



AmTrust
FINANCIAL

2019



AMTRUST OPIOID PRESCRIPTION RISK REPORT

Improving chronic pain outcomes by
reducing opioid prescriptions

www.amtrustfinancial.com/opioids



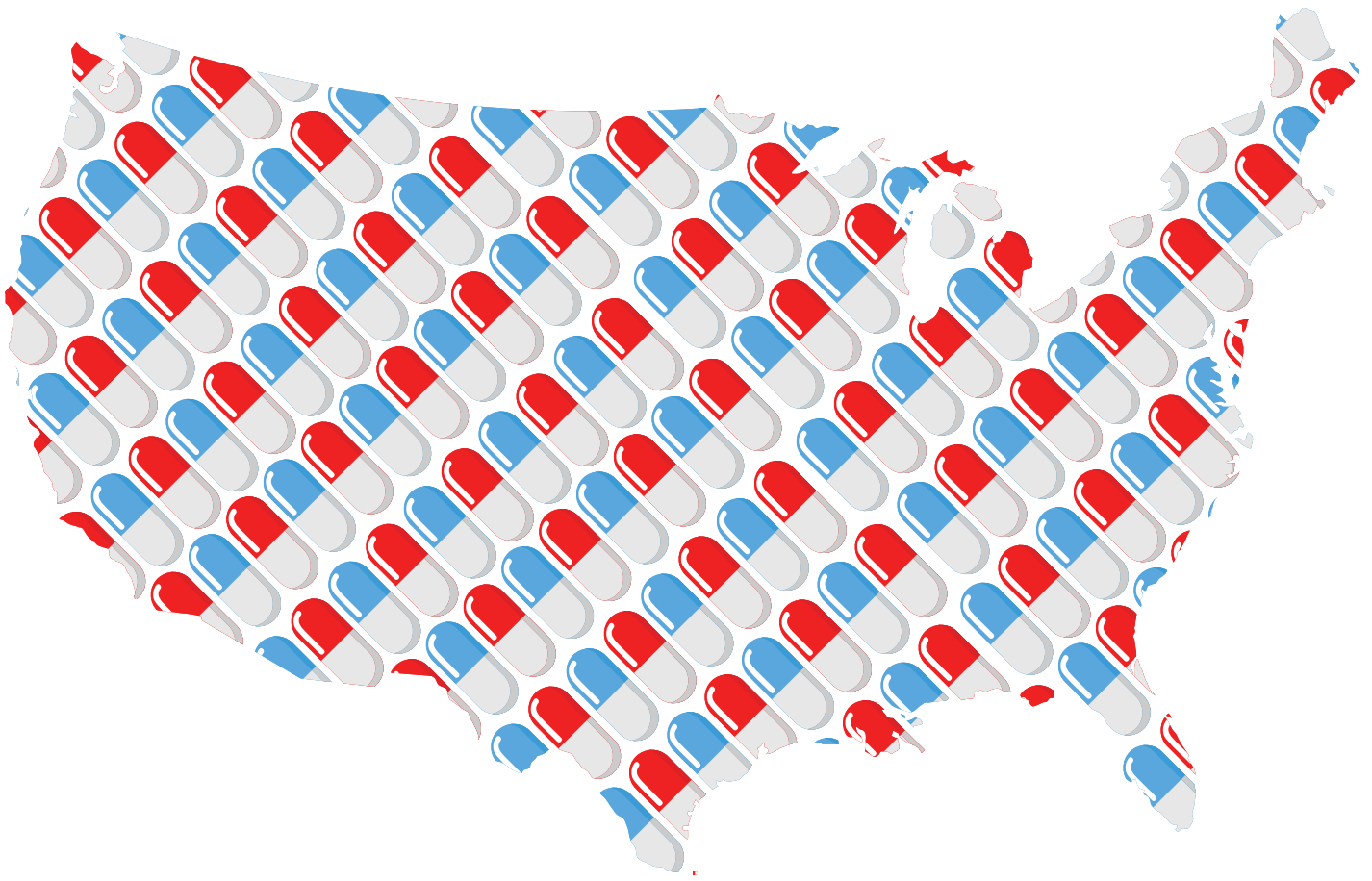
How a workers' comp insurer cut **13,000 opioid prescriptions** in 6 months

Starting in mid-2018, AmTrust, a leading U.S. workers' comp insurer, partnered with Optum Workers' Comp and Auto No-Fault, a pharmacy care management company, to implement processes that greatly reduced overall opioid prescriptions for injured employees. Opioid prescriptions that may be unsafe or unnecessary are flagged and sent to nurses for review, reducing the percentage of prescription claims that include opioids from 60 percent in Q4 of 2017 to just 25 percent in Q4 of 2018 – resulting in 13,000 less opioid prescriptions over the last six months of 2018.

