Using Evidence Based Formularies to Improve Outcomes

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ODG by MCG Health
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ODG is most widely used workers’ comp guideline in world today, adopted in more states than any

“The only way to achieve real & lasting cost-savings is through the delivery of quality and timely care”

ODG acquired by MCG Health, a Hearst Health Company, in January 2017 and rebranded as ODGbyMCG

MCG care strategies used by eight of the largest health plans, nine of 10 largest comp payers, and more than 1,600 hospitals; impacting over 200 million covered lives

Sister companies include: Zynx, FDB (First Databank), HomeCare HomeBase, MedHOK, and Map of Medicine

Mission: To guide most important care decisions by delivering vital information into the hands of everyone who touches a person’s health journey
“DO NO HARM” While Improving Quality of Care & Outcomes

- Improving the way opioids are prescribed through clinical practice guidelines can ensure patients have access to safe, effective treatment while reducing the number of people who misuse, abuse, or overdose from these powerful drugs.

- ….informing agencies, providers, and medical/professional organizations about evidence-based practices that can improve patient outcomes.

Content source: Centers for Disease Control and Prevention, National Center for Injury Prevention and Control, Division of Unintentional Injury Prevention

Page last updated: June 12, 2014
FORMULARY DESIGN

GROUP HEALTH

“You Get What You Pay For”
Prescription Benefits Are Cost Based, Defined & Limited
Covered vs Non-Covered vs Tiered

WORKERS COMPENSATION

“Medically Appropriate & Causally Related”
Prescription Benefits For All Regardless of Cost
Preferred Rx without Preauth vs Non-Preferred Rx with Preauth
Legislation Assures Increased Transparent Equal Benefits for All
Evidence Based Formularies

➢ Transparent listings of over 355 most commonly prescribed drugs in Workers Compensation in ODG
   As of 3/1/19, over 168 Preferred drugs recommended as first line plus 187 Non-Preferred drugs (covering over 45,000 NDC Codes) requiring substantiation of medical necessity as a safeguard for injured workers

➢ Expedite Rx’s for Injured Workers & Improved Outcomes

➢ Empower Medical Providers & Streamline Communications

➢ Expedite CASE SPECIFIC authorizations and medical reviews

➢ Decrease Transactional Processes, Friction & Costs for All

➢ Already integrated into most PBM & industry systems, processes and procedures nationwide, thereby minimizing implementation efforts and costs
PROVEN BENEFITS WITH Workers Compensation Drug Formulary

➢ “Preferred Drug List” does not preclude prescribing and dispensing of medically indicated medications not listed on the “Preferred Drug List”, but requires substantiation of need

➢ Decrease adversarial relationship with Patients, enabling Physicians to “Just Say No” when indicated without fear of backlash

➢ Documented positive life altering results in multiple states with improved outcomes, function and return to work

➢ Documented decreased use/abuse of opioids (and other high risk prescription medications) along with decreased prescription disputes and denials

➢ No cost to the State for posting of complementary “stakeholder use” Formulary drug list

➢ Measurable outcomes to document program results and benchmark adherence
Workers’ Compensation Prescription Drug Regulations: A National Inventory, 2018

View Now
Exhibit 4

**ODG Formulary Could Reduce WC Rx Costs by 10% or More**

Potential Rx Cost Savings From ODG Formulary

NCCI analysis, based on Medical Data Call, for prescription drugs with a National Drug Code provided in Service Year 2014. The **Official Disability Guidelines** (ODG) Drug Formulary is a product of the Work Loss Data Institute. Data used with permission. Formulary States—Not in Analysis are states with a formulary as of July 1, 2016.
IMPACT OF THE TEXAS PHARMACY CLOSED FORMULARY

Texas Department of Insurance
Workers’ Compensation Research and Evaluation Group
July 2016

Medical Provider participation in treatment of Workers Compensation is at a record high in Texas with improved outcomes, positive response to the preferred drug list and reduced medical disputes.

With engagement and support of the medical community and all stakeholders, the number of Non-Preferred prescriptions fell by 85% with improved prescribing of unnecessary higher risk medications including opioids.

No Non-Preferred drugs are in the top 10 most-prescribed medications.

The number of claims receiving non-preferred opioids with 90 morphine milligram equivalent doses per day decreased from almost 15,000 in 2009 to less than 500 in 2015, a 97% decrease.

Opioid costs decreased from 27% of the total pharmacy costs in 2009 to 18% in 2015, reflecting decreased number of prescriptions written.

The total opioid prescription costs for non-preferred drugs combined with those on the preferred list dropped from $43.2 million in 2009 to $18.5 million in 2015.
Complementary State Stakeholder Access
https://www.odgbymcg.com/state-formulary
Questions?