitor utilization or communicate with physicians could face lawsuits for negligence. This is especially critical in cases where one or more narcotics are prescribed for more than six months at a time.

With respect to paying questionable claims, many payors have done so rather than face the expense and time of litigation. Morally, this poses a key question for insurers. Is it acceptable for insurers to settle fraudulent claims or does it position them as aiding and abetting the perpetrator? This could change if payors become defendants in lawsuits related to narcotic abuse.

Best Practices to Reduce Narcotics Abuse

Since narcotics play an active role in the treatment of chronic non-malignant pain (including workers compensation injuries), it is essential for payors to take proactive measures in monitoring for opportunities or instances of misuse. An effective means to do this is to partner with a pharmacy benefits manager (PBM) experienced in the workers compensation industry. The remainder of this paper explores that role of the PBM. It also will provide insight on what to look for to ensure your organization reduces fiscal, legal and personal risk resulting from narcotics abuse.

The Role of a Pharmacy Benefits Manager (PBM)

Forming a partnership with a PBM can provide workers compensation payors a valuable resource in controlling narcotics use and thereby reducing risk for all stakeholders. There are eight key best practices PBMs can deploy to assist payors:

8 Key Best Practices to Control Narcotics Use

#1: Defining a Strategy

Getting control of narcotics usage requires a well-defined strategy. The first step in this process is for the PBM to review prescription history. Once the history is reviewed, it should be used to develop a customized narcotics strategy for each medication plan. These plans identify which medications are appropriate for the injury type and body part. They also account for proper duration of use and quantity limits. By defining a narcotics strategy, the workers compensation payor will have put into place the proper mechanisms to begin controlling narcotic use.

#2: Capturing Prescriptions at First Fill

When new claims are filed, it is important to capture when and what type of medication is filled at the onset of injury. PBMs should have in place a mechanism to capture this prescription information. Often these early prescriptions begin telling the story of the medication history and medication therapy to come. One method to capturing this data is through First Fill cards. These cards are typically distributed by the employer to the injured worker at the point of accident or injury. To ensure both employers and injured workers use the program, PBMs should offer training programs on their use.

#3: Offering Home Delivery Programs and Retail Drug Cards

Both retail and home delivery programs provide the workers compensation payor an effective means to monitor and control an injured worker's medication utilization. They also provide payors an opportunity to fully leverage pharmacy network participation and discounts, thereby reducing medication expenses.

Retail drug cards: When an injured worker requires additional medications, a retail drug card program will give the payor control over what, when and where the prescriptions can be filled. The injured worker should be able to use the retail drug card at the PBM's retail network pharmacies. Not unlike a first fill prescription card, the retail drug card should contain injured worker-specific drug utilization review information to ensure only appropriate medications are filled.

Home delivery programs: A home delivery program offers the injured worker the convenience of ordering prescriptions either online or on the phone while providing the workers compensation payor the ability to engage in proactive utilization review programs. In addition, they also give the payor a mechanism to educate injured workers on the risks associated with narcotics through direct interaction with the pharmacist dispensing the injured worker's prescriptions. Physician contact is often easier as well since the prescriptions are being managed directly through the mail order facility.

#4: Managing Prospective and Concurrent Narcotics Utilization Review Programs

The PBM should have a clinical management process to govern narcotics utilization managed by clinical pharmacists. The clinical drug utilization review (DUR) program should use a combination of evidence-based guidelines, peer review journals and recommendations provided by government organizations. Both prospective and concurrent review processes are essential to a successful program.

Prospective utilization reviews: A prospective program allows all involved parties to plan for future outcomes with up-front information. Historical data and practices guide future decisions at the establishment of the PBM relationship. This prospective process allows for the achievement of cost control and utilization control.

Concurrent utilization reviews: The PBM triggers concurrent alerts to inform the dispensing pharmacist about possible reasons a prescription should be questioned further prior to filling. These point-of-sale alerts may establish behaviors that could indicate abuse involving the use of multiple pharmacies and physicians for different narcotics or excessive early refill attempts. The messaging from the PBM ensures that prescriptions for narcotics will not be fulfilled at the point-of-sale unless the medication is allowed or the PBM receives authorization from the payor.

