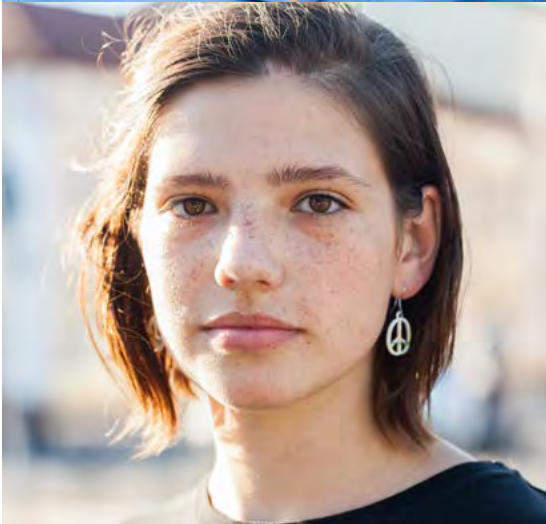


THE OPIOID CRISIS

PROTECTING MEDICAID MEMBERS



AmeriHealth Caritas' response to the opioid epidemic continues to show steady progress in decreasing the overall number of prescriptions for opioid products among our members, while also increasing the use of medication for opioid use disorder. But the breadth of the problem beyond AmeriHealth Caritas, and the resulting impact on human lives and health care costs, remains a challenge that will require ongoing intervention.

THE OPIOID BLUEPRINT

AmeriHealth Caritas is prepared to continue addressing opioid use disorder through our comprehensive Opioid Blueprint. The Blueprint is designed to meet the unique needs and challenges of our affected Medicaid members who often confront myriad challenges when navigating everyday life due to poverty and the resulting health and social inequities. These include the conditions in which they are born, work, and live – the social determinants of health – which can negatively impact access to essential resources such as jobs, food, shelter, and transportation, and make opioid dependency even more difficult to overcome without comprehensive support.

We look beyond the physical health care needs of our members to also address the behavioral and social dynamics that factor into their well-being.

With all of these factors in mind, we have established whole-person care as an essential goal of our Blueprint. We look beyond the physical health care needs of our members to also address the behavioral and social dynamics that factor into their well-being.

With this approach, our programs to prevent and treat opioid use disorder (OUD) have produced positive results. For example, we saw a 22% decline in prescription opioid

use among members between January 2019 and December 2020 and, during that same period, a 28% increase in the use of medication for opioid use disorder (MOUD).

An important aspect of our programs is to capture deeper and more actionable insight into the root causes of OUD. A more comprehensive understanding is essential to make even greater progress to protect the health of our members as the opioid epidemic remains a critical public health concern.

UNPRECEDENTED SOCIAL AND ECONOMIC COSTS

In 2022, the U.S. Congress Joint Economic Committee released an analysis that showed the opioid epidemic cost the U.S. nearly \$1.5 trillion in 2020 – a 37% increase from three years earlier, based on data from the Centers for Disease Control and Prevention (CDC).¹ While that economic impact reflected both prescription and illicit opioid use, the National Institute on Drug Abuse (NIDA) estimates that the economic burden of prescription opioid misuse alone is \$78.5 billion each year, a figure that includes the costs of health care and addiction treatment, lost productivity, and judicial system interventions.

But far beyond the financial impact, the epidemic exacts a human toll. The CDC estimates that in 2021, the number of people who died from a drug overdose was over six times the number in 1999. In total during that period, 645,000 people died from a drug overdose that included some form of opioid.² In 2021, 75% of the 107,000 drug overdose deaths recorded involved an opioid, and according to NIDA, 16,706 of those deaths involved prescription opioids.³ NIDA also reports that most users of illicit opioids, specifically those who use heroin, first misused opioids that were prescribed for a medical need.⁴

1. "The Economic Toll of the Opioid Crisis Reached Nearly \$1.5 Trillion in 2020," Joint Economic Committee Democrats, U.S. Senate, Sept. 28, 2022, <https://www.jec.senate.gov/public/index.cfm/democrats/2022/9/the-economic-toll-of-the-opioid-crisis-reached-nearly-1-5-trillion-in-2020>.

2. "Provisional Drug Overdose Death Counts," Centers for Disease Control and Prevention, August 16, 2023, <https://www.cdc.gov/nchs/nvss/vsrr/drug-overdose-data.htm>.

