

Presentation to the House Select Committee on Opioids and Substance Abuse

April 17, 2018

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Employees Retirement System of Texas



ERS
EMPLOYEES RETIREMENT
SYSTEM OF TEXAS

The GBP covers more than half a million people in Texas - *That's 1 in 52 Texans!*

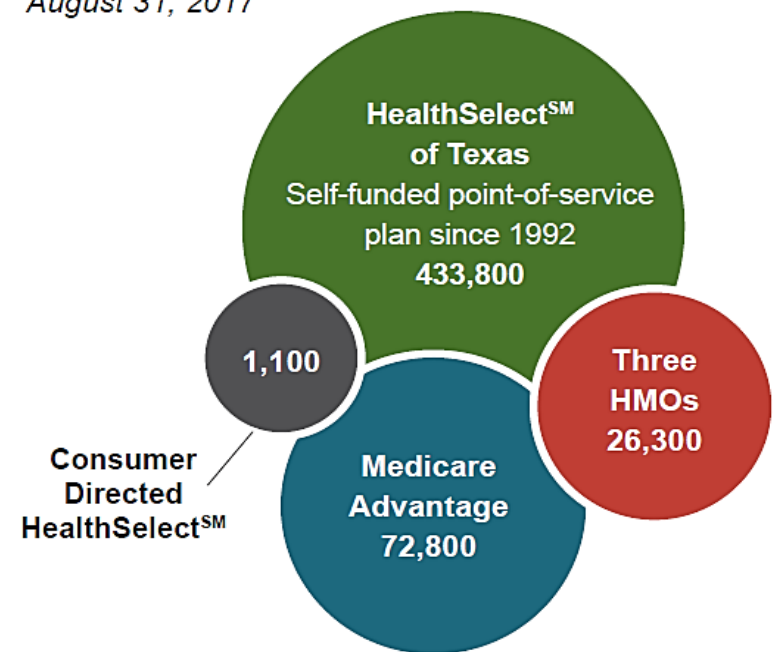
HealthSelect of TexasSM has been the basic health plan for state employees and certain institutions of higher education since 1992.

ERS has managed insurance benefits for state employees and retirees since 1976.

The ERS Board of Trustees designs and contracts for the insurance options offered under the plan.

83% of all participants enroll in HealthSelect of Texas

August 31, 2017

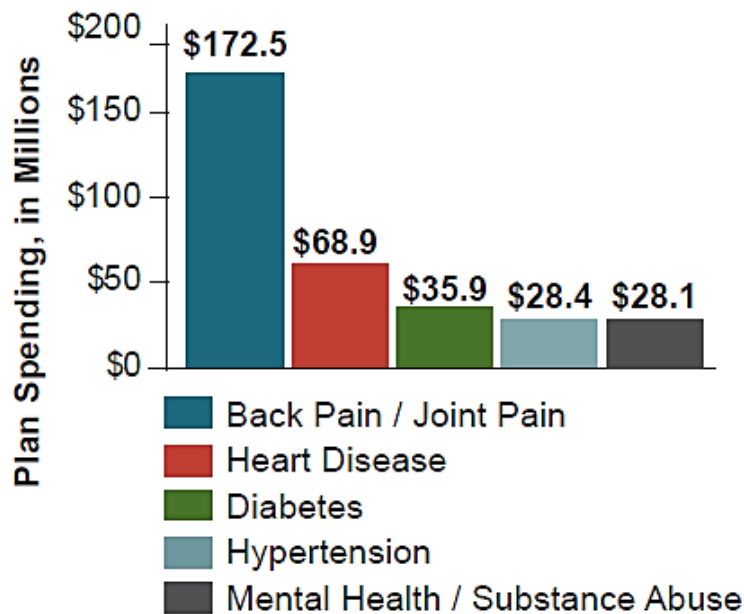


The GBP benefits from a large shared risk pool. Averaging costs among 534,000 active employees, retirees and dependents keeps the plan affordable for all.

