215.575 9050 Phone 215.575 4939 Fax

901 E Street NW, 10th Floor Washington, DC 20004 www.pewtrusts.org 202,552,2000 Phone 202,552,2299 Fax

August 3, 2015

The Honorable Pat Toomey United States Senate Washington, DC 20510 The Honorable Rob Portman United States Senate Washington, DC 20510

The Honorable Sherrod Brown United States Senate Washington, DC 20510

The Honorable Tim Kaine United States Senate Washington, DC 20510

Dear Senators Toomey, Portman, Brown and Kaine:

On behalf of The Pew Charitable Trusts, an independent nonpartisan research and policy organization, we are writing to express support for the Stopping Medication Abuse and Protecting Seniors Act of 2015, which authorizes the use of drug management programs in Medicare. Pew's prescription drug abuse project works to develop and support policies that will help reduce the inappropriate use of prescription drugs while ensuring that patients with legitimate medical needs have access to effective pain management.

The drug management programs described in the legislation, also known as patient review and restriction programs (PRRs), can play an important role in preventing prescription drug abuse by assigning patients who are at risk for drug abuse to pre-designated pharmacies and prescribers to obtain these drugs. PRRs allow plan sponsors to better coordinate patient care and prevent inappropriate access to medications that are susceptible to abuse.

There is growing concern about potential overuse of opioids among Medicare beneficiaries. Analyses conducted by the Medicare Payment Advisory Commission (MedPAC), the Centers for Medicare & Medicaid Services (CMS) and the Government Accountability Office (GAO) have sought to quantify the extent of opioid overuse in this population. A MedPAC analysis of 2012 prescription drug event data found that 87 percent (10.7 million) of the roughly 12 million Medicare Part D beneficiaries who were prescribed prescription opioids received these therapies for conditions not associated with cancer treatment or hospice care. The top 5 percent of these 10.7 million beneficiaries, based on annual opioid spending in Medicare Part D, were more likely to obtain these drugs from multiple prescribers and pharmacies. Thirty-two percent of these beneficiaries visited four or more prescribers to obtain these prescriptions and 32 percent filled prescriptions at three or more pharmacies. MedPAC also found that these beneficiaries accounted for 68 percent of the program's total gross spending on opioids for non-cancer, non-hospice-related care. On average, these patients filled 23 opioid prescriptions at a cost of \$3,500 per beneficiary.

In the CMS evaluation, nearly nine million Medicare beneficiaries, or 28 percent of the Part D population, received prescription opioids for conditions not associated with cancer treatment or hospice care in 2011. Approximately 225,000 beneficiaries received potentially unsafe opioid dosing, which was defined as doses that exceeded 120 mg daily morphine equivalent dose for 90 or more consecutive days. In that subset of beneficiaries, over 28 percent obtained prescriptions from

four or more prescribers and almost 18 percent used four or more pharmacies to obtain prescription opioid drugs. More than 22,000 beneficiaries met all three criteria (potentially unsafe doses for 90 or more days obtained from four or more prescribers and four or more pharmacies). ii

A GAO evaluation of 2008 claims data further illustrates the potential for misuse within Medicare. The GAO identified 170,000 Medicare Part D beneficiaries who visited at least five, and as many as 87, medical professionals in a year to obtain prescriptions for opioids or other commonly abused drugs. Two opioids—hydrocodone and oxycodone—were involved in 80 percent of the doctor shopping incidents GAO identified. iii

An evaluation of state Medicaid PRR programs performed by a Centers for Disease Control and Prevention (CDC) expert panel concluded that these programs have the potential to reduce opioid usage to safer levels and thus save lives and lower health care costs. The effectiveness of PRRs has led to their adoption in the public and private sector, with major insurers operating these programs in their Medicaid managed care and employer-based plans. About 46 state Medicaid programs currently operate PRRs.

The Stopping Medication Abuse and Protecting Seniors Act of 2015, which would authorize the use of PRRs in Medicare, would help reduce prescription drug abuse in this population and increase care coordination while ensuring that patients with legitimate medical needs have access to effective pain management. The legislation provides beneficiaries with the right to appeal their identification as atrisk and subsequent enrollment in a PRR. It also allows patient input on the selection of prescribers and pharmacies to ensure reasonable access, including consideration of geographic location, cost-sharing, travel time, and multiple residencies. Furthermore, patients receiving hospice care, those residing in long-term care facilities, and other beneficiaries the Secretary elects to treat as exempt would be excluded from enrollment in a PRR. This mechanism can be used to avoid enrollment of patients with medical diagnoses that require high doses or combinations of controlled substances to manage their pain. We urge the Senate to address emerging patterns of drug abuse by providing the Department of Health and Human Services with the discretion to identify drugs in DEA schedules beyond schedule II that are identified as being at high risk for diversion or abuse.

There is support to advance this policy as an effective tool to decrease abuse of opioids. The policy has been proposed in the FY 2016 Budget request for the Department of Health and Human Services. A proposal similar to the Senate bill is part of the 21st Century Cures Act, which passed the House of Representatives with broad bipartisan support on July 10, 2015. We urge the Senate to follow suit by passing the Stopping Medication Abuse and Protecting Seniors Act of 2015 to help address the nation's prescription drug abuse epidemic.

Thank you again for your bipartisan work to advance this important public health policy. We look forward to working with Congress to refine the bill to ensure that these programs work as intended and encourage Congress to take swift action to advance legislation.

Sincerely,

Allan Coukell Senior Director, Health Programs The Pew Charitable Trusts Cynthia Reilly

Director, Prescription Drug Abuse

ynthia Keile

The Pew Charitable Trusts

¹ Medicare Payment Advisory Commission (MedPAC). "Medicare and the Health Care Delivery System," Report to the Congress. Chapter 5 (2015), http://www.medpac.gov/documents/reports/june-2015-report-to-the-congress-medicare-and-the-

health-care-delivery-system.pdf?sfvrsn=0

Government Accountability Office (GAO). "Medicare Part D: Instances of Questionable Access to Prescription Drugs," Report to Congressional Requesters (2011), http://www.gao.gov/assets/590/585424.pdf

Centers for Disease Control and Prevention; National Center for Injury Prevention and Control. Patient review & restriction programs. Lessons learned from state Medicaid programs (2012), http://www.cdc.gov/homeandrecreationalsafety/pdf/PDO patient review meeting-a.pdf

V Roberts AW and Skinner AC. Assessing the present state and potential of Medicaid controlled substance lock-in programs. *J Manag Care Pharm*. 2014;20(5):439-46c, http://www.amcp.org/WorkArea/DownloadAsset.aspx?id=18019

ⁱⁱ Centers for Medicare & Medicaid Services, "Supplemental Guidance Related to Improving Drug Utilization Controls," correspondence from Cynthia G. Tudor, director, Medicare Drug Benefit and C and D Data Group, Sept. 6, 2012, http://www.cms.gov/Medicare/Prescription-Drug-Coverage/PrescriptionDrugCovContra/Downloads/HPMSSupplementalGuidanceRelated-toImprovingDURcontrols.pdf