Physician dispensing of medications continues to be a hot topic in workers’ comp—for good reason.

The Workers Compensation Research Institute (WCRI) recently published two studies on the topic, and simply stated, the study results did not find evidence to support the practice.

The WCRI’s report The Impact of Physician Dispensing on Opioid Use, published in December 2014, “examined changes in physician prescribing and dispensing of opioids for newly injured workers after the implementation of a ban on physician dispensing of Schedule II and Schedule III controlled substances in Florida.” The study found that after the physician dispensing ban went into effect, there was a significant decrease in the number of prescriptions written for these drugs.

A second report, Are Physicians Dispensing Reforms Sustainable?, published in January 2015, stated that “After 18 states enacted reforms to limit the prices paid to doctors for prescriptions they write and dispense, this WCRI study finds that physician-dispensers in Illinois and California discovered a new way to continue charging and to get paid two to three times the price of a drug when compared with pharmacies.” To circumvent the reforms, “new” medications were created that were essentially the same medications in dosages that were not previously available for sale.

Earlier this month, I had the privilege of joining two of the researchers and authors of the WCRI studies, Vennela Thumula and Dongchun Wang, along with Alex Swedlow, President of CWCI (California Worker’s Compensation Institute) to dive deeper into this topic while presenting at WCRI’s annual conference.

continued on page 2
Welcome Liz

PLEASE JOIN US in welcoming **Elizabeth Gutierrez** to the myMatrixx team.

From her home base of Austin, Liz will serve as Regional Sales Manager for the states of Texas and Louisiana.

Liz is responsible for new business development for pharmacy benefit management (PBM) and ancillary medical services. She will also provide support to clients in her territory. Liz brings 20 years of workers’ compensation expertise and sales experience to myMatrixx. Her background includes 12 years as a claims adjuster, as well as extensive sales experience in case management, peer review, medical exams, Medicare Set Asides, and ancillary products. Prior to joining myMatrixx, Liz served as Regional Account Executive with MCMC—a nationwide provider of peer exam, ancillary service, and exam services for workers’ compensation. Additionally, she served in several sales positions with other workers’ compensation companies, including Gould & Lamb (now ExamWorks) and Coventry Workers’ Comp.

If you are in Texas or Louisiana and have questions or need assistance with PBM or ancillary medical services, please contact Liz at: egutierrez@mymatrixx.com.

---

**Physician Dispensing**

by Artemis Emslie, President  
continued from page 1

Bottom line: Studies show that pharmacy costs are considerably higher and disability durations are longer when medications are dispensed directly from prescribers’ offices rather than from pharmacies. Receiving prescriptions at a clinic or doctor’s office does provide a convenience for injured workers; however, if the prescriber does not adhere to the safety edits and cost controls in place at traditional pharmacies, the benefit to the injured work may not outweigh the risk. PBMs are the central source for applying appropriate drug utilization edits as well as contracted rates. **If the right medication is prescribed at the right time and at the right cost, the channel utilized for distribution is inconsequential.**

Our solution:

- myMatrixx actively supports legislation that advocates for appropriate restrictions on physician dispensing.
- myMatrixx collects and analyzes physician prescribing data and shares information on prescribers who may not be following safe, cost-effective prescribing practices. Our clients can then make informed, evidence-based decisions regarding which prescribers to include in their networks.

- myMatrixx is continuing to develop special arrangements with dispensing clinics and physicians in order to control the high costs associated with repackaged drugs—and to reduce the risk to injured workers from possible duplicate drug therapies.

As we approach the second quarter of 2015, I want to thank our loyal clients for entrusting myMatrixx to serve the pharmacy and ancillary medical needs of your injured worker populations. I am pleased to report that myMatrixx continues to expand through organic growth combined with a 98% client retention rate. At a time when many of our competitors are experiencing the uncertainties that accompany mergers and acquisitions, myMatrixx continues to gain significant market share, while remaining privately held, financially strong and stable. In 2014, our PBM and ancillary businesses experienced 28% and 39% annual growth rates, respectively. These statistics fall in line with the double-digit growth myMatrixx has achieved year over year since the company was founded in 2001.

We appreciate your business and always strive to exceed your expectations by innovating new clinical tools, simplifying processes with industry-leading technologies, and providing superior customer service.