Snapshot: mental health/substance abuse is an ERS Top 5 chronic condition

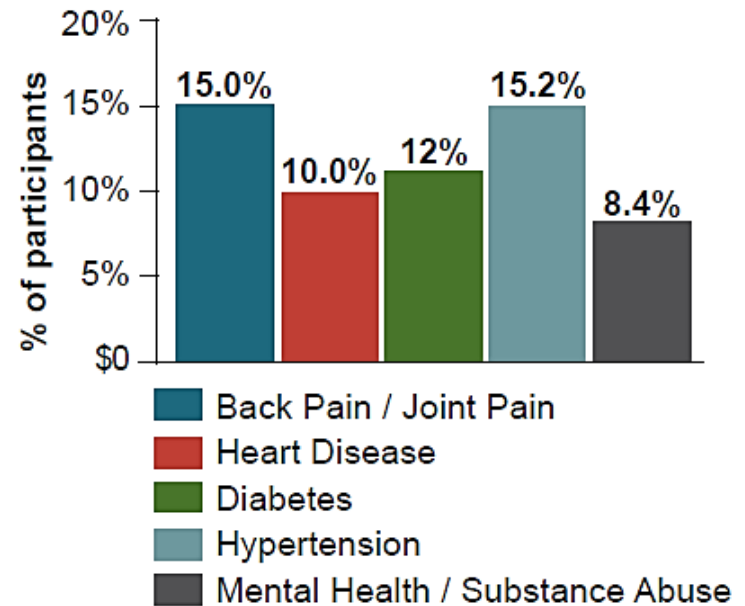
Medical spending on top 5 chronic conditions¹

Non-Medicare primary participants HealthSelect, FY17



Prevalence of top 5 chronic conditions¹

Non-Medicare primary participants HealthSelect, FY17



¹Plan spending on medical claims only; pharmacy claims not included because diagnostic codes are not currently associated with prescription drug data. Participants are counted in each category for which they had a medical claim. Some participants may appear in more than one category

