The struggle to recover

The payer perspective on the opioid epidemic
National trends: opioid epidemic

12% of all Substance Use Disorders are Opioid Use Disorders\(^1\)

1.9M
Americans have a substance use disorder— with prescription pain killers

586K
Americans have a substance use disorder— with heroin

It is estimated that 23% of individuals who use heroin develop an opioid addiction\(^2\)

Drug addiction is now the leading cause of accidental death driven by Opioid Use Disorders\(^3\)

Heroin-related deaths are rising

4X increase from 2002 to 2013\(^4\)
3X increase from 2010 to 2013\(^5\)

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National trends: opioid prescriptions

There seems to be a direct correlation between overdose deaths rising and the increase in opioids being prescribed

- In 2012, 259 million prescriptions were written for opioids, which is more than enough to give every American adult their own bottle of pills.¹

- Four in five new heroin users started out misusing prescription painkillers. As a consequence, the rate of heroin overdose deaths nearly quadrupled from 2000 to 2013. During this 14-year period, the rate of heroin overdose showed an average increase of 6% per year from 2000 to 2010, followed by a larger average increase of 37% per year from 2010 to 2013.²

- 94% of respondents in a 2014 survey of people in treatment for opioid addiction said they chose to use heroin because prescription opioids were “far more expensive and harder to obtain.”³

How we got here

$16$ average cost per Rx (generic Percocet & Vicodin)$^1$

92 units average # of tabs per Rx (oxycodone/APAP and hydrocodone/APAP)$^1$

91% of patients who overdose receive an opioid Rx within 10 months$^{2,3}$

60% of U.S. citizens have leftover narcotics in their home$^4$

Dose-related opioid overdose risk

70% dose increase in oxycodone and hydrocodone per Rx from 2000 – 2009

2016 CDC guidelines:
- "Caution" with doses >50 mg/day MED
- "Avoid" doses >90 mg/day MED

MED = morphine equivalent dose – numerical standard used to compare relative potency of one opioid drug to another

Dunn 2010
Bohnert 2011
Gomes 2011
Zedler 2014
Surgical perspective

Those using opioids for ≥ 1 month post-surgery have more psychological distress, symptoms, disability and less effective coping strategies than those who do not.

HELMERHORST GT, ET AL.
BONE JOINT SURG AM. 2014

85% of patients treated for hip fractures in U.S. were prescribed opioids vs. 0% in the Netherlands.

LINDENHOVIUS AL, ET AL.
TRAUMA. 2009

“In the U.S., the current expectation of opioid use as the primary treatment for acute and chronic pain has created an opioid epidemic.”

AMERICAN ACADEMY OF ORTHOPAEDIC SURGEONS
OCTOBER 2015

Patients using opioids before surgery have worse outcomes than patients who do not.

MORRIS BJ, ET AL.
SHOULDER ELBOW SURG. 2016
Groups at highest risk of addiction/overdose

- Men ages 25 – 54
- Adolescents
- Soldiers and veterans
- Previous history of overdose
- Recent completion of detox program
- Those with substance use disorder (including alcohol)
- Occupationally injured
- Depression
- Sleep-disordered breathing
A “perfect storm”

The significant rise in utilization of 18- to 25-year-olds has been driven by several converging factors

