

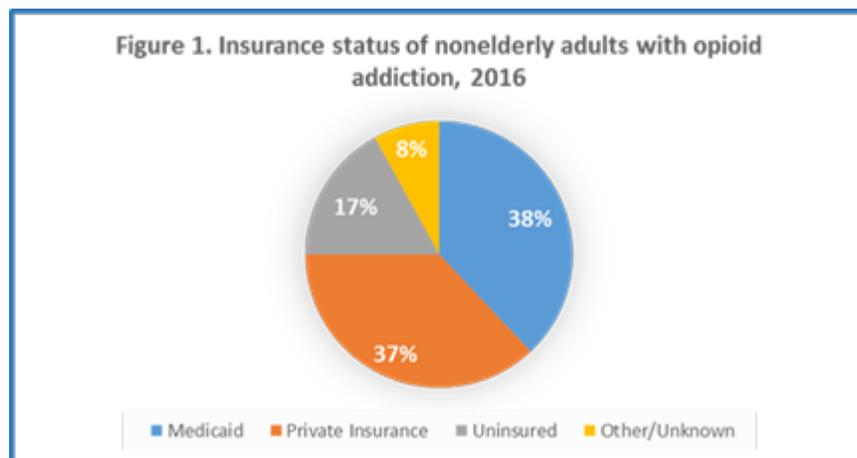


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New Report Looks at How the Opioid Crisis Has Affected Group Benefits

Employers Spent \$1.4 Billion on Opioids | 4 in 10 Addicted Get Medication from Employer Benefit Plan

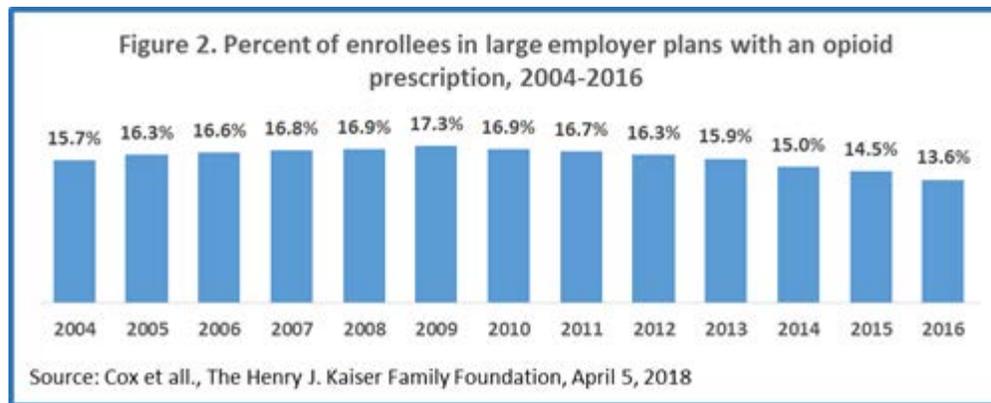
According to a new report published in April 2018 by the Kaiser Foundation, an estimated four in ten people addicted to opioids are covered by private health insurance supplied by their employers (Figure 1). As the opioid crisis continues to grow and challenge employers, there is mounting evidence that many opioid issues start from employer sponsored plans.



In fact, according to the Kaiser report, the issue may be worse than most are even aware. Here are the headlines:

- Opioid prescription use among people with large employer coverage is highest for older enrollees: 22% of people age 55 to 64 had at least one opioid prescription in 2019, compared to 12% of young adults and 4% of children
- Women with large employer coverage are somewhat more likely to take an opioid prescription than men (15% compared to 12%)
- Opioid prescription use among people with large employer coverage is higher in the South (16%) than in the West (12%) or Northeast (11%)
- Among people with large employer coverage, the frequency of opioid prescribing increased from 2004 (when 15.7% of enrollees had an opioid prescription) to 2009 (when 17.3% did)
- After reaching a peak in 2009, the rate of opioid prescribing began to fall. By 2014, the share of people with large employer coverage who received an opioid prescription (15.0%)

was lower than it had been a decade earlier and, by 2016, the share was even lower, at 13.6% (a 21% decline since 2009) (Figure 2). However, while the decline is favorable, more can be done to stem the tide of inappropriate use



Employers Spent \$1.4 Billion on Opioids

Here are further headlines from the report that require attention:

- In total, large employer plans and their enrollees spent \$1.4 billion in 2016 on opioid prescription painkillers, down 27% from peak spending of \$1.9 billion in 2009. In 2016, \$263 million, or 19% of total opioid prescription drug spending, was paid out-of-pocket by enrollees
- The pattern of increasing opioid prescription use through the late 2000s, followed by a drop-off through 2016 is similar across most major disease categories. Some of the steepest declines in opioid prescription use since 2009 were among people with complications from pregnancy or childbirth, musculoskeletal conditions, and injuries
- In 2016, people with large employer coverage received \$2.6 billion in services for treatment of opioid addiction and overdose, up from \$0.3 billion in 2004. Of the \$2.6 billion spent on treatment for opioid addiction and overdose in 2016 for people with large employer coverage, \$1.3 billion was for outpatient treatment, \$911 million was for inpatient care, and \$435 million was for prescription drugs.
- In 2016, \$2.3 billion in addiction and overdose services was covered by insurance and \$335 million was paid out-of-pocket by patients. (This total includes only payments for services covered at least in part by insurance, not services that are paid fully out-of-pocket and not billed to insurance, so it is likely an undercount of opioid addiction and overdose treatment expenses by this population).
- The bulk of the total \$2.6 billion in spending for treatment of opioid addiction and overdose among people with large employer coverage was treatment for young adults, totaling \$1.6 billion in 2016, even though young adults are prescribed opioids less often than older adults. Males also used more treatment than women (\$1.6 billion vs. \$1.0 billion).

The bulk of spending by people with large employer coverage on inpatient and outpatient treatment for opioid addiction and overdose was for employees' children (53%) for spouses (18%), while just under a third (29%) was for employees themselves. In 2016, 342 people per 100,000 large group enrollees received treatment for opioid overdose or addiction, including 67 people per 100,000 who received treatment in an inpatient setting. Kaiser used a sample of between 1.2 and 19.8 million enrollees per year to analyze the change from 2004 to 2016 in opioid related spending and utilization to develop their data. Click [here](#) to view the complete report.

What Can you do About it?

Click [here](#) to register for the Conner Strong & Buckelew webinar on July 23rd where we will outline specific strategies for employers and plan sponsors on how to address inappropriate opioid usage in group benefit plans.

Please contact your Conner Strong & Buckelew account representative toll free at 1-877-861-3220 with any questions.



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