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State: OH
Bureau of Workers' Comp Saves $20 Million with Drug Controls: Top [2014-01-27]

Changes made to tighten up pharmacy management of the Ohio Bureau of Workers' Compensation have led to more than $20 million in total drug cost savings since 2011, the bureau reported Friday, with a lion's share of the savings − $17.8 million − attributed to tighter controls in the dispensing of opioids.
Started in 2011 to improve injured worker care and cut prescription drug abuse, the bureau's outpatient medication formulary program has succeeded mainly by ensuring opioids are properly prescribed and monitored for the right duration.
Of the $20 million in savings, $17.8 million were attributed to controlling the dispensing of opioids, said bureau spokesperson Melissa Vince. The program is credited with a drop of 10.9 million opiate doses since 2010. The changes resulted in a 27.8% drop in opioid prescriptions and a 72.9% drop in skeletal muscle relaxant prescriptions from 2010 to 2013.
The formulary gets regular updates on guidelines for coverage of various drugs. A 2012 update restricted most skeletal muscle relaxants to 90-day coverage from the first prescription, plus one additional 30-day prescription per 12-month period. Some restrictions put into place for opioid and anti-ulcer agents require prior authorization of those prescriptions.
Meanwhile, a new bureau rule effective Jan. 1 requires medical providers caring for chronically injured workers to use the Ohio Automated Rx (prescription) Reporting System. That new pharmacy rule is similar to the recently adopted statewide Opioid Prescribing Guidelines.
Ohio providers who write controlled-substance prescriptions for chronic care must now enroll in OARRS in order for the bureau to cover those prescriptions. Care is considered chronic when providers write three or more prescriptions for controlled substances for the same injured worker in a 12-week period.
Other program controls the bureau installed for safer prescription drug dispensing for injured workers include:

- A lock-in program that limits the practice of doctor and pharmacy shopping.
- Standardized drug-use reviews to evaluate prescription drug treatment and identify overuse or danger.
- Requiring generic medications when available.
- Point-of-service edits screening out prescriptions unrelated to injured worker claims to ensure injured workers receive medications relevant to their injuries.

Michael Gavin, president of Prium, a medical cost-containment firm, said the key to the success of a prescription formulary is having a way to curb opioid dispensing by doctors.
"Docs cannot give this stuff out anymore," he said. "It's a sad commentary, but any time a doctor has a financial incentive to prescribe a pill, you increase the chances that pill will be prescribed. The No. 1 source of information for prescription drugs for doctors is the pharma rep."
The programs that do that best, he said, are those that install pre-authorizations of those prescriptions − a

double check − to ensure they're correct and not continuing longer than warranted. He said that measure will do much more to trim costs than use of generic drugs for prescriptions or aggressive program performance projections.

"I think they're doing a great job in Ohio," Gavin said.

Joseph Paduda, principal of Health Strategy Associates, agreed.

"They've managed drug usage without cutting patients off of drugs," said Paduda. "They've been very careful and very measured in their approach."

Paduda said he's been told the Ohio prescription formulary will introduce changes aimed at more improvements in the system in coming months, but had no details.

Of the dozen or so workers' compensation drug-management programs in various states, Paduda rated Ohio's as "one of the top two or three in the country." He rates Washington state's program first and also lauded programs in Texas and Colorado. While Kentucky and Maryland have formulary programs, he said, they aren't as "comprehensive" in controlling prescriptions as the top states.

Setting up such programs is costly and complex, he said, but he expects the costs of expensive opioid dispensing coupled with problems of injured worker addictions and overdoses will drive states toward the prescription formulary route.

"I would say, by the end of the decade, 80% of the states will have an effective program in place," said Paduda.

Gavin gave Texas the "hands down" win, with the most efficient prescription drug formulary in the country, which installed prescription controls in 2011, and has improved it since to cut prescription drug spending by 80% during that period.

He gave Florida's efforts to shut down its "pill mills" and curb doctor dispensing of opioids, a "B+."

Tennessee's program is "very strong," he said, but not well known. He said Missouri, meanwhile, is "last in the country" in dealing with the problem of inappropriate use of prescription drugs.

He, too, predicts most states will pursue a prescription drug control system, but with varying speeds. Conservative, employer-friendly states where there is more political will to cut costs will move faster, he said, while "injured worker-friendly states will take longer," because of less political consensus for the programs.

While California's Insurance Commissioner Dave Jones has lauded the Texas prescription formulary system, Gavin said the political make-up of the California Legislature will likely take a long time to install any such program of its own.