



# Medication trends shaping workers' compensation

A 2018 mid-year review of the prevailing industry  
influences impacting pharmacy outcomes

## OPTUM WORKERS' COMPENSATION DATA SET

Analysis of our data, the industry's largest workers' compensation pharmacy data set, for the first six months of 2018, indicates pharmacy spend and number of claims continue to decline at 11.8 percent and 7.2 percent respectively. And while opioid analgesics remain the most frequently prescribed therapeutic class both in terms of the percentage of total spend and the total number of prescriptions dispensed, the total percentage of opioid prescriptions has now dropped below 30 percent. Steep declines in the cost and use of compounded medications are also noted. The use of generic medications continues to increase while the cost and use of specialty medications remain steady.

## MID-YEAR 2018 OVERALL COST AND UTILIZATION TRENDS

In 2018, our programs continue to deliver a decrease in the **average prescription cost per claim**. By mid-year, we are seeing a **5.0 percent decrease** as compared to the 7.2 percent decrease at the end of 2017. This continued decrease is evidenced by a 5.3 percent decline in utilization along with a 4.4 percent reduction in product and claim mix. Together, this more than offsets the 4.7 percent growth in AWP inflation thus far in 2018.

Average prescription cost per claim

↓ **5.0%**

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↓ **5.3%**

Change in utilization

↓ **4.4%**

Change in product  
and claim mix

↑ **4.7%**

Change in average  
wholesale price

## OPIOID ANALGESICS

The downward trend on opioid analgesics utilization and spend continues in 2018.

↓ **6.0%**<sup>PT</sup>

**Number of claimants  
using opioid analgesics**

↓ **2.0%**

**Change in utilization**

↓ **2.2%**

**Opioid analgesic  
prescriptions per claim**

↓ **3.2%**<sup>PT</sup>

**Opioid analgesic spend**

↓ **5.9%**

**MED per claim**

↓ **3.7%**

**MED per prescription**

Alongside the decline of injured workers taking opioids, the morphine equivalent dose (MED) has also dropped well below 65 across our book of business. Although opioids remain one of the most widely prescribed therapeutic classes in workers' compensation, the percentage of opioid prescriptions dropped 2.5 percentage points from 2017. This drops the total percentage of opioid prescriptions below 30 percent.

## TOP MEDICATIONS BY SPEND AND COUNT

Sitting firmly within our top ten list of medications by spend (#1) and count (#8), Lyrica® has recently been in the news with information that will ultimately impact the cost of this medication. According to the U.S. Food and Drug Administration (FDA), the patent for Lyrica (pregabalin) was expected to expire at the end of 2018, making way for generic pregabalin to become available to consumers. However, recent developments with pediatric clinical trials for Lyrica seem to indicate that the patent may be extended until June 2019. This, of course, effects the potential cost savings benefited from using a generic alternative. Positively, while we wait for this generic release, price increases for Lyrica have been suspended for a time, according to industry information.

Historically, the average wholesale price (AWP) of Lyrica has increased approximately 9.44 percent every six to twelve months. A price increase of 7.9 percent took place on January 1, 2018, bringing the AWP up to \$8.92 per capsule at that time. The expected price increase for Lyrica on July 1 was four percent which would have increased the price to \$9.27 per capsule. For example, a typical prescription for sixty Lyrica capsules would have cost \$556.20 with the deferred price increase; however, for the time being, sixty Lyrica capsules will remain priced at \$535.20. (This increase has not taken place at the time of publication.)

## Top medications by spend

2018 YTD rank	2017 YTD rank	Total spend	Common brand name	Generic name	Therapeutic class	Brand and generic AWP	Brand only AWP
1	1	11.1%	Lyrica capsule	pregabalin	Anticonvulsants	16.4%	16.4%
2	2	6.1%	Oxycontin tablet	oxycodone ER	Opioid analgesics	3.7%	3.7%
3	3	5.0%	Percocet tablet	oxycodone-acetaminophen	Opioid analgesics	5.7%	22.1%
4	4	3.0%	Lidoderm Patch	lidocaine	Dermatologicals	2.5%	23.8%
5	5	2.9%	Cymbalta capsule	duloxetine	Antidepressants	0.4%	9.5%
6	7	2.5%	Celebrex capsule	celecoxib	Anti-inflammatories	1.6%	8.5%
7	6	2.3%	Vicodin, Norco tablet	hydrocodone-acetaminophen	Opioid analgesics	(0.2%)	6.0%
8	8	2.2%	Neurontin tablet	gabapentin	Anticonvulsants	1.4%	17.4%
9	9	1.8%	Neurontin capsule	gabapentin	Anticonvulsants	(10.7%)	17.8%
10	12	1.6%	Mobic tablet	meloxicam	Anti-inflammatories	1.9%	19.6%

