



myMatrixx monitor

For eleven years myMatrixx has been known for pharmacy services so it may come as a surprise that I started my career in catastrophic care and DME. Providing quality care and equipment to individuals who needed it most was a passion I served for many years. When I founded myMatrixx in 2001, I saw a need to streamline pharmacy claims but I always knew I would return to my roots. And we did just that two years ago with the launch of 1Click Ancillary the industry's first online marketplace for DME, medical services and more.

We have made leaps and bounds over the last two years in our Ancillary Department. One of them is the addition of Craig Rollins as Vice President of Ancillary and Business Development. An industry veteran, Craig brings with him a wealth of knowledge and industry relationships that will significantly benefit our clients. Craig most recently served with Align Networks, a premier provider

good medicine
for business

Great things are happening in Ancillary

by Steven MacDonald, Founder, Chairman & CEO



of physical medicine for workers' compensation. Already in the short time he has been with myMatrixx, Craig has brought new efficiencies to the department which will continue to help us provide our clients fast and effective solutions. Additionally, under Craig leadership our ancillary team has doubled in size over the last few months expanding our capabilities.

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These improvements combined with our industry leading technology, offer our clients the most dynamic solution to coordinate care and services for injured workers. At myMatrixx, we are dedicated to providing an unimaginably great customer experience in both pharmacy and ancillary. We are here to serve all of your workers' compensation needs and I invite you to reach out to Craig at collins@mymatrixx.com for more information on our ancillary services.



We are dedicated to providing an unimaginably great customer experience in both pharmacy and ancillary.



Subscribe to the myMatrixx Blog at blog.mymatrixx.com for news, trends and updates in workers' compensation.

Inc. magazine has ranked myMatrixx No. 2245 on its sixth annual Inc. 500|5000, an exclusive ranking of the nation's fastest-growing private companies. This is the fourth year myMatrixx has made the list. The company also ranks No. 182 of the Top Health Companies nationwide to make the list. The list represents the most comprehensive look at the most important segment of the economy—America's independent entrepreneurs. Unified Payments tops this year's list. myMatrixx joins Yelp, yogurt maker Chobani, Giftcards.com, KIND and famed hatmaker Tilly's, among other prominent brands featured on this year's list.

"We are extremely proud to be recognized on the Inc. 5000 for the fourth year in a row. We have experienced amazing growth and our dedicated

team members, clients and partners have all been a part of this success," commented Steven MacDonald, Chairman and CEO of myMatrixx.

In a stagnant economic environment, median growth rate of 2012 Inc. 500|5000 companies remains an impressive 97 percent. The companies on this year's list report having created over 400,000 jobs in the past three years, and aggregate revenue among the honorees reached \$299 billion.

"Now, more than ever, we depend on Inc. 500/5000 companies to spur innovation, provide jobs, and drive the economy forward. Growth companies, not large corporations, are where the action is," says Inc. Editor Eric Schurenberg. Complete results of the Inc. 5000 can be found at www.inc.com/5000.



Clinical

CLINICAL CORNER

PATENT WARS

by Phil Walls, R.Ph., Chief Clinical and Compliance Officer

One of my long-running concerns regarding the pharmaceutical industry is the use of patent law to protect revenues instead of fostering drug development. My understanding of the 20 year patent granted to brand-name pharmaceuticals is that the protected period is to allow the brand-name company time to re-coup expenses associated with Research and Development. In return the company then re-invests a portion of the profits into development of new and presumably superior drugs. Instead I am seeing more and more situations where patents are granted for new formulations of existing drugs, and the patent seems to be more about protecting revenue rather than promoting R&D! Many of these drugs do not have a long presence - such as Once-weekly Prozac or Amrix – but many times they displace a significant portion of the market from the generic competition as in the case with Ambien CR versus the original Ambien.

A well know case of patent litigation involves the drug OxyContin®. Generic OxyContin has been on and off the market several times now as Purdue Pharma successfully fights the introduction of generic alternatives. The company is facing expira-

tion on its most recent patent extension in April 2013. However Purdue now has a new strategy to extend their patent by an additional six months – they are intending to study whether or not OxyContin is safe for use in children! Six months may not seem like much time until you consider the fact that annual sales of OxyContin equal \$2.8 billion. [Wall Street Journal Article](#)