This partnership is decreasing the number of opioids in the system, allowing injured employees to return to work as soon as medically appropriate and cutting out a potential first step towards opioid dependency.

Learn how AmTrust's "care management" approach, combined with a deep workers' comp expertise, is helping reduce opioid prescriptions and addressing a quickly-growing societal issue across the U.S.





Chronic pain affects more than

100 Million Americans
and millions more worldwide

“Every day 130 individuals die from an opioid overdose, but what does this mean to workers’ compensation? Studies show that injured employees that are prescribed longer-term opioids take longer to return to work, and those that take opioids for more than three months are less likely to ever return to work. At AmTrust, we are doing our part to change that narrative. Our adjusters are partnering with licensed nurses at Optum to review prescriptions to determine if medications are safe and necessary to ensure appropriate medication management for our injured employees.”

- **Dr. Melissa Burke**
Head of Managed Care and Clinical
AmTrust Financial

Addressing the Opioid Epidemic

AmTrust partners with Optum Workers' Comp and reduces opioid prescriptions for workers' comp claims

The opioid crisis continues to plague America, with [recent data suggesting](#) a person is more likely to die from an accidental opioid overdose than a car crash. AmTrust partnered with Optum, a prescription management company, to implement processes that reduce overall opioid prescriptions to our insured's injured employees.

This initiative, started in mid-2018, delivered immediate impact in reducing the volume and duration of prescriptions issued to the insured's injured employees. AmTrust saw a drastic reduction in the percentage of prescription claims with opioids, dropping from almost 60 percent to just under 25 percent in Q4 year over year and a reduction of more than half in the average days' supply per claimant. In this report, we'll take a closer look at:

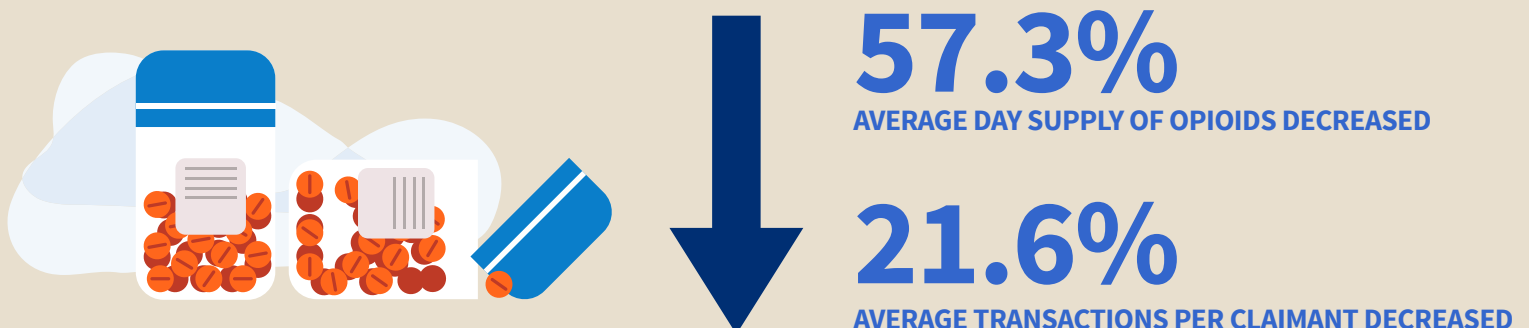
- The rise of the opioid epidemic
- The effects of the opioid epidemic on the workers' compensation space
- The proactive approach AmTrust has taken by partnering with Optum
- Why AmTrust's partnership with Optum makes us different from other work comp carriers
- Safer, alternative treatments to opioids



AmTrust has seen a drastic reduction in the percentage of prescription opioid claims over one year since the inception of the program



The results showed other improvements too, with decreases in the amount of total prescriptions and supply:



Epidemic Growth & Evolution

The rise of the opioid epidemic

According to the CDC, the rise in opioid overdose deaths took place in three distinct waves. In the 1990s, opioid prescriptions increased, leading to the first wave of opioid overdose deaths from natural and semi-synthetic opioids and methadone. The second wave began in 2010, with a rise in overdose deaths involving heroin. In 2013, the third wave of overdose deaths began, involving an increased number of deaths from synthetic opioids like fentanyl.