3. "Drug Overdose Death Rates," National Institute on Drug Abuse, June 30, 2023, <https://nida.nih.gov/research-topics/trends-statistics/overdose-death-rates>.

4. "Prescription Opioids and Heroin Research Report," National Institute on Drug Abuse, revised January 2018, <https://nida.nih.gov/publications/research-reports/prescription-opioids-heroin/introduction>.

The numbers continue to rise. In the 12 months ending in August 2022, an average of 210 U.S. citizens died of an opioid-related overdose every day – an increase of 33% since the beginning of the pandemic.⁵

The number of deaths associated with opioid use disorder, involving both prescription and illicit drugs, rose considerably throughout the pandemic and coincided with a rise in mental health disorders, including depression. People were isolated from support networks as they suffered the consequences of COVID-19. Those included not only managing the illness and treatment alone, but also the stress of working from home, managing children in remote learning, losing child or elder care, struggling with job loss, and, for many, financial stress that triggered challenges with housing and food security. Millions of Americans found themselves turning to Medicaid for support for the first time in their lives. And while the disruption from the pandemic grew, more potent synthetic opioids such as fentanyl became even more prevalent and contributed to a sharp increase in overdose deaths.

All of these factors underscore why support and treatment for opioid use disorder is more critical than ever.



5. "Provisional Drug Overdose Death Counts," Centers for Disease Control and Prevention, August 16, 2023, <https://www.cdc.gov/nchs/nvss/vsrr/drug-overdose-data.htm>.

VITAL ROLE OF PROVIDERS

As a Medicaid managed care organization, AmeriHealth Caritas is committed to helping protect our members from falling victim to opioids. We engage them directly in strategies to prevent and combat OUD, with a multipronged approach that also includes providers and pharmacists. All three of these groups are vital partners in the execution and success of our Opioid Blueprint.



PHARMACIST INTERVENTIONS

Pharmacists are among the most accessible health care providers for many of our members because they serve as a frequent point of contact between patients and the health care system. Pharmacists are able to identify members who might be misusing opioids and take steps to intervene and prevent further misuse. We support our pharmacists as partners in the fight against OUD with intensive coordination and educational tools, both of which are making inroads in preventing misuse as well as fraud and waste.



PROVIDER SUPPORT

Providers are challenged to minimize the potential for medication misuse, while also balancing a patient's access to appropriate prescriptions and adequate pain control. We collaborate with our provider networks to help stem the opioid crisis by offering new and comprehensive pathways for education, including alternative pain treatment modalities and cognitive support. We also work with providers to identify high-risk prescribing patterns, so they can be evaluated and addressed.



MEMBER ENGAGEMENT

An essential part of our response to addressing the opioid epidemic is encouraging our members to make safe choices for their health and well-being. Through education and outreach, we help raise awareness of prescription opioid misuse and overdose. We also help our members understand risk reduction strategies. These include non-opioid treatment options and harm reduction interventions, which are designed to help reduce certain health and safety issues that are commonly associated with drug use. In addition, we optimize our care management capabilities by proactively identifying and engaging at-risk members, and providing them with intervention and follow-up services through our care management program.

OPIOID USE DISORDER

Opioid use disorder, which is a combination of opioid dependence and opioid abuse, is a medical condition that causes clinically significant patient impairment and distress. OUD also includes the misuse of a range of opioid-classified drugs. These include prescription opioids, which physicians prescribe to treat moderate-to-severe pain; the synthetic opioid fentanyl, which physicians prescribe to treat severe pain (and which is increasingly manufactured and distributed illegally); and the illegal opioid heroin.

OUD is classified as a chronic brain disease, necessitating treatment and management like any other long-term chronic condition. Individuals with OUD benefit from a comprehensive public health approach that incorporates evidence-based treatments such as medication, behavioral therapy, harm reduction, and community and recovery support.

Medication for opioid use disorder (MOUD) is an evidence-based approach that includes buprenorphine, methadone, and naltrexone microspheres, which are FDA-approved medications for opioid use disorder. But medication is only one component of an effective treatment plan. Maximally effective outcomes are achieved when medication therapy is combined with the treatments noted above: counseling services, harm reduction interventions, and other community resources and supports.

The importance of a multifaceted, holistic treatment approach cannot be overemphasized as opioid-related deaths continue to rise and wreak havoc in the lives of many Americans.

