

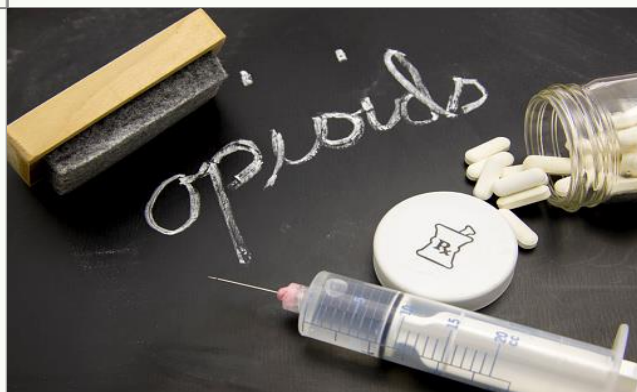
Opioid Epidemic: A National Public Health Emergency



Opioid Epidemic: A National Public Health Emergency

More than **64,000**
Americans died from
drug overdoses in
2016

US makes up **5%** of the
world's population, but
consumes **80%** of the
global opioid supply

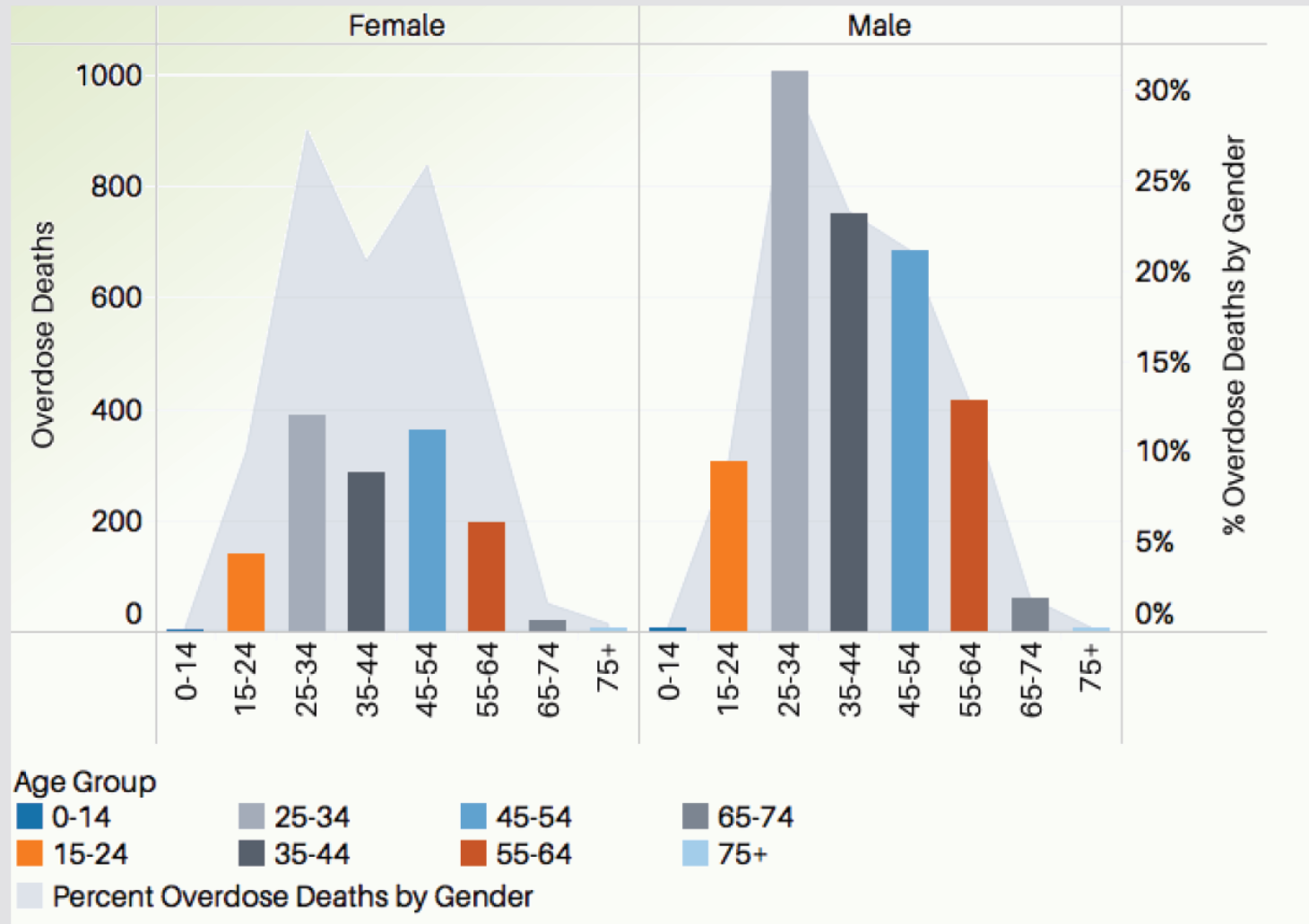


80% of people who
use heroin first
misused prescription
opioids

Each day in the US,
over **144 people** die as
a result of a drug
overdose

Epidemic Does Not Discriminate by Age or Gender

(U) Figure 15: Gender and Age of Drug-Related Overdose Decedents, Pennsylvania, 2016



Source: Pennsylvania Coroner/Medical Examiner Data

Types of Opioids



Morphine

The first opiate, derived from the poppy plant



Oxycodone

Typically at 1.5x the strength of Morphine. It is the opioid that is included in commonly known pills such as OxyContin and Percocet



Codeine

Often used to treat coughs. This drug is frequently abused by mixing with a flavoured drink to create a party punch



Heroin

An opiate (narcotic) drug processed from morphine and extracted from certain poppy plants. . It comes in a white powder, brownish powder or a black sticky substance known as 'black tar heroin'



Fentanyl

This opioid is 50x-100x more potent than morphine. This drug is commonly laced in street opioids and causing the increase in opioid overdose deaths



Carfentanil

10,000x the strength of morphine. It is used as an elephant sedative, but it is beginning to be used to be mixed with Heroin

Deadly Combinations

63[%]

Of Overdoses in Allegheny County were from Fentanyl

To stretch their product and lower the cost, dealers are lacing heroin and other drugs (such as marijuana, opioids, cocaine and MDMA) with Fentanyl, a powerful opioid often used for end-of-life pain relief. Fentanyl is 25-50 times stronger than heroin

25^X

The Recommended Dosage of Codeine can be Found in "Purple Drank"

Mixture of prescription cold medication with a soda drink (Sprite or Mountain Dew). This combination has a sedative effect and creates a "swooning euphoria" that can result in overdose and death

170^K

Pills per minute can be generated by Pill Presses

Pill presses, which can easily be bought online, allow someone to take powder and press it into a pill that looks like Xanax, oxycodone, etc. You may think you're ingesting a legitimate painkiller, but it could be a counterfeit pill that contains Fentanyl