Wave 3 - 2013

INCREASED NUMBER OF DEATHS FROM SYNTHETIC OPIOIDS LIKE FENTANYL



Wave 2 - 2010

RISE IN OVERDOSE DEATHS INVOLVING HEROIN



Wave 1 - 1999

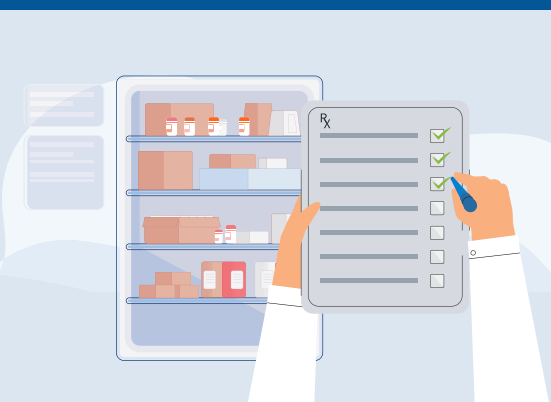
OPIOIDS ARE PRESCRIBED IN INCREASING NUMBERS



How Dangerous?

“Overdose deaths involving prescription opioids were six times higher in 2017 than in 1999, according to the CDC. The best course of action is to not let that injured employee start with the opioids if a safer option exists, because they often don’t know how dangerous they are.”

Matt Zender
Senior Vice President –
Workers’ Compensation
Strategy
AmTrust Financial



Combating chronic pain

For years, the medications typically used for combating chronic pain have been opioids. Activating opioid receptors on nerve cells, prescription opioids like oxycodone, hydrocodone, codeine and morphine are being used to treat pain linked to everything from low back sprains and migraines to multiple sclerosis and numerous forms of cancer.

The Dangers

The ongoing epidemic



130 a day

On average, 130 Americans die every day from an opioid overdose.



68%

Around 68 percent of the more than 70,000 drug overdose deaths in 2017 involved an opioid.



6X Higher

In 2017, the number of overdose deaths involving opioids was 6 times higher than in 1999.



700,000

From 1999 to 2017, more than 700,000 people have died from a drug overdose.

Many of these deaths from overdoses are the result of opioid medications being prescribed to individuals for everything from post-surgical pain to chronic lower back pain, both common in workers' compensation. Opioid use may lead to addiction which can affect all aspects of the daily lives of the people it touches, from their relationships at home to their performance in the workplace.

"Many workplace injuries lead to chronic pain and the ongoing use of opioids to mask that pain," said Dr. Melissa Burke, Head of Managed Care and Clinical, AmTrust Financial. "Chronic use of opioids may lead to polypharmacy to treat the many side effects associated with opioid use, potentially additional comorbidities, depression, anxiety and of course the risk of overdose."

By focusing on patient safety and well-being, AmTrust has [helped improve injured employee outcomes](#), reduce claim costs and may assist to reduce unnecessary delays in treatment.

Studies collected by the U.S. Department of Labor confirm the dangers of opioid usage:



INJURIES

The National Safety Council (NSC) reports that the Washington State Department of Labor and Industries found that receiving more than a one week supply of opioids or two or more opioid prescriptions soon after an injury doubles a worker's risk of disability at one-year post injury, compared with workers who do not receive opioids.

[Click here to learn more](#)



FEW STUDIES

Very few studies have been conducted that provide evidence to support the long-term benefits of opioid use for chronic pain. See Agency for Healthcare Research and Quality.

[Click here to learn more](#)



LOST TIME

A Workers Compensation Research Institute (WCRI) study of workers with low-back injuries shows those who receive longer-term prescriptions for opioid painkillers take significantly longer to return to work than those who are not prescribed opioids.

[Click here to learn more](#)



SCRIPTS

The National Council on Compensation Insurance (NCCI) data shows that injured workers who were prescribed at least one prescription in 2016 received three times as many opioid prescriptions as the U.S. opioid prescribing rate.

[Click here to learn more](#)

The Impact on Workers' Comp

The connection between workers' compensation claims and opioids

[The opioid crisis has had a huge impact in the workers' compensation space](#), said Matt Zender, Senior Vice President overseeing the workers' compensation product at AmTrust.

The greater prevalence of payments for opioids in workers' comp claims is a direct result of the types of injuries, which are often debilitating and lead to chronic pain. Opioids like fentanyl, oxycodone and morphine have long been the go-to medications for managing pain from traumatic injuries and major surgeries to provide both short- and long-term relief from the injuries sustained as part of a workplace accident. But the chronic use of opioids for pain extending beyond the acute phase has led to many concerns.



