# Table of Contents

Part One: Evaluating retail and mail-order prescriptions ..................................................3
Part Two: Evaluating in-network and out-of-network trends..............................................7
Part Three: Evaluating opioids ..........................................................................................10
Part Four: High impact drug classes ..................................................................................13
PART 1
EVALUATING RETAIL AND MAIL-ORDER PRESCRIPTIONS

Following several years of declining trends in volume and costs, we saw a slight upward shift through retail and mail-order channels.

Overall prescription trends saw a slight increase in 2019

- Utilization per claim up 0.8%
- Cost per claim up 1.0%

Of the top 10 therapeutic classes ranked by cost in 2019:

9 of the top 10 classes experienced increased utilization per claim, but only 4 classes by more than 3%

The largest utilization increases were within the hematological class at 13.0%, followed by the dermatological/topical class at 11.2%
Opioid alternative prescriptions per claim saw increased utilization

- Anticonvulsants up 3.2%
- Antidepressants up 4.5%
- NSAIDs up 0.4%

**Utilization**

Utilization per claim down 9.9%

- Down 17.5% in 2018

**Cost**

Cost per claim down 11.6%

- Down 21.8% in 2018

**OPIOID USAGE**

Opioid usage continued to decline through 2019 simultaneous with opioid alternative prescription increases

**MORPHINE EQUIVALENT DOSE (MED)**

Average MED experienced year-over-year decreases of at least 5% for the 4th consecutive year

Average MED per prescription down 7.0%

Continuous declines over the last 5 years

*MED 90 and above

**Utilization per claim**

- Down 17.5% in 2018

**Cost per claim**

- Down 21.8% in 2018

**Average MED per prescription**

- Down 7.0%

2019 showed the largest decrease in the percentage of opioid prescriptions with high MED* in the last 5 years

Opioid prescriptions with high MED* down 12.9%

**Opioid Usage**

Opioid usage continued to decline through 2019 simultaneous with opioid alternative prescription increases

- Opioid prescriptions with high MED* down 12.9%
- Continuous declines over the last 5 years
- Average MED per prescription down 7.0%
- Cost per claim down 11.6%
- Down 21.8% in 2018
- Down 17.5% in 2018
- **MORPHINE EQUIVALENT DOSE (MED)**
- Average MED experienced year-over-year decreases of at least 5% for the 4th consecutive year

**Anticonvulsants**

- Up 3.2%

**Antidepressants**

- Up 4.5%

**NSAIDs**

- Up 0.4%
**HIV medications** showed a significant increase in 2019.

Cost per claim for HIV meds up **50.9%**

This directly contributed to the rise in overall prescription trends.

HIV medications, commonly used as a preventative measure following needle-stick injuries, showed the largest ($) increase in cost per claim across all therapeutic classes.

Oxervate™, a biologic orphan drug newly-approved by the FDA in 2018 to treat a rare eye disorder affecting the cornea, was prescribed 20 times in 2019 with an overall cost of almost $300,000.

*2018 values have been revised to reflect updated specialty drug list including additional NDC, HCPCS, and CPT identifiers.

**AVERAGE WHOLESALE PRICE (AWP)**

**AWP** increased **1.8%**

- Down from a 3.0% increase in 2018
- The largest difference in AWP within the top 5 therapeutic classes by brand costs was reflected in the anti-convulsant class likely driven by the launch of generic Lyrica®

**Anti-convulsant brand AWP** increased **5.3%**

- Down from a 12.3% increase in 2018

**Generic AWP** decreased **0.3%**

- 2018 decrease was 1.2%

**Brand AWP** increased **5.4%**

- 2018 increase was 9.3%
**TOP THERAPEUTIC CLASSES BY NUMBER OF PRESCRIPTIONS**

Opioid prescriptions were down, but opioids remain #1

Prescriptions for all other classes were up. These 5 classes + opioids represent the majority of total scripts at 71.6%

The top 6 classes remain consistent with 2018.

