

Staying ahead of the curve:

How Optum Workers' Comp
and Auto No-Fault helps payers
navigate new drug impact

Tron Emptage, MA, RPh, Chief Clinical Officer
Adam Lefler, PharmD, Lead Pharmacist, Formulary Management



Historically, the FDA approves dozens of new medications each year. Some are groundbreaking therapies for rare diseases; others are new biosimilars, label expansions of existing products, or long-awaited generics. In the workers' compensation industry, many of these new medications have little to no impact on treatment for injured workers and their claims. However, over time, some of these medications begin appearing in utilization, shifting treatment patterns and creating ripple effects in costs.

For workers' compensation payers, the question is never simply "What new products have come to market?" The important concerns involve understanding which of these new medications will begin to impact claims, when that will begin, and how to manage the utilization to effectively prevent disruptions or escalations in the overall treatment plan.

The challenge: *A slow-moving system meets a fast-moving pipeline*

Workers' compensation operates at a unique intersection of healthcare best practices and regulatory oversight. While commercial pharmacy plans can quickly revise formularies or launch large-scale interventions across their health plans, workers' comp payers operate under tighter constraints, such as state-specific mandates, fee schedules, formularies, and utilization review requirements — not to mention claim adjudication rules and policies. These structural elements often cannot and do not pivot quickly.

Yet, new medications enter the market in a constant stream, even though they may not arrive with equal fanfare and marketing presence. Some — especially first-time generics, reformulations, or drugs with expanded label indications — are introduced quietly and gradually build volume in the workers' comp space. Others may come with high unit costs or clinical use ambiguity for workplace or auto injuries. These factors can lead to compensability questions and confusion, as well as point-of-sale friction and unanticipated claim costs.



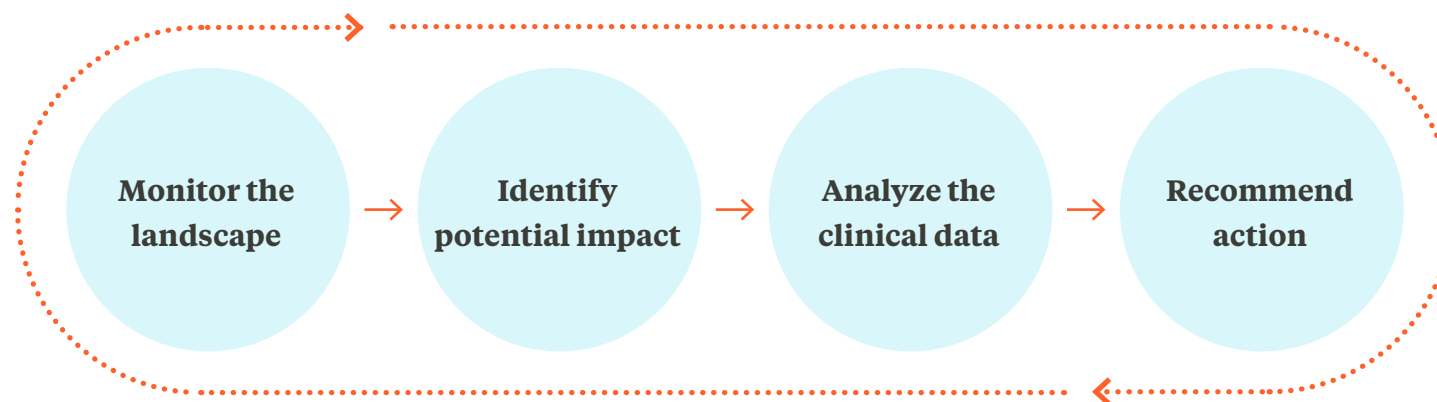
The solution: *A multi-channel, continuous approach to medication monitoring and consultation*

Approval of medication on a claim, whether new to the market or not, can result in significant costs and sometimes treatment concerns for injured workers. That makes early detection of new medications and proactive clinical coordination essential to effective claims management.

At Optum Workers' Compensation and Auto No-Fault, our clinical and regulatory teams use multiple, complementary channels to monitor the evolving pharmacy landscape and gather meaningful insight for workers' comp payers and the injured workers we serve. The vital insights obtained

from clinical and regulatory reviews allow for the early detection of emerging risks. They also enable our team to ask impactful clinical questions, engage with clinicians on appropriate treatment regimens, use analytics and artificial intelligence (AI) to follow utilization, and take appropriate action before medication-related spend increases and point-of-sale delays occur.

Our interconnected strategies include Pharmacy & Therapeutics Committee meetings, drug pipeline surveillance, and utilization monitoring.



Establishing expert consensus: *P&T Committee reviews*

The Optum Workers' Comp and Auto No-Fault Pharmacy and Therapeutics (P&T) Committee conducts structured reviews of recent FDA approvals, new generic availability, label expansions, and updated clinical guidelines. These meetings prioritize new medications and expanded indications with the greatest relevance to workers' compensation — especially in terms of compensability and specific diagnoses associated with those claims. The goal is not to simply catalog every new product receiving FDA approval, but rather to identify which of these medications may become interlinked with high-frequency injury types, common comorbidities, or behavioral health needs experienced within the injured worker population. After the medications have been reviewed, Optum makes the necessary clinical and regulatory updates across our systems to adjudicate them as deemed appropriate.



Checking the horizon: *Enterprise pipeline surveillance tailored for injuries and occupational exposures*

Leveraging commercial drug intelligence gathered by our parent company, Optum Rx, we monitor reports on pipeline medications, market-shaping therapies, biosimilars, upcoming Prescription Drug User Fee Act (PDUFA) dates, and additional resources. While we are clear-eyed about the

distinct differences between workers' comp and auto no-fault claims as opposed to commercial claims, that does not mean the two pipelines do not intersect. Our clinical team takes pride in fulfilling the challenge to thoroughly analyze this overlap, as illustrated by the following questions:

1

Is a new antidepressant likely to appear on PTSD-related claims?

2

Is a novel NSAID being prescribed more frequently by orthopedic specialists?

3

Is a new formulation or route of administration appealing to injured workers?

Letting the data speak: *Utilization monitoring*

Utilization and trends analysis is pivotal for the successful management of claims, formularies, and escalating costs. We continuously track pharmacy fill volumes through time-based analysis such as quarter-over-quarter and year-over-year reports. In many cases, trends we discover have emerged discreetly, such as NDC-level shifts and generic product reclassifications; however, they directly impact formulary design.

These examples underscore the foundational value of accurate, real-time pharmacy transaction data. When correctly applied with focus and intent, it serves as a strategic differentiator. Using predictive analytics and customized payer engagement, we can distinguish between random, sporadic fluctuations and impactful, actionable trends.



Moving from awareness to strategy: *Why this matters more than ever*

Workers' compensation stakeholders are not short on challenges. Rising costs, staffing shortages, evolving treatment protocols, and changing regulations are already straining resources. Add in a continuous flow of new medications, some of which are clinically irrelevant and others financially disruptive, and the need for structured, strategic pharmacy oversight becomes urgent.

Our organization is poised to fill that need and embraces our mission to address those challenges. By combining clinical vigilance, claims data, and strategy, Optum Workers' Comp and Auto No-Fault helps payers answer three essential questions for successful workers' comp claims management:

1

Which new medications are worth monitoring?

2

Are any already making their way into workers' comp claims?

3

How should we best respond, both clinically and operationally?

The answers start with knowing which trends are meaningful and which are just noise. Supported by decades of expertise in this industry, an unyielding commitment to the health of injured workers, and a dedication to our clients' business success, we enable payers to make that distinction.