

What You Need to Know About Employer-Sponsored Drug Abuse

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 Optimatum, 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.

ABOUT OPTIMATUM

Optimatum is a vendor management firm that focuses exclusively on the HR supply chain with turnkey solutions that improve the financial, operating performance, transparency and accountability of HR Benefit programs while still maintaining existing vendor relationships.

Our support of the HR workstream during the M&A lifecycle encompasses operational due diligence, day-one readiness and post day-one synergies. We assist sponsors in leveraging the aggregate purchasing power of their portfolio to capture value and drive margin expansion.