<table>
<thead>
<tr>
<th>Affordable Care Act</th>
<th>Federal Mental Health Parity</th>
<th>Risk of Onset for SMI &amp; SUD</th>
<th>Higher Rates of SUD</th>
<th>Increase in Overall Opioid Treatment</th>
<th>Variance in Clinical Approach</th>
<th>Unprepared Provider System</th>
</tr>
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<tbody>
<tr>
<td>18- to 25-year-olds became newly eligible on parents’ employer-sponsored plans</td>
<td>Benefit changes eliminated substance abuse treatment limits and network restrictions</td>
<td>Age of onset for most MH and SUD disorders is in the second and third decade of life¹</td>
<td>2X substance use disorder rates compared to adults 26 and older²</td>
<td>346% increase in all treatment admissions from 2001 to 2011³</td>
<td>MH and SUD treatment covers wide range of philosophical and evidence-based approaches</td>
<td>Historically low demand and lack of coverage hindered advancement in clinical innovation</td>
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² In 2012, the rate of substance dependence or abuse among adults aged 18 to 25 was 18.9%, adults aged 26 and older was 7.0%. Source: Substance Abuse and Mental Health Services Administration. (2013). Results from the 2012 National Survey on Drug Use and Health: Summary of National Findings (HHS Publication No. SMA 13-4795, NSDUH Series H-46).  
Consumer perspective

A chronic, complex disease that is difficult to treat

Wide treatment variability in the marketplace

Consumers are vulnerable to predatory practices

Consumers struggle to find effective evidence-based care

$600 billion estimated overall costs a year

24.6 million individuals aged 12 and older

Unique difficulties facing parents of this cohort in treatment

- “Adult” dependents living with parents
- Inability to enforce or demand treatment
- Parents paying for care
- Guilt and shame
- Parents not legally privileged to discuss treatment with provider or insurer without adult child's consent

“I still wanted to be her advocate …, but I was shut out when she turned 18, even though I pay her medical bills and health insurance—I had no access to any records unless she signed consent…she went into rehab, they wouldn’t talk to me. All I wanted to know was how the insurance coverage would apply and what we owed…”

“…it is very difficult to go from a situation where one is ‘launching’ a child and feeling ready to recover one’s own life to suddenly being back to being the primary caregiver, having to give up long anticipated activities … deal with grief about the child’s loss of her anticipated life and one’s own loss…”

Recent survey identified the top needs of these parents:

1. Emotional support
2. Preparing adult child for independent living
3. Practical advice
4. Collaborative planning
5. Case planning
6. Information about illness, signs and symptoms

The consumer’s journey

“I need help”
CONNECTING to care

“Where do I go?”
FINDING the right care

“Is this right?”
ENSURING appropriate treatment

“Keep it up”
SUPPORTING recovery
Focus on SUD recovery

Individualized, member-centric treatment works best

- Chronic conditions are best managed in the member’s local community and with the development of local recovery supports

- Medication-Assisted Treatment (MAT) along with counseling, behavioral therapy and recovery support is the gold standard to treat opioid use disorders for detoxification and maintenance—helps manage cravings that can last a year or more.
Huge increase in destination treatment center utilization

More members are traveling 500+ miles for SUD treatment with out-of-network providers

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<th>Increase in count of annual admissions, 2010-14</th>
<th>Increase in count of annual unique members, 2010-14</th>
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<tbody>
<tr>
<td>Acute inpatient</td>
<td>340%↑</td>
<td>197%↑</td>
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<tr>
<td>Residential</td>
<td>394%↑</td>
<td>357%↑</td>
</tr>
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What our trend data shows

Percentage of SUD facility usage for members aged 18-25 more than doubled from 2010 to 2014

Percentage of out-of-network usage are also increasing in all age cohorts

Source: Optum analysis of behavioral health paid amounts among members using facility-based substance use disorder services, who discharged between 1/1/2010 and 12/31/2014. Data includes the complete Employer Book of Business (national, ASO and fully insured); Bolstrom, 07/20/2015.
The out-of-network challenge for this cohort

Florida Example
SUD treatment spend in Florida
(18- to 25-year-old dependents)

In-Network
Out-of-Network

3X higher cost per member for out-of-network
- Longer lengths of stay
- Unnecessary use of extended levels of care
- Higher room and board costs (than average in-network rates)
- Separate billing of ancillary services (including drug screening and lab services); typically covered under an in-network per-diem charge
- Questionable SUD treatment and billing practices, including increase in fraudulent lab charges