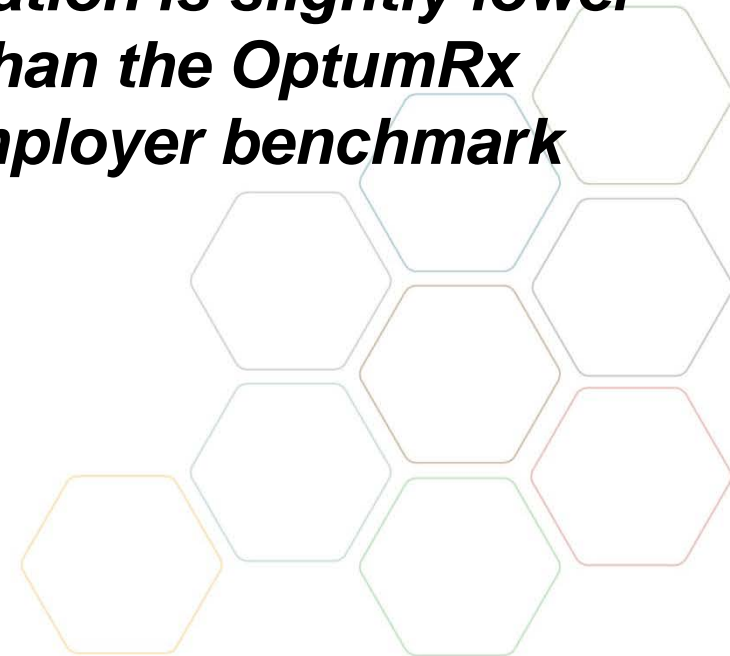
Snapshot: HealthSelect Opioid Claims

3.9% of all prescription drug claims are for opioids

67,629 opioid claims
in the first quarter of FY18

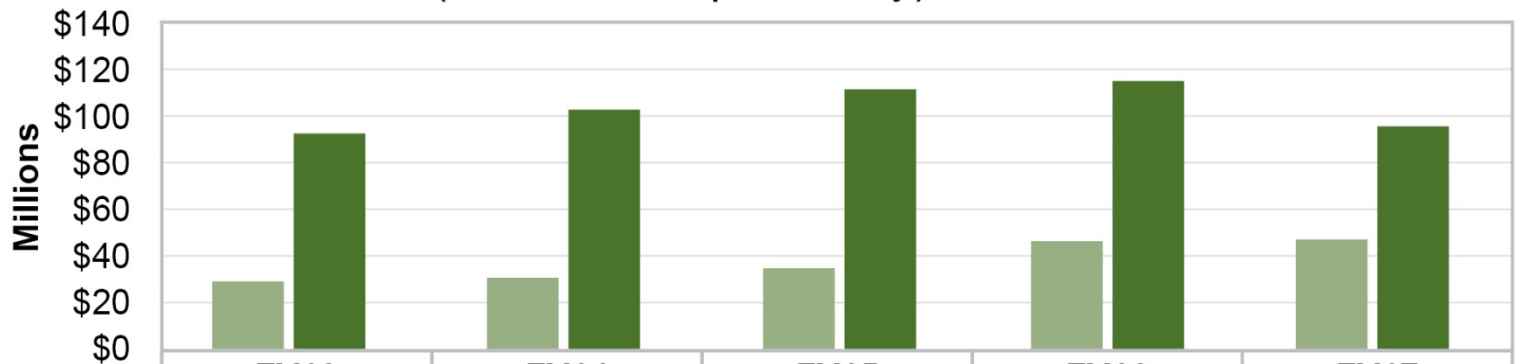


HealthSelect opioid utilization is slightly lower than the OptumRx employer benchmark



Snapshot: Cost of mental health & substance abuse benefits for HealthSelect

**Amount paid per year for mental health and substance abuse diagnoses
(medical and pharmacy)**

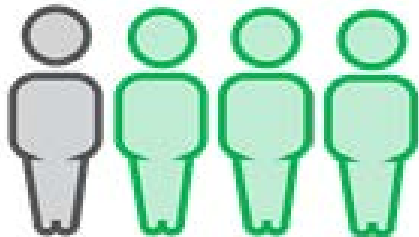


Medical Costs	\$31,819,687	\$33,652,105	\$36,447,067	\$45,761,679	\$46,744,810
Pharmacy Costs	\$93,949,155	\$104,507,327	\$115,017,990	\$117,397,694	\$97,522,531

Snapshot: HealthSelect participants with an opioid prescription (Sept-Dec 2017)

33,844 participants

- **One in four participants** with a prescription for opioids are “high utilizers” (fill three or more scripts within 120 days)
- **96% of participants** with an opioid prescription are taking a dose that is below the CDC-recommended maximum*



* Current CDC guidelines recommend doses of 90 Morphine Milligram Equivalents (MME) per day or less (example, 90 MME is equal to 90 mg of hydrocodone, or 60 mg of oxycodone)

