

**Controlling the Cost of
Chemical Dependency in
Workers Compensation**

"A Bitter Pill to Swallow"

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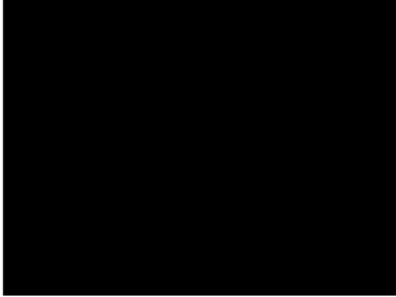
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INTEGRATED RESOURCES

Agenda

- Chemical Dependency Background
- Effects of chemical dependency on the injured worker
- Effects of chemical dependency on the employer and the cost of a workers' compensation claim
- Effective solutions in real life situations

Increased availability of prescription
painkillers is on the rise!



Chemical Dependency Impact on Workers Compensation

Chemical dependency is an insidious process that starts out very benign, from the injured employees' first visit to the physician, and can become catastrophic to both the injured employee and the claims process/cost

California Workers Compensation Data

- Medical payments still top indemnity payments
 - CY 2006 \$3.8 billion paid in total medical
 - CY 2006 \$3.6 billion paid in total indemnity
 - Breakdown on total medical paid - Pharmacy costs totaled 10% of total medical costs in CY 2006
 - (\$360 million)

Source - Workers' Compensation Insurance Rating Bureau: 2006 California Workers' Compensation Losses and Expenses, Released: June 18, 2007

National Trends

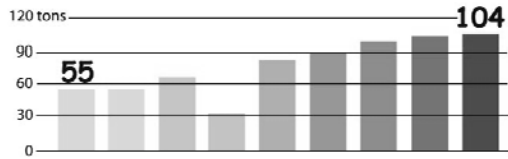
- National trend shows surge in painkillers
 - Oxycodone use jumped nearly six-fold from 1997 – 2005
 - The amount of five major painkillers sold at retail establishments rose 90% between 1997 and 2005 according to Drug Enforcement Agency figures
 - More than 200,000 pounds of Codeine, Morphine, Oxycodone, Hydrocodone and Merperidine.
 - Equivalent to 208, tablet filled, ½ ton pickup trucks

Source: The Sacramento Bee August 21, 2007

Painkiller use climbs

Use of five major painkillers nearly doubles from 1997 to 2005.

Drug usage, retail sales*



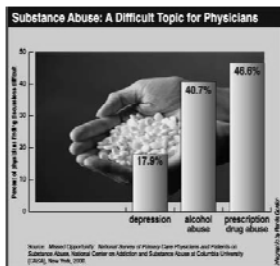
*Includes only hydrocodone, meperidine, codeine, morphine and oxycodone.

Source: U.S. Drug Enforcement Administration

Chemical Dependency: A Complex Issue

Experts stress that prescription drug abuse isn't about bad drugs or even bad people. It involves a complex web of factors, including the power of addiction, misperceptions about drug abuse, and the difficulty that both patients and doctors have in discussing the topic.

Difficult Discussion Topic



One recent survey from the National Center on Addiction and Substance Abuse at Columbia University in New York City indicated that nearly half of primary care physicians report having difficulty talking about substance abuse with patients.

Even Conscientious Doctors can be Deceived

- Cornell University study in the journal Pain Medicine
 - Actors hired to pretend to be a patient with an illness and/or pain (without Dr knowledge)
 - Doctors could only identify the real patient 1 out of 10 times
 - 9 out of 10 patients were able to manipulate the physician into believing that their illness/pain was real and unnecessary treatment was prescribed

Source: *Beth Jung, EdD, MD, MPH, and Marcus Reidenberg, MD (2007) Physicians Being Deceived, Pain Medicine, volume 8, issue 5.*

Injured Employee Responsibility

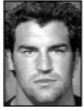
- Most patients take medicine responsibly and do not become dependent, however those that do incur considerable costs, both financially and personally
- The National Institute on Drug Abuse (NIDA) states that approximately 9 million Americans use prescription drugs for non-medical purposes (recreational and for euphoric effects)

Affect of Chemical Dependency on an Injured Employee

- Addiction is devastating to the patient on multiple dimensions
- Patients are not often informed of the risks of addictive medication
- Improper usage can cause a variety of consequences including loss of employment or family relationships, overdose, toxic reactions, and serious drug interactions leading to life-threatening conditions such as respiratory depression, hypertension or hypotension, seizures, cardiovascular collapse, and death
- Usage of prescription painkillers can escalate to usage of "street drugs"



The Human Cost



#97 Jason Peter | DE

Full Name: Jason Peter
Born: September 13, 1974
Locust, NJ
Height: 6-4
Weight: 225 lbs.



Five years after the start of his pro career, ex-Cornhusker Jason Peter was down to about 225 pounds, alone and paranoid in his Manhattan apartment, waiting for dealers to bring the next high.

California's New Workers Compensation Environment

- The doctors were presumed correct with their treatment plans. Since SB 899 presumption is evidence based Guidelines
 - ACOEM <http://www.acoem.org>
 - ODG <http://www.disabilitydurations.com>
- Treatment plans inline with best practices
- Emphasis on Return to Work

ACOEM Insights – Winter 2007

- Opioids appear to be no more effective than safer analgesics for managing most musculoskeletal symptoms; they should be used only if needed for severe pain and only for a short time.
- Opioid use is described in the Guidelines as “the most important factor impeding recovery of function in patients referred to pain clinics”.