---

**Claims less than 2 years of age**

NSAIDs, muscle relaxants, and topicals are used more often for the treatment of injuries during the early stages of the claim.

**Claims 2 years or older**

Opioids, anticonvulsants, and antidepressants are used more frequently for injuries two years and beyond.

Other classes represented in the top 10 include cardiovascular, anti-infective agents, and others typically prescribed to manage side effects from drugs in the top 6.
PART 2
EVALUATING IN-NETWORK AND OUT-OF-NETWORK TRENDS

In part two of our series we’ll provide analysis on the trends experienced within our combined in- and out-of-network channels to address the total view of prescription activity.

BREAKING DOWN IN-NETWORK AND OUT-OF-NETWORK PRESCRIPTIONS

2019 retail, mail-order, and extended network prescriptions

- Total utilization: 69.7%
- Total cost: 73.7%

Total out-of-network prescription utilization 30.3%
Up from 29.0% in 2018

Total out-of-network prescription cost 26.3%
Up from 24.1% in 2018

Scripts per claim down 0.2%

Cost per script up 2.6%

Cost per claim up 2.4%

Generic efficiency increased 0.3% pts. from 96.0% to 96.3%

Generic utilization increased 1.5% pt. from 86.4% to 87.9% of all prescriptions

KEY TREND CHANGES FOR ALL CLASSES
7 of the top 10 therapeutic classes by cost were also in the top 10 for utilization

<table>
<thead>
<tr>
<th>TOP 10 THERAPEUTIC CLASSES BY COST</th>
<th>The top 10 classes accounted for:</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Opioids*</td>
<td>Total scripts 76.8%</td>
</tr>
<tr>
<td>2 Topicals*</td>
<td>Total cost 79.6%</td>
</tr>
<tr>
<td>3 Anti-convulsants*</td>
<td></td>
</tr>
<tr>
<td>4 NSAIDs*</td>
<td></td>
</tr>
<tr>
<td>5 Muscle Relaxants*</td>
<td></td>
</tr>
<tr>
<td>6 Antidepressants, Non-TCA*</td>
<td></td>
</tr>
<tr>
<td>7 Antiulcer*</td>
<td></td>
</tr>
<tr>
<td>8 Antiemetics</td>
<td></td>
</tr>
<tr>
<td>9 Gastrointestinal Agents</td>
<td></td>
</tr>
<tr>
<td>10 Hematological Medications</td>
<td></td>
</tr>
</tbody>
</table>

*Ranked in the top 10 by cost and utilization

Anticonvulsants experienced an increase in utilization driven primarily by gabapentin coupled with decreasing costs due, in part, to the release of Lyrica®’s generic, pregabalin

- Anticonvulsants
  - Cost per script up 1.7%
  - Scripts per claim down 0.9%

Hematological medications were the only new class to come into the top 10 in 2019, rising from the #14 position in 2018

- Hematological Medications
  - Cost per claim up 0.8%
  - Cost per script up 1.7%
  - Scripts per claim down 0.9%

Opioids were the only therapeutic class of the top 10 that experienced decreased utilization and cost per claim
Opioid trends saw decreases across the board from 2018-2019.

The continued decline in opioid use led to an increasing share of utilization among the other therapeutic classes making up the top 5.

The usage of opioids within more mature claims (2 years or older) trended downward with a corresponding increase in use of NSAIDs and topicals.

**OPIOID TRENDS**

- **Scripts per claim down 10.3%**
- **Cost per script down 1.1%**
- **Cost per claim down 11.3%**

**IMPACT OF DECLINING OPIOIDS ON TOP THERAPEUTIC CLASSES**

**Percentage Point Change from 2018 – 2019**

- **Percentage of Total Scripts**
  - Topicals up 0.5%
  - Anticonvulsants up 0.3%
  - NSAIDs up 0.1%
  - Muscle Relaxants up 0.2%

- **Percentage of Total Cost**
  - Topicals up 0.7%
  - Anticonvulsants down 0.3%
  - NSAIDs flat at 0.0%
  - Muscle Relaxants up 0.3%

**TOP THERAPEUTIC CLASSES BY CLAIM AGE**

**Claims less than 2 years of age**

- NSAIDs, muscle relaxants, steroids, anti-infective, and non-opioid analgesics were used more often for the treatment of injuries during the early stages of the claim.

