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State:

Payers Spending About 14% Less on Opioids, CompPharma Says: Top [2017-08-24]

A nearly 14% decrease in spending on opioids helped fuel an almost 10% drop in overall drug spending last year, according to soon-to-be released results from a survey of workers' comp payers.

The full results of the annual CompPharma survey are expected to be released this fall. But CompPharma president Joe Paduda gave a sneak peek into the survey results in a [post](#) on his Managed Care Matters blog on Wednesday, calling the results “big news.”

CompPharma is a consortium of workers' comp pharmacy benefit managers that share data for statistical purposes.

“Work comp PBMs and payers succeeded in eliminating one of every seven dollars spent on opioids,” Paduda wrote. “When opioids are eliminated, the drugs needed to counteract their awful side effects — everything from constipation to sexual dysfunction to gastrointestinal distress to depression — are reduced as well.”



The 10% drop in drug spend reported by payers for 2016 is even greater than the 8.7% decrease reported in the last CompPharma survey. The survey responses came from insurance companies, state funds, large employers and third-party administrators. Some, but not all, are clients of CompPharma PBMs.

Drug spend is the product of drug prices and the quantities of drugs prescribed to injured workers. Paduda said most of the 14% drop in spending on opioids is due to a reduction in their use, as prices didn't increase much last year for commonly used opioids.

As for how payers were able to reduce opioid use, Paduda said to stay tuned for more details when the CompPharma report is released.

But for one PBM representative, pharmacy benefit managers' direct intervention with prescribers, and education on the opioid issue, has had the biggest impact.

Phil Walls, chief clinical officer at myMatrixx, a workers' comp PBM, said the efforts have been boosted by increased publicity about opioids from the media, U.S. Food and Drug Administration, Centers for Disease Control and Prevention, and others.

“Prescribers are much more open to receiving input from clinical pharmacists on drug selection and alternatives,” Walls said.

Court Orsborn, president of Donn & Co. in San Francisco, said most of the managed care advisory firm's clients are concerned about opioids, and many are expanding their efforts to address the issue.

“This is definitely something all payers should look at,” Orsborn said. “It’s one of the clearest win-wins in comp, where more active management both significantly improves medical outcomes and well-being, and reduces medical/indemnity costs.”

Meaningful opioid management is a team effort between claim examiners, PBMs and utilization review organizations, Orsborn said, and requires all parties to work actively with injured workers and physicians as early as possible to prevent opioid dependency. Passive approaches typically don’t work, he said.

Drug formularies that have been implemented in some states make the task easier for payers by giving them explicit discretion to deny inappropriate medications, including opioids, Orsborn said.

A drug trend [report](#) from Coventry last month also found decreased workers’ comp spending on opioids.

When evaluating retail and mail-order prescriptions from its First Script PBM program, Coventry found an 8.5% decrease in opioid use last year and a 9.9% decline in cost per claim. Overall prescription cost per claim fell 5.8% in 2016.

Coventry also looked at drug trends in [aggregate](#) for prescriptions managed by First Script plus unmanaged prescriptions tracked through bill review. Aggregate prescription cost per claim, including both managed and unmanaged prescriptions, decreased 8.4%. And opioid use fell 10.7%, leading to a 10.7% decrease in cost per claim for opioids.

Prescription drug spending makes up about 17% of workers’ comp medical costs, according to a National Council on Compensation Insurance [report](#) last year. The report also noted that share of total medical costs attributable to prescription drugs increases rapidly as claims age: from 7% in the second year of a claim, to 22% in year four and 45% in year 10.

Respondents to last year’s CompPharma survey indicated that prescription drug costs were slightly more of a concern than other medical costs. One respondent noted that if prescription costs are going up, other medical costs are also likely rising.