#5: Conducting Retrospective Drug Utilization Reviews and Clinical Intervention Programs

Retrospective reviews: After a prescription is fulfilled, a PBM's clinical pharmacist team should audit these prescriptions for indicators of inappropriate use. Indicators often include:

- Sole use of narcotics as treatment.
- Multiple physicians.
- Use of multiple short or long acting narcotics.
- Excessive duration and use.

These types of utilization review programs are essential to maximize the effectiveness of a narcotics usage strategy and are most effective when leveraged in conjunction with prospective and concurrent drug utilization reviews. PBM programs should be flexible enough to allow for customization of review requirements for clients, as client goals and objectives often vary even within organizations.

Physician monitoring: A PBM should continually monitor the use of multiple physicians by one injured worker.

The physician monitoring program should be based on established best practices and contain multiple components including:

- Monitoring for appropriate medication utilization using evidence-based published therapeutic guidelines.
- Overseeing prescribing patterns at the physician level to establish appropriate/inappropriate use of brand name medications when an FDA-approved generic equivalent exists.
- Participating in mandatory and voluntary state reporting programs that monitor for excessive prescribing patterns.

Clinical intervention programs: The PBM should have a range of clinical intervention programs to assist a client with evaluation needs. The range of programs should consist of registered pharmacists, nurses and other health professionals available for consultation on medication questions to more detailed evaluations including peer reviews and direct consultation with prescribing physicians. The PBM's clinical intervention team should provide recommendations for specific claims that require further evaluation through the use of the information gathered in prospective, concurrent and retrospective review processes.

One example of these recommendations is physician letters of medical necessity. The use of the letter of medical necessity helps to substantiate the treatment of an illness or injury with particular narcotic or adjunctive medication.

If further analysis is required, the PBM should have other program options available. Program options could include a detailed review that contains a summary of the injured worker's medication history through more in-depth medication evaluation referencing the entire clinical record.

#6: Providing Ongoing Consultation

A quality narcotics utilization program is an essential component of controlling narcotics use. To ensure the utilization program is effective, the pharmacists managing the programs should take proactive measures to continually expand utilization review programs as the workers compensation industry evolves. As changes occur, they should also be available to consult with clients on how to adapt their DUR programs accordingly.

When first released, several powerful narcotics such as Actiq® and Fentora® were developed and prescribed to treat terminal cancer pain. Recently these two narcotics, along with others, have been widely prescribed for lower back pain. An effective PBM should continually expand its DUR auditing capabilities to meet this type of changing prescribing pattern. In addition, the PBM should have the capability to audit prescribers for questionable prescribing patterns.

#7: Validating Narcotics Use through Reporting

If a DUR program is successful, there will be a reduction in unnecessary medication usage, including narcotic use. A PBM should easily be able to validate those reductions through a wide range of real-time and ad-hoc reports.

User-run reports: The PBM should offer a tool that gives a client an option to run a wide range of reports to gain an in-depth understanding of all activity. To maximize the effectiveness and ease of use of the reports, the PBM should ensure the reports are categorized into varying levels depending on how the reports will be used. For example, while all user levels will be able to access savings data, the claims professional should be able to access detailed claims information to help maximize savings opportunities such as individual reports that identify home delivery conversion opportunities, details on narcotics use and details on each injured worker.

Management level users should be able to run reports to assist with managing the claims professional, such as a report providing exception or override information as well as a report providing details on actions sent to the PBM.

Other available reports should include: savings reports that can be sorted by a range of time periods, jurisdictions, groups and/or branches, pharmacy network utilization and savings reports, generic efficiency and opportunity, as well as a wide range of trending reports including top prescribing physicians, top therapeutic classifications, top pharmacy medications, top ICD-9, top injury type and reports detailing prescribing physician habits.

Drug utilization review report: To provide information on savings achieved as a result of the program, the PBM should have a detailed DUR report. This report should provide information on savings achieved as a result of the program and should document savings in distinct areas rather than broad categories in order to provide the complete picture of DUR activity.