There are also many instances of situations where patents expire but the market does not see a lower cost generic for a considerable time afterwards. One of the longest running cases that I am aware of involves the drug Skelaxin®. Skelaxin (metaxolone) was first approved on August 13, 1962. Therefore we are approaching the 50th anniversary of the launch of this drug but have only seen a generic metaxolone on the market in recent years. What happened? The manufacturer (now King Pharmaceuticals) had received a "U189" patent use code, which is defined as "ENHANCEMENT OF THE

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Clinical

CLINICAL CORNER

PATENT WARS [continued from page 3](#)

BIOAVAILABILITY OF THE DRUG SUBSTANCE". This is considered a method of use patent and is related to methods of informing patients about administering Skelaxin with food. The US District Court for the Eastern District of New York ruled in January 2009 that these type patents are invalid. However this fifty-year saga continues as King Pharmaceuticals is litigating another dispute over the marketing of an authorized generic version of SKELAXIN – [King Pharmaceuticals Inc., et al v. CorePharma LLC](#), Civil Action No. 10-CV-01878-GEB-DEA [VIEW REFERENCE HERE](#)



There are also . . . situations where **patents expire** but the market does **not see a lower cost generic** for a **considerable** time afterwards.

Pfizer has also seen its share of revenue loss through patent expiration as its patent on Lipitor® expired late last year. Lipitor is the most prescribed drug in America with annual sales of \$81 billion. Actually it is the number one selling drug of all time! Now that market share is being replaced with the generic atorvastatin. Or is it? Apparently Pfizer is lowering the price on the brand-name product in order to keep patients

from switching! Although it is a short-term strategy, the company through its “Lipitor for You” program is willing to discount the drug up to \$50 through the end of 2012.

However, in a blow to the Workers’ Compensation market, Pfizer fought the launch of generic Lyrica and won an extension of their patent for another six years. This means generic Lyrica will not be available until the end of 2018. [EPVANTAGE.COM](#)

However, keep in mind that cost-effective gabapentin is already available as a generic, and although it cannot be substituted for Lyrica, it is still considered a first-line agent in the treatment of neuropathic pain – more on that topic next quarter.

Expect to see more patent wars of this type as the brand-name pharmaceutical industry continues to lose market share over the upcoming years.

Phil Walls to Speak at National Workers’ Compensation and Disability Conference

If you will be attending the national conference this November in Las Vegas, be sure to mark your calendar and make plans to attend this informative session on *The Role of Pharmacy Benefit Managers in the War on Opioids* on Thursday,

November 8 from 8:45 – 10:00 am. Our very own Phil Walls will join a panel of experts to discuss how PBMs can have a significant impact on prescribing patterns, thereby controlling the overprescribing of Schedule II narcotics.

The panel will provide insight into the strategies they employ and show you how to provide the best outcomes for injured workers, your employer and the bottom line.



ABUSE-DETERRENT OXYCONTIN IS EFFECTIVE { AT A COST }

by Michael Nguyen, PharmD, Director of Clinical Pharmacy

The study found that **before** the release of abuse-deterrent Oxycontin, **35.6%** of respondents reported that Oxycontin was their drug of choice. Twenty-one months later, that number **dropped to 12.8%**.

In the spring of 2010, the FDA approved a new formulation of Oxycontin (controlled-release oxycodone). The new formulation was designed to discourage abuse by making the tablets tamper-resistant. Because Oxycontin is formulated to provide a slow and continuous release of oxycodone over 12 hours, tampering with the dosage form by cutting, breaking, chewing, crushing or dissolving the tablets can release the medication all at once. The result is faster absorption through ingestion, injection or inhalation and a spike in the systemic concentration that produces the sought after euphoric side-effect. Although the new formulation can still be abused orally (the most common route of abuse), highly tolerant abusers who need to inhale or inject the drug to get high will find it harder to do so.

The new formulation is bioequivalent to the old formulation meaning that there is no significant difference between the two formulations in the rate and extent of oxycodone absorption. Therefore patients that complained of a difference in efficacy and demanded different drugs were likely abusers that were thwarted by the new formulation. For a period of time, users found their replacement in Opana (oxymorphone).

Opana which was approved by the FDA in 2006 is twice as potent as Oxycontin which was a recipe for disaster for unwitting users. Someone who was using Oxycontin 10 mg who had gotten their hands on an Opana 10 mg may not have known that they were going to be taking twice as much opioid. A recent NPR article reported on the problem of rising Opana abuse that has killed 31 people since last year in Scott County, Ind. Earlier this year however, Endo Pharmaceuticals followed Purdue Pharma's example by

offering their version of a tamper-resistant Opana. It is difficult now to find one of the original formulations of Opana on pharmacy shelves.