Employee Effect
"Let's Prevent"

- Decreased Productivity
- Increased personal costs due to absence
- Decreased Return to Work ability
- Disability State of "numb mind", unable to make decisions
- Injured worker still wants drugs over going to work
- Do not let this become an "old dog" case, this can actually increase your costs

Claims Effects
"Need Early Intervention"

- Potential decreased claims reserves
- Nurse Case Management early intervention for referral into a CPDM with Pharmaceutical red flags to include:
 - ✓ Same meds taken over six months
 - ✓ Treating provider filling prescription prior to cut off date
 - ✓ Off of work, on drugs for over 30-45 days
 - ✓ The injured worker states to the claims examiner: " I need pain medication, what am I suppose to do without it?"

Increased Claim Costs

- 37 year old injured worker with a life expectancy of 72
- Drug Costs of \$1,800/month for 35 years x 12 = \$21,600 (per year)
- Estimated Life Expense \$21,600 x 35 years =

\$756,000

Success!
We closed a Claim and How

- Settled future medical claim.
- Abusing narcotic medications by both the employee and treating physician.
- Referral made to PDI for CDPM.
- Recommendation made to change prescription regiment.
- All parties including legal council, used the recommendation for change in prescriptions as a bargaining tool towards resolution of claim as a whole.
- Claim settled by Compromise and Release and saved the employer \$250,000 in reserved dollars.

Case Review

- Demographics/Treatment
 - 49 year old female
 - history of chronic low back pain
 - secondary herniated nucleus pulposus (HNP) at L5-S1 from an injury while working at a deli in 1991
 - Laminectomy and Discectomy in 1991
 - 4/27/01 – sustained a re-aggravation of the prior injury, which she attributed to "repeated heavy lifting and bending in the kitchen" while working as a cook and "jostling" to her lower back on a daily basis as a school bus driver
 - 4/12/02 – Anterior Lumbar Discectomy Surgery at L3-L4/L5-S1 with a P Mesh
- History
 - The herniated disc injury never completely resolved and the patient continued to have daily low back pain, but was able to perform her job.
 - She was treated conservatively for approximately one year until she needed a Discectomy
 - Continued treatment for chronic low back pain to include
 - various narcotic medications
 - epidural steroid injections
 - diagnostic injections
 - physical rehabilitation
 - therapy and home exercise equipment.
- Case Status at time of Referral
 - Orthopedic and psychiatric (6/16/04) QME's both indicated a future need for pain management and treatment
 - Work status was TTD (never address returning to work)

Solution: Chemical Dependency Intervention

- Identify the problem cases
 - Narcotic prescriptions greater than 3 months duration
 - Requested detoxification programs or pain management programs
- Identify possible Outcomes
 - What is the goal?
 - Return to Work
 - Functional Improvement
 - C&R
- Build a Team
 - Employer, Claims, Care Coordination
 - Addictionologist
 - Treating Physician(s)
- Make a Plan
 - Collaboration between Addictionologist and treating physician
 - Develop exit strategy for current medications
 - Treating provider takes responsibility for decreasing narcotic usage
 - Request generic substitution
 - Detoxification Program
 - Functional Restoration Program
 - Defined Chiropractic/Physical Therapy Treatment Plan
 - Holistic Interventions
- Manage the Plan
 - Implement Agreed Upon Plan
 - Assess progress
 - Address digression
 - Support treating physician & injured employee
 - Strategize implementation of Return to Work

Alternate Medication Plan Synopsis

Medication	Dosage	Frequency
MS Contin	30 mg	Discontinued
MS Instant Relief	15 mg	Discontinued
Topamax	175-200mg	Dosage decreased to 50mg at bedtime <i>(anticipate to d/c over 6 months)</i>
Strattera	25mg	Discontinued
Lexapro	10mg	Discontinued
Ketamine	10% cream	Three times daily (tid)
Lidoderm	5% patch	Decreased to 2 patches QD
Baclofen	10mg	Discontinued
Methadone	5mg	1/2 tablet two times per day
Ambien	12.4 mg	Discontinued
Protonix	40 mg	Discontinued

Success Story

- Referral into a Chemical Dependency Prevention & Management Program ("CDPM")
 - Collaborative peer to peer discussions, team collaboration and care coordination
 - Entered HELP program in May 2007 which focused on detoxification and functional rehabilitation
 - Graduation from the HELP program as of June 29th, 2007 with 6-month access to after-care to assist in maintaining the gains she achieved during the program
- Cost of Previous Medication Regimen:
 - > Annual cost was \$23,686.20. \$639,527.40 over anticipated life-expectancy of 27 years
- Cost of Current Medication Regimen:
 - > Annual cost now of \$9,713.60. \$262,251.00 over an anticipated life-expectancy of 27 years
- **Total lifetime medication savings after Chemical Dependency Intervention: \$377,276.00**

Notes:
 Additionally, this individual improved 60% in physical functioning over the six week program. She is able to tolerate increased activities of daily living, an exercise regimen and social activities. A permanent and stationary report will be issued by her primary treating physician including work abilities rather than a TTD status. Based on the HELP program final report this individual is capable of returning to work with permanent restrictions.

Conclusions

- Prescription pain medication is on the rise
- Rise accounts for a considerable cost increase in Workers Compensation
- Most patients with acute pain do not become dependent on pain medication
- Dependency is devastating on multiple dimension, including a considerable increase in financial and personal costs
- Many physicians are not adequately trained to minimize the risk of dependency and do not have an exit strategy
- Patients are often not informed of the risks of addiction to medication
- Chronic pain management is a complex paradigm shift from a biomedical model to a biopsychosocial treatment plan
- Implementation of an effective chemical dependency treatment intervention is essential to overcome this emerging issue in the Workers Compensation arena if we are going to reduce costs

Thank you for
Attending the Presentation

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