74% of cases are out-of-state — use of these “destination providers” presents several challenges:
- Fragmented care with lack of coordination
- 11% to 40% increase in readmission rates with providers both out-of-state and out-of-network (depending on the level of care) compared to members who seek care in their home communities within in-network providers
- Treating people away from home is contrary to evidence-based practices, and does not build connections to local community supports for long-term recovery (building “recovery capital”)

1. Optum analysis of behavioral care costs and population increases (comparisons of incurred dates Jan 1 through Dec 31, 2011 paid through Mar 31, 2012 [not including incurred but not reported (IBNR) claims]) against Jan 1 through Dec 31, 2013 paid through Mar 31, 2014 [not including IBNR claims]) for dependents aged 18-25 among national, ASO and fully insured, HMO/PPO/POS membership; Massey, Hubbard and Motz, 05/02/14. 2. Optum analysis of behavioral care costs among 18- to 25-year-old members using at least one facility-based service for non-alcohol substance abuse treatment that discharged in 2013. Data includes the complete Book of Business (national, ASO and fully insured). Analyses includes comparisons between in-area (in-state) vs. out-of-area (out-of-state) and in-network vs. out-of-network on cost and readmission rates; Bolstrom, 05/12/14.
A cottage industry is forming to “educate” contemplative members about sub-optimal treatment options

- Most members are not aware of what treatment options exist
- The stigma attached to these disorders causes many to seek anonymous help
- The economics of out-of-network (OON) treatment are very attractive to call center businesses and destination treatment facilities
- Quality and practices of many of these OON destination centers is concerning

53.5% to 62%

higher readmission rates
per year for commercial members discharged from out-of-network (OON) residential treatment programs

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<tr>
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<th>In-Network</th>
<th>Out-of-Network</th>
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<tr>
<td>30 days</td>
<td>4.50%</td>
<td>7.30% (62% higher)</td>
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<tr>
<td>90 days</td>
<td>10.10%</td>
<td>15.50% (53.5% higher)</td>
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Inappropriate drug testing

Some treatment providers and sober home operators are being offered a chance to share the profits of their patients’ and residents’ drug tests

Examples of typical scams

1. Billing for quantitative tests (how much of a drug is present) when there are no positive initial qualitative (presence of a substance) results*
2. Charging excessive amounts beyond usual and customary for lab tests
3. Excessive drug screenings during a Residential stay (screening up to five times a week when the patient has not left the facility)
   - Facility tests residents via a single screen for up to 15 substances
   - If that single screen comes up positive, the specimen then goes to confirmation testing to determine which of the 15 substances it was positive for ($100 for each confirmation) = $1,500 a test

   Five tests per patient per week X $1,500 per test = $7,500 per patient per week

* A qualitative lab test detects the presence of a substance, a toxin or a drug without measuring the amount. A quantitative test measures the amount. Only if the qualitative results are positive should a quantitative test be conducted.

Drug testing ‘partnership’ lures treatment centers despite ethics issues

“With an out-of-network payment, there’s no utilization review, no contract and no tracking, and the patient co-pay gets written off”

“The people getting ripped off are the insurance companies, and the people paying premiums, whose rates are going up because of these scams”

— Alcoholism & Drug Abuse Weekly, March 17, 2014
Optum national MAT services
Targeted network expansion
Empowering members and their families: peer support

Family
Support the family, build recovery capital for the member
- Family-to-family peer support pilot
- Empowerment and self-management tools
- Online tools and resources

Member
Support recovery and resiliency
- Emerging peer coaching capability
- Empowerment and self-management tools
- Online tools and resources
- Webinars and support groups

Provider
Provide engagement and support for their patients and families
- Toolkits and resources for providers to share with members and families
- Person-centered treatment planning: training and coaching programs
Total opioid management: Where we are headed

Prevention and education
Minimizing early exposure
Surveillance and intervention
ID & support at-risk populations
Support impacted population
We are all accountable...

...and all part of the solution