To an extent, the efforts at reformulating Oxycontin have been effective but maybe by too much according to a new study (Effect of Abuse Deterrent Formulation of Oxycontin. N Engl J Med 1012; 367:187-189). The researchers of this study surveyed over 2500 patients with diagnosed opioid dependence entering treatment programs around the US from July 2009 to March 2012. For these patients, prescription opioids had to be the primary drug of abuse. The study found that before the release of abuse-deterrent Oxycontin, 35.6% of respondents reported that Oxycontin was their drug of choice. Twenty-one months later, that number dropped to 12.8%. Expectedly, use of hydrocodone and other oxycodone products rose slightly while other opioids like fentanyl and hydromorphone increased significantly from 20.1% to 32.3%. Perhaps the most noteworthy observation of this study was that heroin use nearly doubled during this period.

In a letter to the editor, the authors of the study cited that their data showed that abused-deterrent formulations successfully reduced abuse of a specific drug but caused an "unanticipated" outcome. Their concern was that heroin, "may pose a much greater overall risk to public health than Oxycontin". The overall message of this letter was that the efforts at reformulating opioids have failed to fix the problem of opioid abuse and spurred an even bigger problem. Earlier this year, the CDC reported that since 2003 (CDC Morbidity and Mortality Weekly Report Vol.61/No. 1 Jan 13,

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ABUSE-DETERRENT

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The overall message . . . was that the efforts at reformulating opioids have failed to fix the problem of opioid abuse and spurred an even bigger problem.

2012) more overdose deaths involved opioid analgesics than heroin and cocaine combined so it will be interesting to see how this data will shift in the coming years as abuse-deterrence becomes a standard component for opioid development.

But as news of this study spreads, it is somewhat surprising to see that no one has stepped forward to point the finger back to the root of the problem and highlight these new reformulation initiatives as merely band-aid efforts. The gravity of the problem of rising heroin use may be clearer if the researchers had thought to ask the drug abusers an additional question: did you use heroin before becoming addicted to Oxycontin? The answers to this question may shed more light on what some stakeholders have considered as the problem all along: inappropriate prescribing practices.

The possible implication is that opioids may be the new gateway drug to heroin and doctors are the gatekeepers. In the above mentioned CDC report, the authors stated that, "prescribers too often start patients on opioids and expect unreasonable benefits from treatment." According to one study of injured workers, 38% of workers received opioids early in care. Six percent went on to receive opioid for chronic pain but, "most did not report clinical meaningful improvement in pain and function, even though their opioid dose rose significantly over the year."

These patients continue to receive opioids year after year. Some fail drug screens or even admit that they have a problem with abuse and some even die. Who do you blame in these cases? It's easy to blame and punish a heroin user because they are breaking the law but a person who has a prescription is not. He or she

is using a substance as dangerous and risky as heroin but legally. And can we truly blame a person for lying about an illness to obtain a substance that will provide the same effect as heroin? It is hard to do so when we see the extent to which some people go through to get heroin. Addiction is disease that will affect a person's judgment and sense of right and wrong. The power of these drugs to take hold and destroy lives has always been recognized. It is therefore, important now more than ever to reconsider the responsibility of those that hold this power. Perhaps there's truth in the words of Albert Einstein when he said, "the attempt to combine wisdom and power has only rarely been successful." This statement make clear to the proposal that without wisdom some people should not have power.



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[Click to learn more.](#)



Regulatory Update

by Matt Schreiber,
VP of Marketing
and Regulatory Affairs



California

The Department of Health Care Services (DHCS) has informed the Division of Workers' Compensation (DWC) that it has completed the update to the pharmaceutical price file that was necessitated by the unavailability of First Data Bank Average Wholesale Price. DHCS has prepared a list of those national drug codes (NDCs) that were affected during the period when the prices were unavailable.

DWC suggested that workers' compensation providers examine the NDC list and, if warranted, resubmit pharmaceutical bills that were affected by the unavailability of price updates, and recommends that payers issue payments as appropriate. Payers and providers may consider whether there are contracts in place that may impact the need to re-process bills and issue corrected payments.

myMatrixx, on behalf of our clients with business in California, reviewed this list; the pricing changes, and identified there are no transactions that were affected by this change. The dates in question range from dates of service during the period of Sept. 1, 2011 through March 14, 2012.