Ad-hoc reporting: In addition to user-run reports and reports detailing DUR activity and savings, the PBM should have the ability to supply ad-hoc reports to assist with narcotic utilization management. If the PBM captures the data, then the PBM should be able to provide reports based on those data elements.

#8: Reduce Out-of-Network Bills

A high number of out-of-network bills can lead to issues with managing utilization of narcotics. Not only are individual out-of-network bills typically higher than those in-network, they are often not included in the utilization process. It is vital for payors to have a process in place for properly driving those bills back into the network. This can be done by working with a PBM offering both paper and electronic out-of-network bill solutions. This will ensure critical injured worker data on number of prescriptions, duration of therapy, doctor information and other related factors are captured to better monitor utilization.

However, the best method for controlling out-of-network bills is to make it easier for the injured worker to go in-network as early in the life of the claim as possible. One method for doing this is through First Fill cards, which are distributed by the employer at the onset of the injury. Two other strategies for reducing out-of-network bills are home delivery and retail drug card programs.

Summary

It is expected narcotics will continue to play a role in treating pain in workers compensation. While greater oversight of narcotics use is already underway by the FDA through its REMS requirement, workers compensation payors must take proactive measures to reduce misuse and abuse. By doing so, payors decrease risk for litigation, improve injured worker safety and obtain more control over medication expenses.

By partnering with a PBM, workers compensation payors can put an effective narcotics utilization strategy into place. A relationship with a strong PBM partner experienced in workers compensation will enable the payor to not only monitor utilization but stop point-of-sale fulfillment of unnecessary narcotics.

References

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About Progressive Medical

Progressive Medical offers cost management services and programs to the workers compensation industry. By combining its clinical expertise with access to an expansive network of pharmacies, home health care services and medical equipment and supplies, the company enables its clients to manage costs while providing quality care to injured workers. Learn more at www.progressive-medical.com or call 866.939.5365.

Brand Name Opioid Products

Generic Name	Trade Name	Applicant/ Sponsors
Fentanyl	Duragesic Extended Release Transdermal System	Ortho McNeil Janssen
Hydromorphone	*Palladone Extended Release Capsules	Purdue Pharma
Methadone	Dolophine Tablets	Roxanne
Morphine	Avinza® Extended Release Capsules	King Pharms
Morphine	Kadian® Extended Release Capsules	Actavis
Morphine	MS Contin Extended Release Tablets	Purdue Pharma
Morphine	Oramorph Extended Release Tablets	Xanodyne Pharms
Oxycodone	OxyContin Extended Release Tablets	Purdue Pharma
Oxymorphone	Opana® Extended Release Tablets	Endo Pharma
*No longer being marketed, but is still approved.		

Generic Opioid Products

Generic Name	Drug Name	Applicant/ Sponsors
Fentanyl	Fentanyl Extended Release Transdermal System	Actavis
Fentanyl	Fentanyl Extended Release Transdermal System	Lavipharm Labs
Fentanyl	Fentanyl Extended Release Transdermal System	Mylan Technologies
Fentanyl	Fentanyl Extended Release Transdermal System	Teva Pharms
Fentanyl	Fentanyl Extended Release Transdermal System	Watson
Methadone	Methadose[O1] Tablets	Mallinckrodt
Methadone	Methadone HCL Tablets	Mallinckrodt
Methadone	Methadone HCL Tablets	Sandoz
Morphine	Morphine Sulfate Extended Release Tablets	Endo
Morphine	Morphine Sulfate Extended Release Tablets	KV Pharmaceuticals
Morphine	Morphine Sulfate Extended Release Tablets	Mallinckrodt
Morphine	Morphine Sulfate Extended Release Tablets	Watson Labs
Oxycodone	Oxycodone Extended Release Tablets	Mallinckrodt
Oxycodone	**Oxycodone Extended Release Tablets	Impax Labs
Oxycodone	**Oxycodone Extended Release Tablets	Teva
** Discontinued products.		