

## **The Top 10 Therapeutic Classes and their Impact on Workers' Compensation**

Pharmaceutical costs account for a large portion of workers' compensation claim expenses, and with the increasing costs of prescription medication, it's important to understand the medication trends shaping the industry. Doing so helps stakeholders prepare for the future and achieve better outcomes, both clinically and financially. One way to understand the medication trends shaping workers' compensation is to examine the top therapeutic classes, which account for over 85 percent of pharmacy spend.

The following data is based on analysis of over 7 million workers' compensation pharmacy transactions processed by Helios in 2014.

### **#1 - Opioid Analgesics**

As in years past, opioid analgesics remain the top therapeutic class in workers' compensation. While opioid analgesics can be beneficial in the treatment of pain, there is a potential risk of misuse and abuse. As such, a positive trend in workers' compensation that our study found is a decline in opioid utilization of 8.4%. Also encouraging, the strength of the dosage of opioids injured workers are receiving decreased. Measured as Morphine Equivalent Dose (MED), the MED per claim decreased 7.4%.

Despite the positive decline in opioid utilization and dosage, the total spend of opioid analgesics increased. This is due to the significant increases in the Average Wholesale Price (AWP) for several of the most commonly used opioids, such as oxycodone-acetaminophen, which increased 60.6 percent.

Other important trends affecting this class include:

- The Food and Drug Administration (FDA) rescheduled hydrocodone-containing products from a Schedule III to a Schedule II substance in October 2014, making it a more tightly controlled medication in order to minimize misuse and abuse.
- There is some evidence that providers are trending towards prescribing crush-resistant and abuse-deterrent formulations of opioids. An increase in the availability of these formulations to also combat misuse and abuse is anticipated.
- Another trend influencing utilization is the increasing use and enforcement of treatment guidelines specifically for opioid therapy, such as the Official Disability Guidelines (ODG) and the American College of Occupational & Environmental Medicine (ACOEM). Several states have or are moving toward adoption of their own treatment guidelines as well. This, along with clinical oversight, will help to perpetuate the decline in MED.
- Since 2009, there have been six long-acting opioid analgesics added to the market, yet the utilization of long-acting opioids has not increased. Additionally, the newer long-acting opioids still represented less than 20 percent of total opioid utilization in both 2013 and 2014. The majority of long-acting opioid utilization continues to be with products that have been on the market for more than ten years. It is anticipated that long-acting opioid analgesics will continue to decrease in overall use, despite the availability of new products.

### **#2 – Anticonvulsants**

Anticonvulsant medications are typically used in the management of seizure disorders; however, in workers' compensation, they are routinely used in the management of neuropathic pain. In the study, anticonvulsant utilization declined by 3.6 percent in 2014, while spend increased 3.6 percent. However, an increase in the utilization of gabapentin and a decrease in Lyrica® is a positive trend, since gabapentin has a 62 percent lower average cost per days' supply (\$4.09 for gabapentin versus \$10.84 for Lyrica). Another

positive trend is a decrease in the use of benzodiazepines in the treatment of injured workers, since their extended use can increase the risk of dependence and addiction.

### **#3 – Anti-Inflammatories**

Available over-the-counter and as a prescription, non-steroidal anti-inflammatories (NSAIDs) are some of the most commonly used medications in workers' compensation for the treatment of mild to moderate pain and inflammation. In the study, in 2014, utilization of NSAIDs decreased 4.7 percent, but spend increased 9.7 percent. This was heavily influenced by AWP inflation for two medications: Duexis<sup>®</sup>, with a 101 percent increase and Celebrex<sup>®</sup>, with a 21 percent increase. On a positive note, the utilization of Celebrex did decrease by 4.4 percent, while utilization of generic NSAIDs increased. This is a positive trend not only from a cost perspective, but because it seemingly indicates that NSAIDs are being used as first-line pain management therapy instead of opioid analgesics. With the generic release of Celebrex (celecoxib), the overall spend for the anti-inflammatory therapeutic class is expected to decrease in 2015.

### **#4 – Antidepressants**

Depression can be a common comorbid condition in injured workers with chronic pain. Additionally, many antidepressant medications are also useful in the management of neuropathic pain. In the study, utilization of antidepressants decreased 8.6 percent in 2014, while spend decreased 12.8 percent. This was influenced by the generic release of Cymbalta<sup>®</sup> (duloxetine) in December 2013. Also, medications in this class, unlike other classes, experienced little change in AWP. With nearly all of the top antidepressants available as generic formulations, this trend is expected to continue.

### **#5 – Dermatologicals**

The dermatological therapeutic class includes medications that are applied to the skin and, in workers' compensation, the most common use is for the treatment of pain. In the study, utilization of dermatologicals decreased 11.1 percent and spend decreased 15.6 percent. The decrease in spend occurred despite an increase in the utilization of more expensive products, largely due to the availability of the generic Lidoderm<sup>®</sup> patch (lidocaine), which launched in September 2013. The utilization of Lidoderm patches also decreased 12.3 percent, which appears to be driven by the less positive trend towards multi-ingredient medications, either commercially available or compounded. New dermatological medications and ingredient combinations are expected to enter the market in 2015 and beyond. The move toward state-based formularies relying on treatment guidelines may assist in reducing this trend.

