

Montana State Fund
SJR 20: Prescription-Drug Abuse
1/10/14 Committee Meeting

Montana State Fund is a non-profit, public corporation and was established by law for the purpose of allowing an option for employers to insure their liability for workers' compensation and occupational disease coverage in Montana.

- State Fund currently insures about 26,000 employers in the state of Montana.
- The objective of Montana State Fund is to provide optimal medical services to an injured employee in order to return the employee to work as soon as possible after a work related injury or occupational disease, and to provide medical services considered reasonable and medically necessary, in a timely and cost effective manner. Why is Montana State Fund concerned about pain management? While we recognize prescription medications are often a reasonable and medically necessary part of returning an injured employee to work, the Center for Disease Control states deaths as a result of narcotic overdoses have reached epidemic proportions.
- In calendar year 2013 State Fund managed 19,200 workers' compensation claims, and paid \$8,659,109 for 77,767 total prescriptions. \$3,049,837 (35%) was for 27,913 narcotic analgesic (opioid and opioid-like) prescriptions. The National Council on Compensation Insurance estimates the spend on narcotics by workers' compensation carriers countrywide was 25% in 2011.
- State Fund estimates 45% of our medical case reserves for claims over 5 years are for prescriptions, and 41% of paid prescriptions are for narcotics on these same claims.

State Fund measures taken to address chronic analgesic narcotic utilization:

- Medical Case Manager Early Intervention Program (started 12/2010)
- Pharmacy Benefit Manager unsolicited prescriber and injured employee letters (started 1/2011)
- Urine Drug Screen Preferred Provider Contract (started 10/2013)
- Provider Resource Links on Montana State Fund website

Results of State Fund interventions 2011 - 2013: (with a 5% decrease in open claims)

- Injured workers on narcotics decreased from 63% to 53%
- Total narcotic analgesic prescriptions decreased by 12%