Connecticut

The Connecticut Workers' Compensation Commission (WCC) recently added stricter guidelines for the prescribing process associated with the use of opioid painkillers. These guidelines are meant to help reduce the probability of addiction, while helping patients manage pain after injuries. "Many experts claim that the excessive prescription of opioid drugs like OxyContin, Percocet and Duragesic, which are commonly used to treat **workplace injuries** such as back pain, can lead to long-term addiction and cause side effects that slow the healing process."⁽¹⁾

Connecticut (continued)

The new protocols for prescribing opioids to injured workers are meant as a "guideline for the practitioner and should not supplant proper medical judgment," the protocols say. The opioid management of the injured patient includes a variety of suggestions for physicians but requires mandatory documentation of medical necessity for prescribing beyond what is described in the guidelines.⁽²⁾

The protocols were developed in consultation with practitioners, insurers, and the WCC's Medical Advisory Panel.

Physician Dispensing

Many states have made significant rule changes to limit the reimbursement of repackaged drugs. These include: Arizona, California, Connecticut, Georgia, Mississippi, Tennessee, and South Carolina. Three states have prohibited physician dispensing all together: Massachusetts, New York and Texas. While there are two states that have rules pending to limit the reimbursement: Illinois and Michigan, with Illinois moving its rules closer to law just a few weeks ago.

However in Maryland and Florida, the proposed rules were defeated in the political process. myMatrixx continues to work alongside many clients and prospects in these states in order to lobby for appropriate and fair changes as it relates to physician dispensing.

(1) [July 22, 2012 /24-7PressRelease/ --Click Here to be taken to the Press Release](#)

(2) <http://www.riskandinsurance.com/story.jsp?storyId=533348475>

Managing DME Costs in Workers' Comp

Durable medical equipment (DME) is a key component to the care an injured worker receives while they are recovering. DME provides assistance in a home setting after an illness or accident and is most often rented and used for a specified length of time. The type of DME required is determined by a physician who will write a prescription for the equipment similar to a drug prescription. The equipment is then filled by an authorized supplier. DME may include but is not limited to hospital beds, wheelchairs, canes, lifts and other similar equipment that is intended to withstand repeated use. Expendable medical supplies such as bandages, rubber gloves and irrigating kits are not considered by Medicare to be DME but are used along with it often in workers' compensation.

With so many equipment options and providers to supply them, cost containment can be a challenging task. What are some keys to managing costs for DME? According to Craig Rollins, Vice President of Ancillary with myMatrixx, utilization management is critical. "It is not unusual for equipment and even medical supplies to be put on auto pilot for injured workers. Equipment rentals can automatically renew for months on end when at a certain point it would be more cost effective to purchase the item or the item has not been used in months. Additionally, providers can set-up supplies to ship on a routine basis to a claimant without confirming there is a need for more." He added, "this routine can rack up unnecessary costs which can multiple across a claimant population."

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Managing utilization of DME and all supplies and services including home health is vital to managing costs. It can even be viewed as more important than negotiating down the cost on a single item which can have little impact on an overall workers' comp program. How can this be achieved? First, managing all DME and ancillary services through a provider network with contracted rates ensures the entire claimant population is receiving the best price possible. Additionally, working with an ancillary benefit management firm to manage utilization will streamline the process. Whether you are working with myMatrixx or another provider, verify utilization is managed proactively. Preventing unnecessary costs before they happen is the key to managing DME costs. "This is at the center of what we do in myMatrixx's ancillary program. We are looking out for our clients, but also for the best care for the injured worker," added Rollins.



Lindsay Rios
Recognized at
Business Woman of
the Year Awards

Lindsay Rios, myMatrixx's Senior Vice President of Pharmacy and Ancillary Services, was named a finalist in the Business Women of the Year Awards on August 17. The awards were presented by the Tampa Bay Business Journal which honored women in numerous industries from across the Tampa Bay region. Lindsay was selected as a finalist from among 300 nominations for her success in business and community outreach. As myMatrixx's first employee, Lindsay has been instrumental in the growth of the organization and today she oversees several teams including Client Services, Accounts Receivable and Bill Review, Customer Service and Ancillary Services.

Lindsay has been a driving force behind myMatrixx's vision "to deliver an unimaginably great customer experience" and the organization's 98.7% client retention rate since its inception. Over the years, she has worked closely with clients to incorporate improvements and new functionality into myMatrixx's web portal streamlining the claims process for our clients. Additionally, Lindsay has led several community outreach projects for our company including adopting a local Boys and Girls Club and in her own time supporting the Humane Society.

