

## Four key drivers shaping workers' comp pharmacy in 2021

The COVID-19 pandemic remains the industry's primary focus, but it shouldn't be the only one. A pharmacy executive with leading workers' comp PBM myMatrixx shares the biggest trends that stakeholders need to keep their eye on.



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2021 is already shaping up to be a consequential year for the workers' compensation industry. Certainly, the COVID-19 pandemic will continue to loom large over not just our field, but society as a whole. Even with the vaccine rollout and continued treatment development, it's clear that the pandemic will still be a significant concern for at least the next year, as public health experts rightly predicted.

However, issues that were present before COVID have not gone away, which is why 2021 also looks to be a year for re-examining a wide range of topics. From pharmacovigilance to specialty drugs, we will be keeping a close eye on how these existing trends fit into this new landscape for workers' compensation pharmaceuticals.

With that in mind, here are what we at myMatrixx have identified as the most influential drivers for workers' compensation PBMs in 2021 as we work to help our clients and partners meet their claims management goals in this challenging environment.



### 1

#### The long-term impact of COVID-19 on the workforce

As the COVID-19 pandemic reaches the end of its first year, it has raised fundamental questions in workers' compensation pharmacy benefit management. Of course, one of the biggest storylines has been the decrease in overall claims as a result of factors including widespread unemployment and the shift to remote work. As people return to job sites in the coming months with the rollout of the vaccine, we will continue to monitor the effect this has on claims. In the meantime, the industry also continues to develop its response to the virus itself.

Specifically, stakeholders across workers' compensation are grappling with questions around preventative care and presumption. As we all know, workers' compensation has traditionally been in the business of reactively treating workplace injuries. If there is no injury, there is no claim. In general, this means workers' comp payers don't cover preventative care, including vaccinations.

Many are asking if COVID requires a change to that approach because it is both so widespread and so deadly. This could be particularly true for frontline workers who are being exposed to the virus in their course of duty. The vaccination story will continue to dominate COVID-19 news as new vaccines, such as the Johnson & Johnson vaccine, conclude their clinical trials and are brought to market. Workers' compensation payers will need to know how to respond effectively from both a clinical and cost standpoint.

On a similar note, there is ongoing debate around presumption laws for COVID-19, particularly for first responders. myMatrixx held a panel on this evolving topic last year where we discussed the upcoming debates on presumption in state legislatures across the country. These laws, if passed, could have a huge impact on workers' compensation and its approach to COVID-19, especially given the risks around long-term COVID cases. One key question, depending on how the policy picture ends up taking shape, is whether 'long-haul' COVID-19 patients should be categorized as catastrophic workers' compensation claims.

### 2

#### The need for pharmacovigilance — from COVID response to curbing opioid misuse

The broader COVID discussion leads into a question that clients have been asking for almost a year now: "What changes should we make to our drug formulary regarding COVID?" Of course, the answer is going to vary for each client depending on a variety of factors, but clients often find surprisingly little change is needed.

In terms of treatment, many of the drugs that have entered the public consciousness in the past year typically do not merit addition to client formularies. The most infamous example, hydroxychloroquine, almost goes without saying. myMatrixx was quick to highlight that this drug is not an appropriate treatment for COVID-19, and we did not recommend it for our clients. Remdesivir was another treatment that received widespread attention. While supported by clinical evidence, this drug is administered in the hospital only, so there's really no reason to add it to a workers' compensation formulary. This leaves a wide swath of medications, including anti-inflammatories and cough suppressants used in very general ways that are already on many formularies.



This highlights the ongoing importance of clinical oversight and the broader concept of pharmacovigilance. As a payer, it might be easy to take the attitude that clinical concerns have largely been resolved thanks to efforts that have already been made. The opioid misuse epidemic is a great example. We've made significant strides recently — myMatrixx can point to a five year decline in opioid utilization for clients — but curbing misuse is just one of many ongoing concerns.