### **#6 – Skeletal Muscle Relaxants**

Medications in this therapeutic class are typically used for the treatment of muscle spasms, muscle stiffness, and/or pain that frequently accompanies industrial injuries, such as sprains and strains. Although these medications may provide some relief, evidence has yet to show prolonged efficacy with their chronic use.

Analysis of 2014 data showed utilization of skeletal muscle relaxants decreased 7.3 percent and spend declined 0.5 percent. The reduction in spend was very slight despite lower utilization due to significant

generic AWP inflation. On a positive note, utilization of carisoprodol, which is “not recommended” in many nationally recognized workers’ compensation treatment guidelines, dropped 21.6 percent. With the move of many states to institute their own formularies, the decreased utilization of these medications may continue.

## **#7 – Bulk Medications and Chemicals**

Medications in this therapeutic class generally include the ingredients used in the preparation of custom topical compounded medications. In treatment guidelines, compounded medications are “not recommended” as first-line therapy.

While the other classes in the top 10 are repeats from previous years, this is the first time bulk medications and chemicals have appeared in the top 10 list. This signifies the dramatic increase in the use of topical compounds in the workers’ compensation industry over the last year. Utilization of this class increased a whopping 43.9 percent and spend skyrocketed 80.3 percent. While a handful of states have specific reimbursement guidelines for compounded medications to control costs and utilization, not many states have addressed this issue.

Also disturbing, many commercially available products used in the formulation of compounded medications have not shown a specific therapeutic advantage once compounded. For example, a topical compound using gabapentin may not offer more benefit over the commercially available oral formulations.

The bulk medications and chemicals class also had its share of AWP increases in 2014, ranging from 4 to 118 percent per gram of product. While there were decreases in two medications in this class, ketoprofen by 21% and cyclobenzaprine by 28%, the significant increases in fluticasone (up 859 percent) and meloxicam (up 481 percent) are concerning.

Another emerging trend involving this and the dermatologicals class is the appearance of “compounding kits” being marketed directly to physicians. These kits provide prescribing physicians with pre-weighed active and inactive ingredients used for compounding medications into topical or other dosage formulations. With an AWP of \$600 to \$2,500 per kit, there is a potentially significant financial impact to payers.

It is expected that utilization of multi-ingredient compounded medications will continue to expand throughout 2015. Further clinical study is warranted to greater substantiate the medical benefits of the topical application of the various combinations of ingredients that are being prescribed today. Questions remain as to both the risk-benefit and cost-benefit of using multi-ingredient compounded medications over traditional oral therapies.

## **#8 – Ulcer Medications**

Treatment guidelines suggest the use of ulcer medications to protect against adverse gastrointestinal effects from utilizing NSAIDs. The most commonly used medication in workers’ compensation is proton pump inhibitors (PPI). In 2014, utilization for this class declined 7.4 percent and spend decreased 7.6 percent in the study. The decrease in both utilization and spend is seemingly associated with the overall decrease in NSAID utilization.

## **#9 – Hypnotics**

Injured workers experiencing chronic pain may have difficulty sleeping and may, therefore, be prescribed sedative-hypnotic agents. The long-term use of hypnotics has been associated with the development of tolerance to the sleep-inducing effects, dependence, and subsequent misuse. As such, sedatives are recommended for short-term use only. Data analysis shows the utilization of hypnotics decreased 17.5 percent and spend decreased 8.9 percent in 2014. This decrease in spend and utilization is despite little decline in the two most commonly used medications in this class, zolpidem (Ambien®) and eszopiclone (Lunesta®), accounting for 83.5% of days' supply. Also, the AWP for brand name Lunesta®, which is commonly prescribed over the generic, increased 36 percent.

#### **#10 – Antipsychotics**

Antipsychotics, typically used in the management of psychiatric conditions, can also be used to help manage depression following industrial injuries. In the study of 2014 data, utilization of antipsychotics decreased 5.5 percent, but spend increased 2 percent due to the high cost of these medications. In particular, the increase in spend was influenced by the utilization of Abilify®, which accounts for 50 percent of spend in this class and experienced an 18 percent AWP increase, providing an average cost of \$1,017 per prescription. However, the decrease in utilization for this class is a favorable trend, indicative of less off-label use and a preference to other medications for the treatment of depression associated with workplace injuries. It is expected that a generic formulation of Abilify (aripiprazole) will be released in 2015, providing some cost relief. Additionally, the move toward state-based formularies relying on the ODG may continue to decrease the use of “not recommended” medications, such as Abilify and other antipsychotics.

#### **Collaboration is Key**

As these trends indicate, controlling utilization can help minimize costs and the impact of increasing AWP, as well as provide therapeutically-appropriate treatments. This requires collaboration between stakeholders, particularly a pharmacy benefit manager, which can help ensure the injured worker receives the right medication, in the right dose, at the right time, and for the right duration— resulting in a better outcome for everyone.