All of us at myMatrixx are extremely proud of Lindsay's recognition. Lindsay, you inspire us to "Serve with Passion" each and every day. Thank you for all you do for myMatrixx and our clients.



myMatrixx Responds with Care

The myMatrixx team recently supported two great organizations devoted to kids. The first was the Tampa Bay Technology Forum Foundation supporting youth pursuing careers in STEM also know as Science, Technology, Engineering and Math. A dozen myMatrixx employees volunteered their time at Tech Jam, the largest fundraising event hosted each year by the foundation. The event is attended by over 1,000 business professionals and includes music, food and a silent auction. Members of the IT Department and Client Services assisted with the silent auction which included electronic bidding by text. Tech Jam typically raises over \$50,000 for scholarships and programs hosted by the foundation.

myMatrixx also held a school supply drive recently for a Tampa Bay area Boys & Girls Club, the Salesian Youth Center. myMatrixx adopted the club last year when we remodeled their recreation room. Since then our employees have collected toys for them over the holidays, hosted the kids at a Tampa Yankees game and most recently conducted a school supply drive for them. Employees donated over 200 supplies including pencils, paper and backpacks. And the items we delivered just in time for the first week of school.



Client Services Manager Alison Noble delivering supplies to the Boys & Girls Club.

EMPLOYEE SPOTLIGHT



Shauni

SHAUNI FLAGG

ACCOUNTS RECEIVABLE REPRESENTATIVE

When you think of accounts receivable, someone like Shauni Flagg probably does not come to mind. With a bright smile and positive attitude, Shauni is one of our team behind billing and collections at myMatrixx. Serving as an accounts receivable representative for one year now, Shauni is responsible for generating and sending invoices to our clients. This process is much more complicated than it sounds with the tens of thousands of transactions we process and bill our clients for on a monthly basis. Accuracy is critical and each transaction is reviewed to confirm it has been billed correctly by the retail pharmacy before the client ever sees an invoice. She is also responsible for following-up on invoices, researching inquiries and resolving issues for our clients.

When you ask Shauni what she likes most about her job she replies, "I love the people, the challenge and the opportunities that are presented to me as an employee here at myMatrixx." She added, "myMatrixx provides an incredible sense of unity and opportunity. It comes as no surprise that customer satisfaction rates are exceptionally high due to the friendly and intelligent people who fill this office."

Shauni also serves on the myMatrixx Events Committee which plans monthly programs for the employees including a family picnic and bowling night. Outside of myMatrixx Shauni enjoys running and baking. She also loves to read a good book and go shopping with friends and family.

Upcoming Events myMatrixx will be attending:



Stop by and visit myMatrixx at the following upcoming events and visit us on [Facebook](#) for more details.

California Workers' Compensation & Risk Conference

September 19-21 in Dana Point, CA
myMatrixx will be in Booth # TT17
www.cwcriskconference.org

IAIABC Annual Convention

October 1-4 in Newport, RI
www.iaiaabc.org

Kansas Department of Labor Workers' Compensation Seminar

October 2-3 in Overland Park, KS
www.dol.ks.gov

Texas Workers' Comp Forum

October 2-3 in Austin, TX
www.txwcforum.com

North Carolina Workers' Compensation Educational Conference

October 10-12 in Raleigh, NC
myMatrixx will be in Booth #27
www.iwcf.us

SCWCEA Annual Educational Conference on Workers' Compensation

October 14-17 in Hilton Head Island, SC
www.scwcea.org

Maryland Workers' Compensation Educational Association Conference

October 14-17 in Ocean City, MD
www.mwcea.com

Wisconsin Workers' Compensation Forum Annual Seminar

October 17-18 in Pewaukee, WI
www.wiwcforum.org

LASIE Annual Meeting and Workers' Compensation Conference

October 17-19 in Lake Charles, LA

Texas Nonsubscriber Conference

October 18-19 in Dallas, TX

Vermont Department of Labor Workers' Comp Conference

October 18-19 in Burlington, VT
www.labor.vermont.gov

Arkansas Workers' Compensation Commission Educational Conference

October 30-31 in Little Rock, AR
myMatrixx will be in Booth #9
www.awcc.state.ar.us



Contact Us:

877-804-4900
mymatrixx.com

P.O. Box 274070
Tampa, FL 33688

Questions? Feedback?

We are always looking to better our programs and services. If you have a question or comment, please send your valued feedback via **this email:** accountmanagement@mymatrixx.com