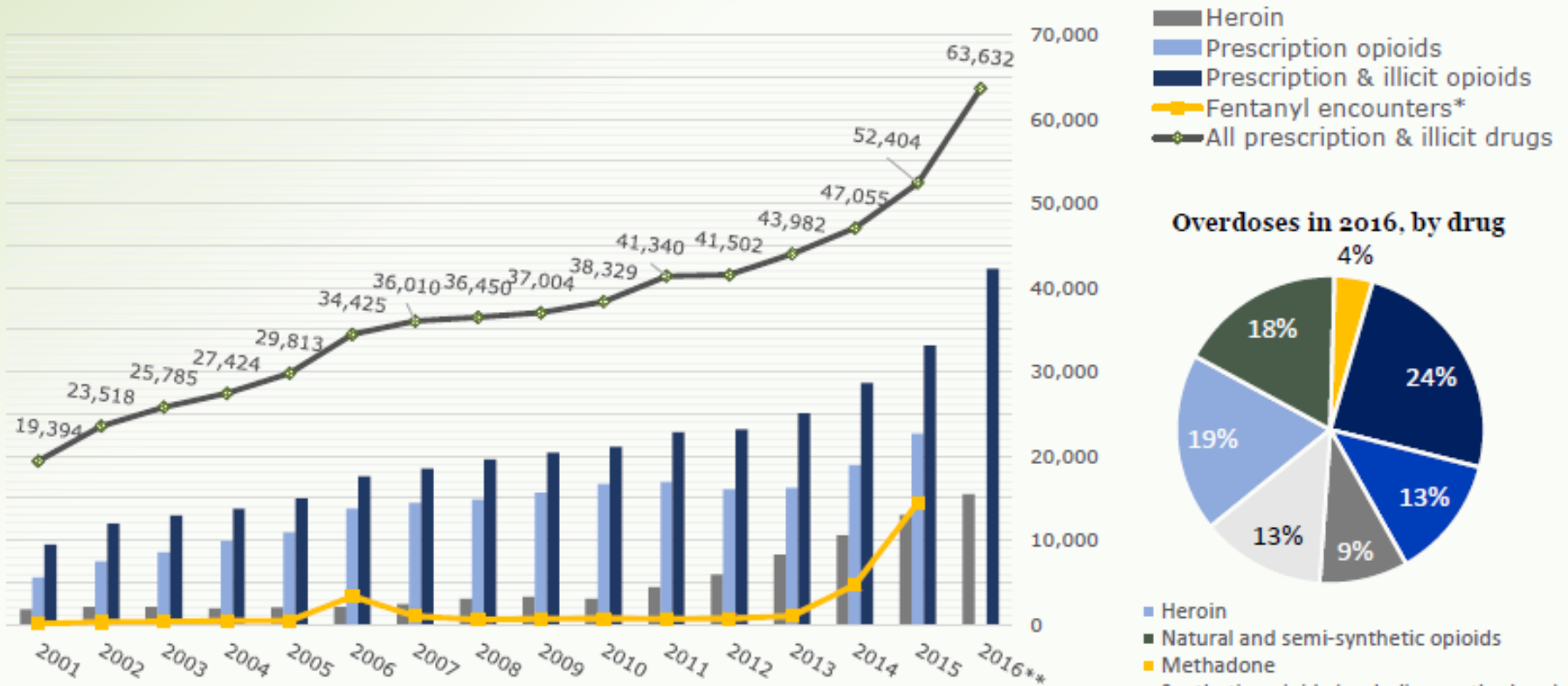


PHOTO SOURCE: Tennessee Bureau of Investigation

Fentanyl Driving Increase in Overdoses

Deaths due to fentanyl overdoses have increased by 540% in the past three years, exceeding those due to heroin

A breakdown of drug overdose deaths, by year



* According to the CDC, there is strong evidence of an association between reported fentanyl encounters and fentanyl-involved overdose deaths

** Drug overdose data due to prescription drugs and fentanyl encounters is not currently available for 2016.



What is the Impact of The Opioid Epidemic?

Opioids Impact to the Labor Participation Rates

Percentage of labor participation
Ages 16 and over, Jan 2007-Aug 2017



\$25.6 Billion in costs are estimated to have been incurred to the workplace, in the form of lost earnings and employment

Sources: Bureau of Labor Statistics, "Labor Force Statistics from the Current Population Survey," U.S. Department of Labor, September 11, 2017.

Overall Cost of the Opioid Epidemic

Altarum analysis

In billions of USD

\$250.0

A recent report published by Altarum, a health care research organization, estimated the cost for 2016 to be around \$95 billion

The report estimates the economic toll of the crisis since 2001 has exceeded \$1 trillion and predicts that it will cost another \$500 billion by 2020

\$200.0

\$150.0

\$100.0

\$50.0

\$0.0

2001

2006

2011

2016

2020

\$29.1

\$48.7


\$60.9

\$95.8

\$199.9

Projected burden
at current rates

Sources: German Lopez, "White House: one year of the opioid epidemic cost the US economy more than \$500 billion," Vox, November 20, 2017; The Council of Economic Advisers, "The Underestimated Cost of the Opioid Crisis," November 2017.



What Fraud, Waste and Abuse Schemes Are Driving the Costs?

