

## Employer-Sponsored Drug Abuse

### The Problem: Rx Drug Abuse on the Rise

The number of people filling prescriptions for powerful, addictive pain killers is increasing at an explosive pace. A portion of the individuals dependent on these prescriptions could be sitting in your company — a problem that many organizations are hesitant to address or discuss. Recent alarming trends include:

- Insured opioid abusers incurred eight times more healthcare expenses than non-abusers.
- Rapid growth in schedule II opioid prescriptions have come from a relatively small percentage of medical providers, half of which were for minor back injury claims.
- New York City's volume of prescriptions for oxycodone, an opiate-based pain reliever, doubled in the last three years. One prescription for every eight people in the city is cited.

### What This Means for Your Company

The goal of any company's benefits program should be to manage the underlying conditions while ensuring the delivery of *the right care, at the right time, in the right place, for the right price*. Critical to achieving this proposition, a pharmacy benefit management (PBM) vendor should have processes in place that minimize opportunities for filling addictive prescriptions that could lead to dependency or abuse.

Without systems in place, companies do experience both direct and indirect cost increases:

- Direct increases in the form of higher healthcare expenses, for example, emergency room visits due to prescription-drug overdose rose 111% from 2004 to 2009.
- Indirect increases through employee absenteeism or presenteeism due to the side effects and increased dependence of some of these pain medications.

### The Players: PBMs, Prescribers, Government

At Optimum, we have seen firsthand numerous plan sponsors validating the concerns surrounding the increasingly high prevalence of opiate usage, but assume, rightly so, that their vendors have built the necessary checkpoints to "protect employees from themselves". However, these measures are not reaching their intended potential. Not only have PBMs been falling short in mitigating the risk of this escalating problem, but to fully grasp the magnitude of this issue, companies need to understand that this is a multi-faceted dilemma.

The Players			
	PBMs	Government	Prescribers
<b>The Pledge</b>	To “provide clinically driven pharmacy services designed to improve the quality of care and lower total healthcare costs for private and public employers, health plans, labor unions and government agencies of all sizes.”	The mission of the Drug Enforcement Administration (DEA) is to enforce the controlled substances laws and regulations of the United States.	“I will follow that method of treatment which according to my ability and judgment, I consider for the benefit of my patient and abstain from whatever is harmful or mischievous.” -The Hippocratic Oath (Modern version)
<b>Potential Shortcomings</b>	Plan sponsors assume their PBM is acting as a safeguard against abuse through the various tools and solutions they provide, but in fact few are privy to, or are even actively monitoring, potential signs of abuse.	Although the abuse of pain medication has been on the rise for the last decade, the government is just getting a handle on ways to potentially mitigate the problem. The Obama Administration is beginning to pursue legislation that would oblige doctors to undergo training before being allowed to prescribe powerful painkillers, such as OxyContin.	The D.E.A professed that there are over 700,000 registered prescribers of controlled substances, and “they don’t get a lot of information on their training about pain management, about addiction, about tolerance and dependence.”

It is quite evident that there are a complex set of players; navigating the roles and responsibilities for achieving change could take a long time. Fortunately, there are things employers can do now to ensure that their vendors are effectively addressing the increased use of addictive prescription medications.

### Next Steps

1. Review your PBM's performance: Are they acting as an effective gatekeeper? Most companies see data on prescriptions that red flag high cost drugs, but don't pay attention to reports on high volume drugs. As one would expect, many prescription drugs that are abusive in nature are high volume, low cost and they can easily fall under the radar of PBM programs.
2. Review your agreements: Take time to look at the SLA's and PG's between your organization and its PBM. Are your vendors being held accountable for the services they are providing? Pay close attention to how well their system is identifying and ultimately reversing Rx's that have: Drug to drug interactions, Multiple prescribers of opioid medications, Medications being issued too soon, etc.
3. Be proactive: We recommend putting policies and procedures in place, internally and with vendors, that will more effectively monitor high volume prescriptions, as well as allow for programs that focus on treating underlying conditions.

Leading companies are increasingly incorporating vendor management as a best practice in all areas, and now most importantly in employer-sponsored healthcare. Optimum Group brings a vendor management solution to the employer-sponsored healthcare space. Should you have any further questions, or need additional information, please contact one of our consultants at [info@optimumgroup.com](mailto:info@optimumgroup.com).

### About Optimum Group, LLC

Optimum Group, LLC is a vendor management firm that saves clients 10 to 12% in benefit costs within the first year, and 5 to 7% year-over-year, through our turnkey solutions. We help clients optimize health plan costs without shifting those costs to employees or cutting benefits. By bringing accountability to healthcare, we provide the only vendor management solution to the rising costs in the employer-sponsored healthcare space.

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