Best Regards,  
Artemis Emslie
When a pharmaceutical company develops a new drug, a patent is typically granted at the New Drug Application phase prior to clinical trials. Patents provide the pharmaceutical company with the exclusive rights to market and sell the new drug under a brand name. Pharmaceutical patents typically expire after 20 years. That may sound like a lot of time, but after clinical trials to determine safety and efficacy are completed and the FDA finally approves the drug to be marketed, the pharmaceutical company will typically have only 7-12 years remaining on the patent. During this period, the pharmaceutical company enjoys a monopoly in the marketplace and maximizes their profits because the drug is considered to be a single-source medication. When drugs are no longer subject to patent restrictions, they can be manufactured and sold by other companies as generic drugs—and the company that developed the drug often experiences a sharp decline in revenue known as the “patent cliff.”

A generic drug is defined as “a drug product that is comparable to a brand drug in dosage form, strength, quality and performance characteristics, and intended use.” The federal government enacted the Drug Price Competition and Patent Term Restoration Act of 1984. This law established a process for generics to be approved and brought on the market. The amendment also encourages generic manufacturing companies to challenge patents.

The application for a generic drug must make one of four certifications:

1. Patent information has not been filed, or
2. Patent has expired, or
3. Application is being filed on the expiration date of the patent
4. That such patent is invalid or will not be infringed upon by the manufacture, use, or sale of the drug product for which the generic application is submitted.

This last certification must be submitted to the owner of the patent, which may be the basis for patent infringement litigation. Additionally, the government is telling the generic applicant that they will be rewarded with a period of exclusivity of 180 days if they are successful in the ensuing court battle. The generic company typically brings their generic drug to market at a discounted rate of approximately 10% and is the sole competitor of the brand drug company. This is a reward for entering into a legal battle with the brand company. Once the 180-day exclusivity period is up, other generic companies can market the generic drug, and this results in additional cost reductions of the drug.

As a service to our clients’ claims professionals, myMatrixx has published a new workers’ compensation pharmaceutical handbook: Brand to Generic Reference Guide. This guidebook identifies:

- Typical workers’ compensation indication/s for drugs frequently prescribed to injured workers
- Generic equivalents of brand drugs
- Brand drugs that are potential candidates for a myMatrixx One Drug Review

A One Drug Review is a medical intervention performed by a myMatrixx Clinical Pharmacist that provides the treating physician with evidence-based rationale in support of alternative drug therapies that myMatrixx considers to be more therapeutically appropriate and/or cost effective.

To receive your complimentary copy of the myMatrixx Brand to Generic Reference Guide, please contact your myMatrixx Client Services Manager.

As a service to claims professionals, myMatrixx has published a new workers’ compensation pharmaceutical handbook: Brand to Generic Reference Guide.
When creating regulations that govern the delivery of opioid medication in workers’ compensation, payers, employers, medical management partners, legislators, and regulators all have patient safety in mind. Sometimes, the laws and rules are effective. Other times, there are barriers to achieving patient safety goals.

The patient could be the barrier. Even if prescribers leverage prescription drug monitoring programs, workers’ compensation treatment guidelines, and follow medical board opioid/pain guidelines, there is a serious risk of overdose when patients abuse prescription pain medication or turn to street drugs when the physician says “no more.”

It is understandable why naloxone, an “anti-overdose” drug that has been used for decades, is increasingly mentioned in legislative proposals around the country. According to the CDC, 120 people die every day in the United States as a result of drug overdoses and another 6,748 people are treated in emergency departments for the misuse or abuse of drugs.1 However, it is also important to understand that naloxone is available in more than one form. Traditionally, naloxone was available under the brand name Narcan®. Because naloxone has been around for decades, even the brand name version is fairly inexpensive with an average wholesale price of $3.58 per vial.

Last year, a new auto-injector version of naloxone was approved by the FDA under the trade name Evzio®. Evzio contains the same active ingredient—naloxone—but has an AWP of over $800 per kit. Because of this price and other factors, our pharmacy and therapeutics committee decided not to recommend Evzio as a formulary drug. Although the drug’s high cost was a consideration when deciding to make this recommendation, as a life-saving drug, pricing was not the most important factor. The primary reason for the recommendation is because Evzio will not be dispensed through a retail pharmacy in an emergency situation. Patients at risk of overdose must be

continued on page 5
identified by the physician and prescribed Evzio in advance. Therefore, in a non-emergency situation, there is sufficient time for Evzio to go through our clients' authorization process. In addition, most of the legislation surrounding naloxone involve the original version and not the new auto-injector kits.