The importance of a multifaceted, holistic treatment approach cannot be overemphasized as opioid-related deaths continue to rise and wreak havoc in the lives of many Americans. AmeriHealth Caritas' Opioid Blueprint establishes an approach and identifies beneficial tools and resources to protect our members, regardless of the category of opioids they are using, while also reducing the associated costs.

Key components include:

- Interventions at the time of dispensing, aimed at appropriate duration and strength of prescribed opioid medications
- Removal of prior authorization requirements to enhance access to MOUD therapies
- Amplified care management of high-risk populations
- Effective interventions with members and providers to isolate and reduce high usage
- Increased access to naloxone (Narcan) and other harm reduction interventions



NALOXONE AWARENESS PROGRAM

AmeriHealth Caritas has invested in harm reduction activities for years, notably our important step in 2019 to implement a naloxone training and distribution program. Naloxone, commonly known as Narcan, is a medication that blocks the effects of opioids and can be used in emergencies to reverse an opioid overdose. As part of our program, we offer Narcan training to our associates, so they can be prepared when serving member communities. We have also offered training to government and community leaders as part of our effort to address opioid misuse and make sure that those our company serves, who struggle with poverty, chronic illness, or disabilities, are not left out of this battle against addiction.

Through this program, we help our members and their families learn how to access naloxone or Narcan kits in their communities. Information on the medication and its potential to save lives is available to members in their health plan's newsletter and communication bulletins. The information is also available to our associates through our employee education portal so they have access to vital information to assist our members.

THE HIGH COST OF OPIOID USE

Through ongoing analytics, AmeriHealth Caritas provides insight into several effective ways states can manage cost and care when treating OUD. Our most recent analysis compared the medical costs of opioid users and non-users by looking at claims data for more than 336,000 Medicaid members. It showed that the total cost of care to treat members who use opioids was, on average, 140% higher than for non-opioid users.

This finding has reinforced our commitment to expanding outreach and treatment options for our members. We are also committed to learning more about the underlying causes of opioid misuse by continuing to explore how behavioral and social factors, including trauma, contribute to an individual's vulnerability, and whether they first used opioids as part of medical treatment or recreationally.

The insight we have gained so far, along with the findings of government agencies and nonpartisan research and policy institutes, suggest that states will benefit financially if citizens with substance use disorders have access to comprehensive treatment programs. This is already evident as a result of Medicaid expansion in many states, which has given more people access to opioid treatment programs that were previously out of their reach financially.

The Center on Budget and Policy Priorities, a nonpartisan research and policy institute, reported in 2018 that in Medicaid expansion states, the rate of uninsured opioid-related hospitalizations had dropped by 79% after the first two years of expansion, from 13.6% in 2013 to just 2.9% in 2015. During that same period, the rate of uninsured opioid-related hospitalizations decreased by only 5% in non-expansion states, from 17.3% in 2013 to 16.4% in 2015.⁶

Our research further indicates that expanding treatment will prove cost-effective for the states. We compared the medical costs of opioid users against a similar cohort of non-users that served as the control group and discovered that those using MOUD had a 32% lower treatment cost than opioid users.

By creating different opioid addiction groupings, we were able to identify where health care costs began to rise among our members taking opioids, as illustrated here:



300% HIGHER
for inpatient care

200% HIGHER
for medical services

100% HIGHER
for professional costs

50% HIGHER
for pharmacy expenditures

HEALTH CARE COSTS FOR OPIOID USERS

These vast cost differences reflect the additional health care services that opioid users often require, particularly emergency treatment and high rates of hospitalization due to infections and other illnesses triggered by excessive drug use. And while treatment programs also contribute to higher health care costs, they represent a long-term investment that will reduce the incidence of OUD and the associated costs.

Our cost analysis emphasizes the positive strides AmeriHealth Caritas has made in slowing opioid misuse among our members through provisions in our Opioid Blueprint. We are committed to continuing our analysis to further refine our programs. The opioid epidemic crosses all socioeconomic strata, but understanding who is most at risk – and why – is essential to designing even better prevention and treatment programs for our members.

6. "The Far-Reaching Benefits of the Affordable Care Act's Medicaid Expansion," Center on Budget and Policy Priorities, updated Oct. 21, 2020, <https://www.cbpp.org/research/health/chart-book-the-far-reaching-benefits-of-the-affordable-care-acts-medicaid-expansion>.



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