From 1999 to 2017, almost

218,000 people died

in the United States from overdoses related to prescription opioids.

Data suggests a link between injured workers and opioid addiction

Zender said AmTrust is doing their part to help combat the problems of opioid usage among workers' compensation claims. "The number of the reforms and the formularies and the controls that are now in place are allowing us to ensure individuals aren't introduced to opioids unless absolutely necessary. Just one script can put someone at risk for addiction."

Data from the [National Council of Compensation Insurance \(NCCI\)](#) shows that injured workers who were issued at least one opioid prescription in 2016 received three times as many opioid prescriptions as the U.S. opioid prescribing rate.

The CDC and National Safety Council data also reveals a link between workers' compensation and opioid addiction:

- In 2016, 44 percent of all workers' compensation claims with prescriptions had at least one prescription for opioids
- As of 2016, 15 percent of workers' compensation claims with at least one prescription for opioids had a date of injury going back six or more years
- Receiving more than a week's supply of opioids – or two or more prescriptions – soon after an injury doubles a worker's risk of disability one year after the injury
- Based on data for low back injuries that kept workers out of work for more than seven days, longer-term workers' compensation opioid prescriptions resulted in longer durations of temporary disability compared with claims with no opioid prescriptions

Industries most affected by the opioid crisis

It's clear that measures need to be taken to address the opioid epidemic and the toll it is taking on both large and small businesses. [Some industries are more affected by the opioid crisis than others](#). These include:



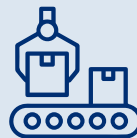
CONSTRUCTION

The construction industry has experienced the brunt of the opioid epidemic, most likely due to the physical nature of the job.



FARMING

Rural America feels the toll of the opioid crisis, with farmworkers and ranchers hit especially hard.



MANUFACTURING

In the next decade, two million manufacturing jobs are expected to go unfilled, as opioid use and a declining workforce have become more prevalent.



NONPROFITS

Nonprofit organizations are tasked with the additional challenges of increased intake volumes as a result of the epidemic – often without corresponding increases in budget or staffing.

A Proactive Approach

Our stance

This hands-on clinical approach is driven by evidence-based and nationally recognized treatment guidelines, including CDC (Centers for Disease Control) and ODG (Official Disability Guidelines).



With the Optum partnership, when a prescription is flagged for prior authorization it is now sent to nurses for review, preventing nearly

13,000

prescriptions that could have been unnecessary or unsafe.

AmTrust sees huge improvements and paces ahead of similar organizations

With the utilization review and the nurse prior authorization in place, AmTrust is seeing results that show not only huge improvements year over year, but also show the company is trending better than its cohorts – group of similar companies. This is due in part to the proactive use of our nurse prior-authorization program allowing for upfront clinical review of appropriate medication utilization, most importantly opioid medications.

“Optum Workers’ Comp, Vital Point, Injury-based Formularies, Clinical Reviews and Nurse Decisions all work in concert to lower prescription over-utilization for AmTrust. By using a full suite of services, prescription costs are lowered, utilization is down and opioid use is being actively monitored and managed. All leading to a more actively and medically managed claim driving better outcomes for the injured employee and AmTrust alike,” said Tron Emptage, Chief Clinical Officer, Optum Workers’ Comp.

AmTrust vs. Cohort

| Performance Metric | AmTrust |
|---|--------------------------------|
| Opioid Analgesics | Comparison |
| Average number of prescriptions per claim | 23% lower than cohort |
| Average days’ supply per claim | 37.8% lower than cohort |
| Average MED per claim per day | 63% lower than cohort |

The use of opioids to treat chronic pain has been a major driver in the opioid epidemic that has swept the country. The development of new classes of therapeutics that are similarly or even more effective relative to prescription opioids for treating pain – but lack the addictive liability – could have a profound effect on treating patients with chronic pain, ultimately reducing the burden of the national opioid crisis.

Greg Corder, Ph.D.
University of Pennsylvania Perelman School of Medicine

The Results

Driving optimal claim outcomes

“AmTrust has always taken measures to monitor opioid usage in the past, but this is truly a proactive step that sets us apart,” said Dr. Burke. “The fact that these requests are all viewed by a licensed nurse is what makes us different. We value the impact that medications can have on a claim outcome, and that’s why as soon as a prescription is requested, we present it to a medical professional - a nurse with a pharmaceutical focus. We’re different that way.”