Whether for opioids or a new class of drug, even the most effective drug therapy plan requires continued clinical oversight. There are potential side-effects of medications and also a general ability to manage the unknowns that require attention. As pharmacists, we truly do not know how individuals are going to react to a medication until they take it.

myMatrixx's entire clinical strategy as a workers' comp PBM is built on pharmacovigilance. We closely monitor developments in the pharmaceutical industry and leverage patient data to help our clients prioritize safety and minimize risk. In terms of controlling costs, we continue to find this strategy also limits practices that are not only dangerous, but expensive.

### 3

#### Keeping an eye on the growing specialty drug market

For a long time now, prioritizing generic utilization and encouraging substitution of generics for name-brand medications whenever possible has been a primary driver in keeping costs down for clients. As we approach 90% generic substitution across our book of business, with some myMatrixx clients already at 100%, I believe the next big opportunity for controlling costs lies in an effective specialty drug strategy. On a basic level, the first step should be reaching a standard definition of what exactly constitutes a specialty drug.



The most general description of specialty drugs are expensive medications used to treat rare conditions, such as multiple sclerosis or HIV. myMatrixx uses a more detailed criteria put forth by the American Journal of Managed Care. According to this definition, a specialty drug has these key components: it costs greater than \$650/month, it is used to treat a rare condition, it requires special handling or a limited distribution network and it requires ongoing clinical assessment.

Although the need for specialty drugs is relatively rare in workers' compensation, the high cost of these medications means that without proper oversight, costs can become exorbitant and quickly represent a disproportionately high ratio of drug spend. Two of the biggest examples in our field include needlestick injuries among health care workers that cause exposure to HIV or hepatitis C, and orthopedic surgeries that require expensive anticoagulants. As this area of the pharmaceutical industry continues to grow, there is every reason to believe that workers' comp claims will increasingly involve specialty drugs.

This is why workers' comp payers need a clear understanding of this category and an effective management strategy. myMatrixx is able to leverage the power of our parent company Express Scripts and Accredo Specialty Pharmacy to ensure that our clients have the tools they need to effectively manage specialty drug claims.

### 4

#### Shining a much-needed light on behavioral health

One under-discussed effect of the COVID-19 pandemic has been the broader impact it has had on mental health. In workers' compensation, many of us were quick to notice the striking similarity of the quarantine we found ourselves in to the circumstances that seriously injured workers have always faced. As we've seen growing evidence that the social isolation, lack of productive activity and uncertainty about the future brought about by the pandemic have increased behavioral health concerns such as depression, anxiety and insomnia, it has brought the parallels for injured workers into sharper focus. This has caused many in workers' compensation to rethink the standard practice of "never buying the psych claim."



In terms of injured workers, we're beginning to gain a clearer understanding about the connection between chronic pain and behavioral health. These two conditions, often thought of as distinct, have a bidirectional relationship. So a worker with chronic pain due to a job-related injury has a much higher chance of developing depression, anxiety or insomnia. Meanwhile, patients who are predisposed to or dealing with a mental health condition are far more likely to develop chronic pain if an injury occurs. Often, chronic pain cases that extend for long periods of time have a high chance of being related to undiagnosed and untreated mental health problems.

The takeaway is that ignoring behavioral health care can mean the difference between a claim that is closed in a few months and one that could go on for decades. Successful management of behavioral health for injured workers will become an increasingly important topic in 2021, and it will involve taking a comprehensive approach. While psychotropic drugs, including antidepressants, anti-anxiety medication and sleep aids should play a role, they need to be balanced with other treatment approaches such as cognitive behavioral therapy and lifestyle management. myMatrixx is already working closely with our partners and clients to adopt effective and pharmacovigilant strategies for behavioral care when necessary.

As we move into this new, and often uncertain, year, the myMatrixx team will continue to monitor the latest developments in pharmaceuticals and respond in ways that prioritize patient safety and the long-term claims management strategies of our partners. Our clinical team is currently finalizing the myMatrixx 2020 Drug Trend Report, which will contain the most up-to-date data and analysis from the workers' compensation pharmacy benefit management space.

The myMatrixx clinical team is finalizing the myMatrixx 2020 Drug Trend Report which will highlight a year's worth of data and trend analysis from the workers' compensation pharmacy benefit management space. Sign up today to get the report sent to you as soon as it is released.

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