**Claims 2 years or older**

- Short-acting opioids, anticonvulsants, antidepressants, and sustained-release opioids were used more frequently for injuries two years and beyond.
PART 3
EVALUATING OPIOIDS

Opioids continue to represent a decreasing proportion of overall scripts and costs with favorable trends seen in important markers such as morphine equivalent dose (MED), duration of use, and access to guideline-supported measures including medication-assisted treatment (MAT) and overdose rescue medication (naloxone).

**OPIOID PRESCRIPTION UTILIZATION AND COST TRENDS***

<table>
<thead>
<tr>
<th>Opioid Script Volume</th>
<th>Opioid Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>18.8%</td>
<td>16.7%</td>
</tr>
</tbody>
</table>

Down from 21.0% in 2018
Down from 19.3% in 2018

*The inclusion of out-of-network specialty HCPCS in the total script count and costs has adjusted the percentage of opioids previously reported in Drug Trends Part 2

While opioids continue to decline as a percentage of total script volume and costs, it remains essential to promote evidence-based risk management strategies.
The number of injured workers using opioids has continued to decline for 6 consecutive years (down 3.2% pts. in 2019)

Opioid script utilization has fallen at least 10% each year for the last 5 years

First Script has continuously reduced MED over the last 9 years, with a 26.8% decrease in average daily MED per script over the last 5 years (from 2014-2019)

*Receiving consistent daily MED of at least 90 milligrams for 90 days or more
There were fewer opioid claims using MAT in 2019; however, of those claims, MAT scripts increased 14.3%.

**Opioid overdose reversal agent**

Naloxone** trend
4.2% of opioid claims with MED>50 received naloxone, more than doubling the number from 2018 (1.8%)

Overall opioid scripts with high MED*
12.9% decline from 2018
33.5% drop since 2014

Percentage decrease, 2019
- 20%–25%
- 10%–20%
- 5%–10%
- <5%
- >10% for 2 consecutive years

MEDICATION-ASSISTED TREATMENT (MAT) AND NALOXONE

Buprenorphine and methadone trends*
- Scripts increased 1.0%
- Costs increased 1.7%

There were fewer opioid claims using MAT in 2019; however, of those claims, MAT scripts increased 14.3%

3 of the states with the largest decrease implemented jurisdictional rules related to opioids in 2018
OK & NC applied opioid prescribing limits mid- to late 2018
CA rolled out a state formulary in January 2018

*Scripts with an average daily MED of at least 90 milligrams
PART 4
HIGH IMPACT DRUG CLASSES

Categories such as topicals, compound kits, combo packs, and specialty medications represent proportionately low utilization. However, they can be associated with exponentially significant costs. Recognizing the trends related to such cost drivers can help promote clinically-appropriate savings.

**HIGH IMPACT DRUG CLASSES BY COST**

<table>
<thead>
<tr>
<th>Category</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Topicals</td>
<td>15.9%</td>
</tr>
<tr>
<td>Compounds</td>
<td>0.9%</td>
</tr>
<tr>
<td>Specialty</td>
<td>7.9%</td>
</tr>
<tr>
<td>Opioids</td>
<td>16.7%</td>
</tr>
<tr>
<td>All other classes</td>
<td>58.6%</td>
</tr>
</tbody>
</table>

*Includes out-of-network specialty HCPCS codes resulting in slight differences for the topical category reported in Drug Trends Part 2

**HIGH IMPACT DRUG CLASSES BY VOLUME**

<table>
<thead>
<tr>
<th>Category</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Topicals</td>
<td>5.7%</td>
</tr>
<tr>
<td>Compounds</td>
<td>0.2%</td>
</tr>
<tr>
<td>Specialty</td>
<td>1.9%</td>
</tr>
<tr>
<td>Opioids</td>
<td>18.8%</td>
</tr>
<tr>
<td>All other classes</td>
<td>73.3%</td>
</tr>
</tbody>
</table>

*Includes out-of-network specialty HCPCS codes resulting in slight differences for the topical category reported in Drug Trends Part 2

As usage of opioids and compounds continued to decrease, topicals and specialty medications accounted for a slightly larger share in 2019
Over the last four years, the cost of topical medications per claim has been declining; however, an increase in the number of injured workers using topical medications combined with a rise in topical utilization per claim drove up topical costs in 2019.