## Top medications by count

2018 YTD rank	2017 YTD rank	Total spend	Common brand name	Generic name	Therapeutic class	Brand and generic AWP	Brand only AWP
1	1	8.9%	Vicodin, Norco tablet	hydrocodone-acetaminophen	Opioid analgesics	(0.2%)	16.4%
2	3	4.8%	Motrin, Advil tablet	ibuprofen	Anti-inflammatories	2.1%	3.7%
3	4	4.4%	Flexeril tablet	cyclobenzaprine	Musculoskeletal therapy agents	1.5%	22.1%
4	2	4.3%	Percocet tablet	oxycodone-acetaminophen	Opioid analgesics	5.7%	23.8%
5	6	4.2%	Neurontin capsule	gabapentin	Anticonvulsants	(10.7%)	9.5%
6	5	4.0%	Ultram tablet	tramadol	Opioid analgesics	2.2%	8.5%
7	8	3.1%	Mobic tablet	meloxicam	Anti-inflammatories	1.9%	6.0%
8	7	2.9%	Lyrica capsule	pregabalin	Anticonvulsants	16.4%	17.4%
9	9	2.7%	Roxicodone tablet	oxycodone	Opioid analgesics	(4.8%)	17.8%
10	10	2.6%	Naprosyn tablet	naproxen	Anti-inflammatories	0.8%	19.6%

## GENERIC UTILIZATION

Generic utilization remains a focus area for our clients and in our programs. Using approved generic medications, whose efficacy mirrors that of the brand-named counterparts, is one way to reduce the overall economic burden that pharmacy spend can be on a claim. For the first part of 2018, our generic utilization reached 86.1 percent, which is an increase of 0.5 percent over 2017. **Our generic efficiency remains strong at 99.8 percent.** By including clinically-based formulary management coupled with appropriate DAW reviews, the sustained increase of generic utilization over the past few years has been obtained.

**86.1%**

Generic utilization rate

**99.8%**

Generic efficiency rate

## SPECIALTY MEDICATIONS

So far in 2018, specialty medications have seen a 3.9 percent decrease in claims, but an 8.3 percent increase in spend as compared to specialty medication activity in 2017. In terms of the impact on total claims, **specialty medications represent just 1.2 percent** (equal to 2017) and **4.5 percent of spend** (a slight 0.8 percent increase over last year).

Part of this increase can be attributed to the rising cost and utilization of several antiretroviral medications, particularly Truvada® (emtricitabine-tenofovir disoproxil fumarate), Isentress® (raltegravir potassium) and Tivicay® (dolutegravir sodium) used to prevent the transmission and to reduce the disease progression of human immunodeficiency virus (HIV) after an accidental exposure, especially in first responders and health care workers.

**1.2%**

Percentage of total claim

**4.5%**

Percentage of total spend

## LOOKING BACK TO OUR “LOOKING AHEAD” SECTION

At the end of 2017 we looked forward to some of the potential trends in 2018. Here is a recap of what we stated and some movement on those potentials so for this year:

### 1 **Opioid analgesic utilization and MED will continue to decline**

We have seen a continued decline in opioids utilization now less than 30 percent and MED averages are down below 65.

### 2 **New research and industry analysis of the psychosocial and environmental issues that have been shown to slow return to work and claim costs.**

The additional discussions of the importance of multidisciplinary teams to combat opioid use disorder and weaning and tapering of medication continues to be discussed in the industry.

### 3 **The expectation that specialty medications will continue to have an increasing role in treating complex workplace injuries.**

- Specialty medications 8.3 percent increase in spend
- New pipeline medications and medications targeting pain without addiction are on the rise

### 4 **Closed formularies, treatment guidelines, PDMPs, urine drug testing and monitoring, specialty medications, and multidisciplinary care will persist and increase in use.**

Refer to our Government Affairs document on addressing opioid analgesic use in workers' compensation and auto no-fault ([workcompauto.optum.com/insights/blog/our-blog/2018/09/11/addressing-opioid-analgesic-use-in-workers'-comp-and-auto-no-fault](http://workcompauto.optum.com/insights/blog/our-blog/2018/09/11/addressing-opioid-analgesic-use-in-workers'-comp-and-auto-no-fault)) for the current listing of states with formularies and treatment guidelines.

### 5 **Greater attention on the impact of mandated payment for treatment and the implications of the use of medical marijuana to treat workplace injuries will need to be addressed.**

Our Government Affairs team recently reported on changes in New York related to the use of Medical Marijuana for pain ([workcompauto.optum.com/insights/blog/our-blog/2018/09/27/new-york-legislature-expands-medical-marijuana-program](http://workcompauto.optum.com/insights/blog/our-blog/2018/09/27/new-york-legislature-expands-medical-marijuana-program)).



#### **About Optum Worker's Comp and Auto No-fault Solutions**

Optum Workers' Comp and Auto No-fault Solutions collaborates with clients to lower costs while improving health outcomes for the claimants we serve. Our comprehensive pharmacy, ancillary and managed care services, including settlement solutions, combine data, analytics, and extensive clinical expertise with innovative technology to ensure claimants receive safe, efficacious and cost-effective care throughout the lifecycle of a claim. For more information, email us at [expectmore@optum.com](mailto:expectmore@optum.com).

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