“With AmTrust now funneling prescription opioid scripts to trained clinicians, pharmacists and nurses, they are assuring that claimants are receiving the right treatment, at the right time, for the right duration,” Emptage said. “This process affords the claims handler the opportunity to focus more on the claim issues and getting the injured party on a path to return to work and function.”




Treating chronic pain

When it comes to treating chronic pain, the Centers for Disease Control and Prevention (CDC) has a clear-cut stance: opioids should not be first-line therapy. Instead, non-pharmacologic therapy and non-opioid pharmacologic therapy are the preferred treatment options.

Many insurance companies rely on adjusters to review medications. Adjusters may be very knowledgeable about the claim, but most don't have the clinical and pharmaceutical backgrounds that nurses do. At AmTrust, we have a different process. AmTrust utilizes a preferred drug list to flag medications that may be potentially unsafe or unnecessary. Once flagged, these medication are sent to a nurse for prior authorization review. The robust integration of AmTrust adjusters, the Optum nurses and AmTrust's utilization review program is driving optimal claim outcomes and allowing injured employees to return to work as soon as medically appropriate.

Dr. Melissa Burke
Head of Managed Care and Clinical
AmTrust Financial



 **70%**
OF EMPLOYERS
state that opioids affect
their workplace.

A growing concern

The opioid epidemic continues to be a growing concern for employers of all sizes throughout the country. In fact, a survey from the National Safety Council (NSC) reports more than 70 percent of employers state that opioids affect their workplace. Missed work, drug use while on the clock, decreased job performance, [near miss injuries](#) and on-the-job injuries are just a few of the ways the opioid epidemic impacts employers.

Alternative Treatments

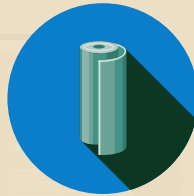
Safer, alternative treatments to opioids

The CDC provides guidelines for prescribing opioids for chronic pain, however, in many cases there may be a better, [safer way to manage pain](#), as doctors and hospitals across the U.S. shift away from prescribing opioids when not medically necessary to other treatments.

The U.S. Department of Labor also suggests alternative methods for controlling pain may include non-opioid medications, non-pharmacological treatments and pain treatment programs. These alternative treatments are more likely to help reduce disability, facilitate the return to work and decrease instances of opioid misuse. Safer alternatives to opioids include:



MASSAGE THERAPY



YOGA



NON-OPIOID MEDICATIONS

like acetaminophen, ibuprofen and NSAIDs



INTERVENTIONAL TREATMENTS

like nerve blocks, epidurals and joint injections



PHYSICAL THERAPY & EXERCISE



COGNITIVE BEHAVIORAL THERAPY (CBT)

a form of talk therapy designed to change negative thoughts and behaviors



The psychology of pain

Pain treatment is highly personalized to the individual's specific needs. However, due to what's known as the [psychology of pain](#), the perception of pain, especially the perception of chronic pain, can intensify when adding in psychological, social and emotional factors. Additionally, studies show that the more individuals focus on the pain, the worse it tends to become.

By learning techniques that help reduce an individual's focus on pain, such as through cognitive-behavioral therapy, mindfulness-based stress reduction and other brain-training therapies, pain can be relieved more effectively than through the use of opioids.

The future

At the University of Pennsylvania's Perelman School of Medicine, Dr. Corder's group uses a multidisciplinary approach that combines advanced neuroscience tools to visualize brain activities encoding pain information, and then control the activity of those brain cells with light-sensitive proteins. It's their hope that this research will identify new molecular targets for novel pain therapies that can significantly improve the quality of life for chronic pain patients.

Looking forward from a basic science perspective, to end addiction long term, we need new pain therapies that provide substantive pain relief with zero addiction liabilities.

Greg Corder, Ph.D.
University of Pennsylvania Perelman School of Medicine

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Superior Claims Handling

At AmTrust, our claims philosophy is rooted in our overarching commitment to providing our policyholders high-quality service in a timely fashion. We maintain one of the lowest cases-per-adjuster ratios in the insurance industry, enabling our claims team to give our policyholders the individual attention they deserve. We have a 24/7 Claims Reporting Center where our Claims Specialists will provide policyholders and agents with live assistance when reporting a claim that can be accessed online at any time. Regional claims professionals located around the country properly take care of claims and ensure a seamless and efficient process.

**For more information visit,
www.amtrustfinancial.com/opioids**



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