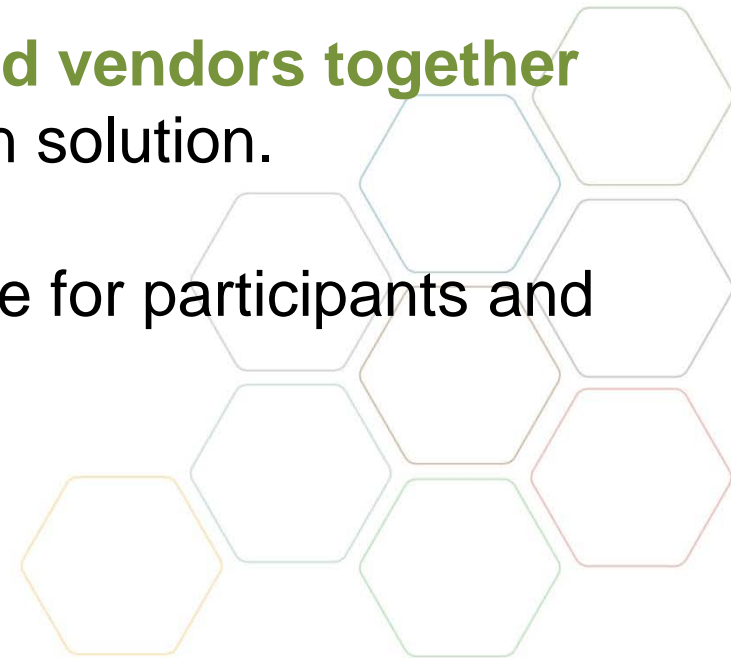
ERS Opioid Project

A unique collaborative approach

ERS is uniquely positioned to address the devastating impact of the opioid crisis on our membership and our state.

ERS is bringing GBP health-related vendors together to drive a comprehensive health plan solution.

The importance of mental health care for participants and their families cannot be overstated.



ERS Opioid Project

A unique collaborative approach

A comprehensive health plan strategy with **pharmacy, medical and behavioral health** focus to:

- Help prevent dependency before it starts
- Stop progression to opioid misuse, abuse and addiction
- Treat and support chronic utilizers on path to recovery
- Promote savings and quality of care

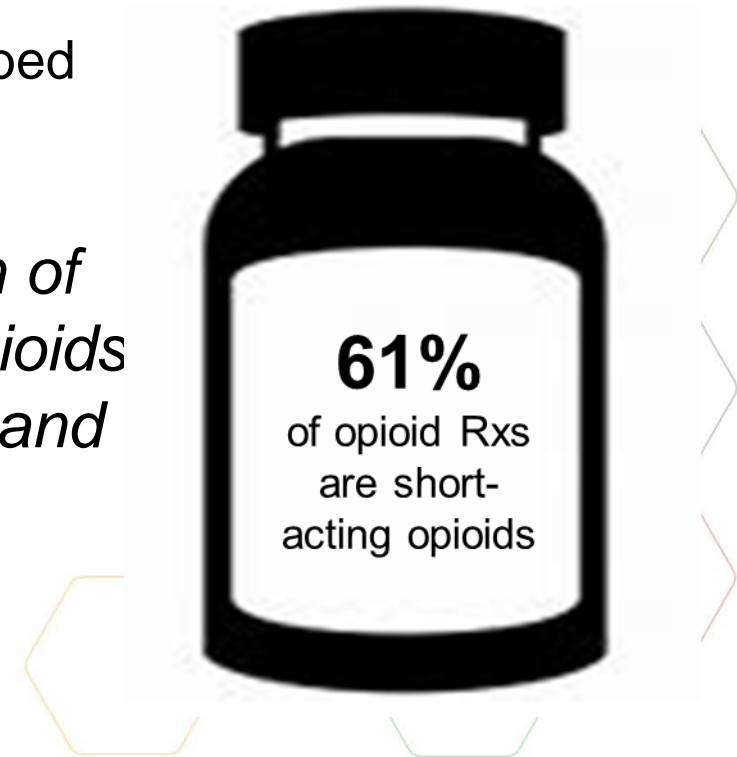


Higher-risk participants & short-acting opioids

Long-acting opioids are typically prescribed to those who have cancer or a terminal illness and face end-of-life issues.

Short-acting opioids are typically prescribed for pain management.

While the plan monitors utilization of long-acting opioids, short-acting opioids present the greatest risk of abuse and are the majority of claims.



OptumRx Opioid Risk Management Program

focus on short-acting opioids

Stop opioid abuse before it happens. Support individuals in recovery.