Opioid Related Fraud, Waste & Abuse Schemes

Pain Cream Scheme

Members are contacted by marketing company, they provide their insurance information and receive packages for pain creams without seeking treatment from a physician

Over Prescribing Physicians

Monitor for inappropriate Opioid prescribing habits

Urine Drug Tests

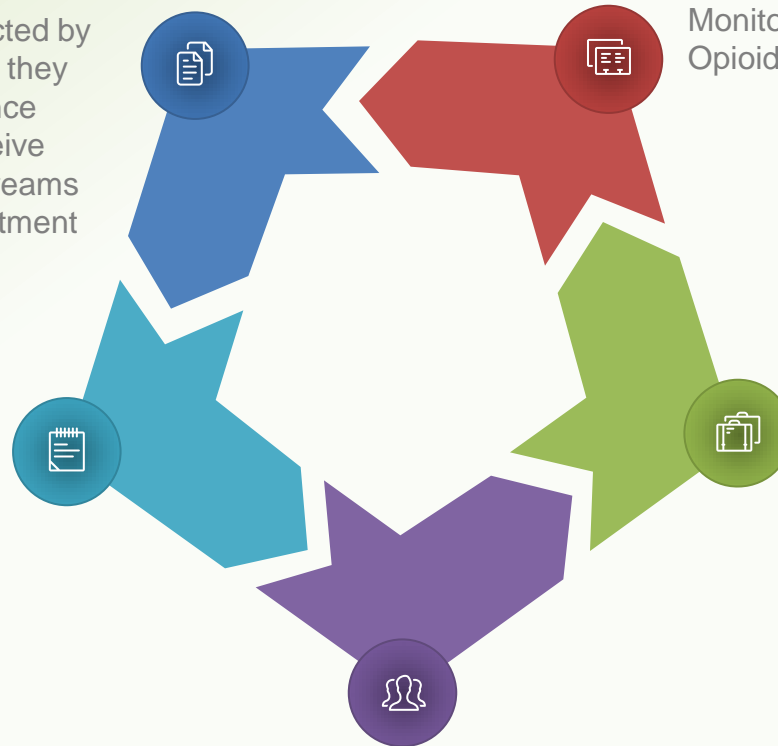
Often referred to as 'liquid gold' because labs run urine drug screen tests at unreasonable quantities and complexities

Sober Treatment Facilities

Facilities utilize body brokers to recruit addicts and then provide inadequate services to actually address the member's need

Fraudulent ACA Enrollment

Body Brokers recruit addicts and enroll them in ACA coverage using fraudulent enrollment information like fake addresses, etc.





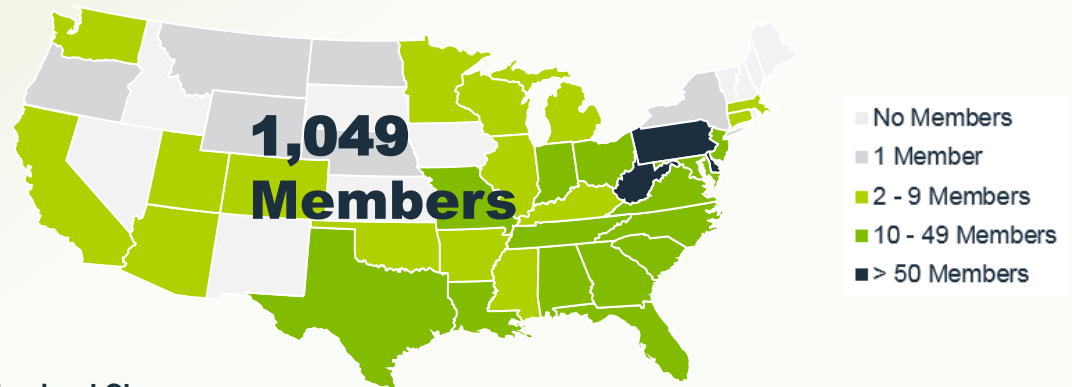
Additional Steps to Address the Epidemic

Additional Highmark Initiatives to Limit Opioid Abuse

- Limiting prescriptions for opiates to 7 days or less on new prescriptions
- Partnered with Axial to monitor provider prescribing habits
- Cover Medication Assisted Therapy and Clinics such as Methadone