**Prescription (Rx)**
- 8% of injured workers are using topical Rx analgesics (such as NSAIDs & lidocaine)
- 21.5% increase from 2018
- 3.7% of all scripts
  - 19.3% increase from 2018
- 63.6% of topical scripts
  - 9.1% increase from 2018

**Private Label (PLTA)**
- 1.3% of injured workers are using a PLTA (such as Velma & Lidopro®)
- 3.4% decrease from 2018
- 0.7% of all scripts
  - 7.2% decrease from 2018
- 11.6% of topical scripts
  - 15.2% decrease from 2018
The increasing utilization of Rx topicals led to rising costs, both overall and per claim; however, the continued decrease in PLTA usage in 2019 offset increases in cost per script resulting in overall lower costs.
The high cost of combo packs, averaging $1,841 per script in 2019, are cause for concern regardless of the small volume of total scripts they represent; on a positive note, the <0.5% increase in cost per claim was less than the prior year and reflects a decline in usage.

*Fixed combination and co-packaged drugs and non-drug items combined into one saleable unit.

4 of the top 5 specialty disease conditions by cost had double-digit increases in cost per claim from 2018-2019.

Specialty drugs are typically used to manage complex, chronic conditions with significant costs.

4% of all claims use specialty drugs.

16.4% increase from 2018.

*Includes out-of-network specialty HCPS codes which were excluded in Drug Trends 2.
Methodology
This piece is based on all 2019 calendar-year retail and mail-order transactions billed through our Pharmacy Benefit Management (PBM) program, First Script.

Aggregate trends were based upon clients where both in-network (retail/mail-order and extended networks) and out-of-network bill review prescriptions were available for analysis. Including this client base allows for the most accurate representation of the overall trend experience.

Updated NDC lists were applied to specialty, PLTA, compound kit, and combo pack categories for 2019 and all previous years reflecting product changes (e.g., discontinuation/inactive status).

Morphine equivalent dosing (MED) statistics were based entirely on retail and mail-order transactions through First Script where consistent day supply values were available.

About First Script
First Script is the Pharmacy Benefit and Drug Utilization Management Program offered as part of the Coventry suite of products. The role of a work comp PBM has evolved in response to new dispensing practices, medications, regulations, and overall health care reform. This shift has moved from management of price alone to a greater focus on utilization controls and an increasing demand for better outcomes and improvements in total cost. First Script considers pharmacy transactions from all available dispensing and billing sources through comprehensive data integration that allows for the application of price and utilization pharmacy management tools. Our Clinical Intervention Model impacts overall cost and outcomes through program integration and collaboration with providers.

About Coventry
Coventry offers workers’ compensation, auto, and disability care-management and cost-containment solutions for employers, insurance carriers, and third-party administrators. With roots in both clinical and network services, Coventry leverages more than 40 years of industry experience, knowledge, and data analytics. Our mission is to return people to work, to play, and to life. And our care-management and cost-containment solutions do just that. Our networks, clinical solutions, specialty programs, and business tools will help you focus on total outcomes.

Acronyms
AWP: Average Wholesale Price
HCPCS: Healthcare Common Procedure Coding System
MAT: Medication-Assisted Treatment
MED: Morphine Equivalent Dose
NSAIDs: Nonsteroidal Anti-inflammatory Drugs
OON: Out-of-network
PLTA: Private Label Topical Analgesics

Published: October 2020

For more information, contact us at 800.790.8662
info@cvty.com