Educating patients and providers



Minimizing early exposure



Reducing inappropriate supply



Monitoring safe and appropriate dosage



OptumRx risk management strategies

- **Quantity and refill limits** consistent with CDC guidelines
- **Point of sale safety edits**
pharmacist intervenes around certain opioid regimens before allowing a claim (example: opioid & prenatal)
- **Prior authorization** for
 - all “first fills” for a long-acting opioid
 - opioid-based cough preparation for patients age 17 and younger
- **Prevent early refills that could lead to stockpiling** by narrowing the refill window (90% for retail and 80% for mail-order)



OptumRx risk management strategies

(continued)

Effective 4/1/18, members with an opioid prescription receive an educational letter.

Letters highlight the risks of taking opioids, and provide reminders of:

- quantity limits
- alternative pain management options
- appropriate storage, and
- safe disposal.



ERS Outcomes: Early but meaningful impact

Changes from 3rd Quarter 2017 to 4th Quarter 2017

- Despite a 7% increase in total claims over one quarter, **total opioid claims were down 4%.**
- While there has been little change in eligible patients, **the percentage of opioid utilizers fell 22%.**

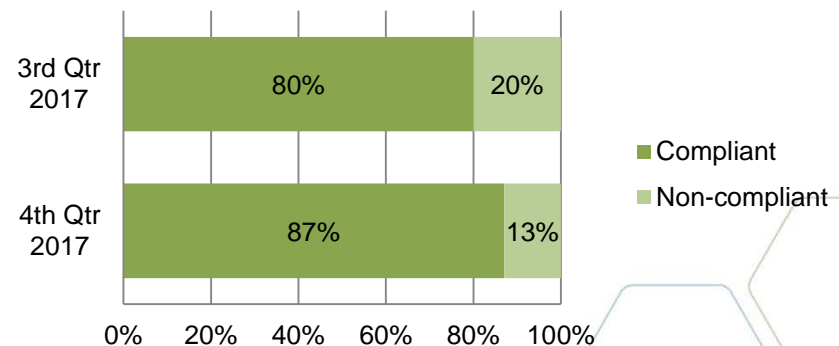


ERS Outcomes: Early but meaningful impact

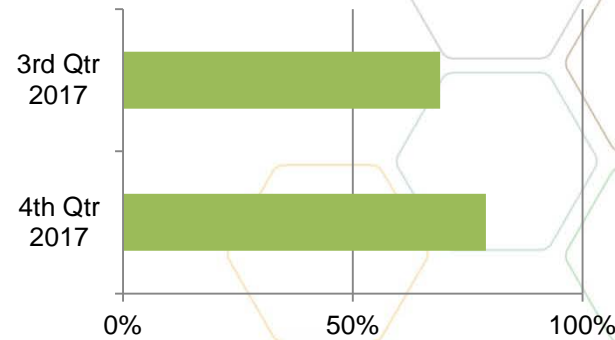
Changes from ERS 3rd Quarter 2017 to 4th Quarter 2017

- Percentage of HealthSelect claims compliant with CDC opioid prescribing guidelines rose 7 percentage points.
- CDC-compliant claims with conservative dose and supply (< 50 MED and ≤ 7-day supply) rose 10 percentage points.

% Claims Compliant with CDC Guidelines



% Claims with Conservative Dose & Supply



HealthSelect participants have access to mental health and substance abuse benefits



HealthSelect provides 24-hour toll-free telephone number for quick access to a nurse who can speak to them about mental health and substance abuse coverage. HealthSelect also has a 24-hour crisis hotline.



HealthSelect wellness program offers participants coaching for better management of stress, anxiety, sleep, anger, grief, and relationship difficulties

HealthSelect website provides a directory of network mental health providers and facilities

Overview of covered services in all GBP plans

By licensed mental health and substance abuse providers

- Mental health and substance abuse covered services include:
 - Diagnostic testing and evaluations
 - Pharmaceutical treatment
 - Therapy and counseling services
 - Inpatient and outpatient services

- Many state agencies contract outside of the GBP for an Employee Assistance Program, which includes mental wellness resources:
 - Access to up to 6 free visits with a counselor
 - Crisis intervention for employees & family members