In 2014, there were at least 40 legislative proposals including the term naloxone enacted. In the first quarter of 2015, legislation was enacted in Michigan, New Jersey, and South Dakota:

- **Michigan SB 1049** provides circumstances that allow peace officers to carry and administer opioid antagonists. SB 1049 also gives access to such antagonists by law enforcement agencies and peace officers. Additionally, this bill provides the circumstances that limit the civil and criminal liability of law enforcement agencies and peace officers for the possession, distribution, and use of opioid antagonists.

- **New Jersey SB 2378** extends the Overdose Prevention Act immunity provisions to certain professionals and professional entities, including emergency medical response entities and health care practitioners.

- **South Dakota SB 14** provides for the possession and administration of opioid antagonists by first responders, which includes law enforcement officers, ambulance service drivers and attendants, and firefighters, for the treatment of drug overdoses. SB 14 requires such responders to be trained in various factions regarding the administration of the antagonist. This bill exempts physicians who issue standing orders regarding the administration of an antagonist from being held civilly liable for administration of the antagonist.

As a result of the legislation enacted in 2014, 2015, and prior years, it is increasingly likely that a first responder, law enforcement officer, physician, family member, or the actual patient will be equipped and legally allowed to administer an FDA-approved opioid antagonist.

**Iowa SSB 1209**, introduced in late February, provides that the cost of a prescription for an opioid antagonist shall be paid by the employer or insurance carrier if an employee is provided care under the workers’ compensation statute and the health care professional providing care believes the employee is at risk of an opioid-related overdose.

Legislation similar to Iowa SSB 1209 has not yet been introduced in other states, but this type of legislation is on myMatrixx’s radar. myMatrixx will continue to monitor proposed and adopted legislation, focusing on preventing and responding to opioid abuse, and will report the latest developments in our monthly Regulatory Recap.

Urine Drug Testing and Evolving Genetic Screening: Do They Really Impact Outcomes?

Is Urine Drug Testing (UDT) the next “physician dispensing” of workers’ comp? Finding a balance between appropriate drug screening and the use of diagnostic clinical testing with the overuse and sometimes egregious prices of these critical services has emerged as a hot topic. This webinar will help you understand what you should expect to pay—and equally important, what you should expect to get.

The evolving field of genetic testing and opioid therapy will be explored, including an explanation of how to interpret results from both UDT and genetic tests, along with a practicing physician’s point of view on what these tests mean to an injured patient’s care and outcome.

The webinar covers the following topics in-depth:

- Types of UDT and reasonable fees
- Frequency of testing
- Drugs that should be included in a “workers’ compensation” panel
- Interpretation of results
- Status of genetic testing

Presenters:

**Phil Walls, RPh** - Chief Clinical Officer, myMatrixx

**Dr. Steven Stanos, D.O.** - Medical Director, myMatrixx and expert in Occupational Medicine, Pain Management, Physical Medicine & Rehabilitation

[View Webinar]
Artémis Emslie, myMatrixx President, visited the Ferrell Girls Preparatory Academy in Tampa, Florida on February 3, 2015. Artémis shared stories about her career and the challenges she overcame as she climbed the ranks as a woman in corporate America. She also shared compelling stories about her life and how her upbringing prepared her for life as an executive. In addition to offering mentorship, Artémis’ goal in sharing her stories was to facilitate discussion from her audience of young girls.

Her message and discussion focused on perseverance, hard work, and family values. Artémis showed her audience how circumstances do not define success by stating: “I wanted to make sure that each young lady understood that regardless of circumstances, you can still achieve a high measure of success in all aspects of life.” In addition, Artémis showed how a circle of support fuels goal attainment: “Staying the course, staying focused on the tasks at hand, and having a supportive family can be catalysts in achieving any goal that you set.”
Upcoming Events
Check out the following events myMatrixx will be attending:

National Rx Drug Abuse Summit
(Atlanta)
April 6-9

Annual PRIMA Missouri and Kansas Conference
April 15-17

FWCI - The Spring Forum on Worker’s Compensation (Orlando)
April 23

Arkansas Self-Insurers Association (ASIA) Spring Fling
May 4-5

New Jersey Self Insurers’ Association (NJSIA) Spring Conference
May 7-8

Minnesota Workers’ Compensation Symposium
May 15

RIMS Annual Conference & Exhibition (New Orleans)
April 26-29

SEAK’s 35th Anniversary Workers’ Compensation and Occupational Medicine Conference (Chicago)
June 9-11

Iowa Workers’ Compensation Symposium
June 18-19

Contact Us:
877-804-4900
mymatrixx.com
marketing@mymatrixx.com

Follow us on LinkedIn:
www.linkedin.com/myMatrixx
for news, trends and updates in workers’ compensation.