Designated Pharmacy Program



The Designated Pharmacy Program (DPP) focuses on:

- Improving member's coordination of care through the oversight of one pharmacy
- Decreasing medical and pharmacy costs
- Minimizing fraud, waste, and abuse

Behavioral Changes:



65,594

Fewer prescriptions for controlled substances



17,311

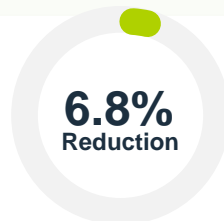
Fewer Emergency Department & Urgent Care Visits



31,556

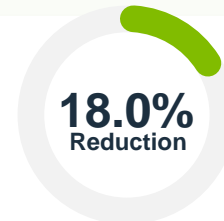
Fewer pharmacies used

Reduction by Dosage Form (all CSA Schedule II – V):



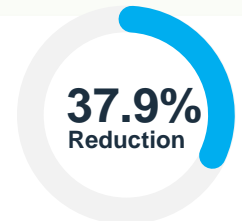
399 ea.

Fewer patches*



44,929 mL

Less liquid medications



310,122 ea.

Fewer pills/capsules.

*There was a 4.4% increase in films & sublinguals indicating a positive correlation to members taking more medication indicated for the treatment of opioid dependence. These medications also come in patch form.

Educational Approach on Combatting the Opioid Epidemic



Goal

- Partner with the DEA, AHN and Gateway to conduct education sessions on the Opioid Epidemic with ASO customers, starting with school districts within or near Allegheny County
- Education initiative is focused on educating the community on the scope of the epidemic, focus on removing the stigma of addiction, and highlight the vulnerabilities surrounding the epidemic along with ways to get help



Achievements

- More than 4,000 students / faculty have attended to date
 - ✓ Butler: Junior High and Senior High Students and Faculty
 - ✓ New Castle: Elementary, Junior High and Senior High Students and All Faculty
 - ✓ Ferndale: Elementary, Junior High and Senior High Students and All Faculty



Results

- Post presentation survey results show attendees scored that they had a stronger, increased awareness around the scope, risk and ways to address the opioid addiction



Next Steps

- Expand the scope of schools into additional territories

Committed to Making Healthcare More Affordable, Protecting Our Customers and Impacting Our Communities

Through formal partnerships with federal law enforcement agencies....

““ Pittsburgh Doctor and His Employee Charged with Illegal Rx Drug Distribution, Health Care Fraud ””

Article Title
Justice.gov

““ Doctor in 'pill mill' practice gave out drugs that led to fatal ODs ””

Article Title
Pennlive.com

““ Former physician Richard Rydze sentenced to 10 years in prison for illegally distributing anabolic steroids, HGH, oxycodone and OxyContin ””

Article Title
Justice.gov



April, 2017 Department of Justice

A former Penn Hills doctor has been sentenced to five years in federal prison for illegally prescribing drugs and defrauding insurance companies. Dr. Brent E. Clark was guilty of illegal distribution of oxycodone and amphetamine and health care fraud. Clark was ordered to pay nearly \$226,000 in restitution and \$51,000 in fines.

October, 2017 Penn Live

Dr. A. Zielke is the sole practitioner with Medical Frontiers LLC, a multi-specialty provider with a focus on pain management. FIPR provided information to LE regarding Zielke's medical and prescription claims. In October 2017, Zielke was indicted on 14 counts for dispensing opioids without examining patients and for illegitimate medical purposes.

March, 2018 Department of Justice

Former Pittsburgh Steelers doctor Richard Rydze was found guilty of conspiring to illegally distribute anabolic steroids, human growth hormone and narcotic painkillers. A federal court jury convicted Mr. Rydze on all 180 counts against him and was sentenced to pay \$32,390 in restitution.

June, 2017 Drug Enforcement Administration (DEA)

The Drug Enforcement Administration (DEA) **honored FIPR with an award for outstanding contribution and performance in assisting during narcotic investigations.** The award was presented during a ceremony at the U.S. Federal Courthouse in Pittsburgh.

Questions?

