Special edition: opioid epidemic

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This Special Edition of the PMC Risk Management newsletter deals with a persistent and growing problem for the members of Pharmacists Mutual – the proliferation of opioid use and the undesirable downstream effects that impact healthcare outcomes and cost millions of dollars annually.

Opioids fill legitimate pain treatment needs when prescribed and dispensed responsibly. Unfortunately, for a variety of reasons, use and diversion have exploded into what is described by the Centers for Disease Control as a national epidemic [CDC Morbidity and Mortality Weekly Report, January 13, 2012/61(01); 10-13]. According to the 2010 National Survey on Drug Use and Health conducted by the US Department of Health and Human Services:

- 5.1 million people use opioid pain medications in any given month.
- Narcotic analgesics exceeded 238 million prescriptions in 2010 (nearly 2 prescriptions for every 3 residents of the U.S.)
- Deaths from opioid analgesics now exceed deaths from both suicide and motor vehicle collisions annually.
- More people die from opioids, the synthetic form of opiates, than from heroin and cocaine use combined.

What does this mean for Pharmacists Mutual and you, our members? Millions of dollars in direct or indirect costs associated with the cost of pharmacy burglaries and robberies, costs to protect against theft, prescription fraud, professional liability associated with filling prescriptions, and increased workers compensation claims when employees are injured. Costs that are more difficult to calculate are the time spent dealing with police, the board of pharmacy, the DEA and lost business.

This Special Edition, assembled by our expert risk management team, explores the fundamental causes of the problem, how it adversely impacts business results, and what can be done to turn the tide. Pharmacists Mutual provides specialized insurance products for our members, but the best insurance is prevention. Please read further.
The drug seeker effect: Losses and claims arising out of opioid addiction

Ivy Kitzinger, AIC, AIS, ACS, AINS, Property Claims Manager

At Pharmacists Mutual, many of the claims we see are motivated by the misuse and abuse of controlled substances. According to the Centers for Disease Control, five million Americans use opioid painkillers for non-medical use. Additionally, while the U.S. represents only 4.6% of the world population, we consume 80% of the global opioid supply. Opioid addicts may be motivated to act irrationally and commit crimes by their strong compulsion to take the drugs and to avoid the symptoms of withdrawal. Some will rob pharmacies, forge prescriptions, and fake injuries; doing whatever it takes to maintain the addiction. You, as a pharmacy owner, are forced to defend yourself on many fronts as you inevitably confront these individuals who threaten your livelihood. You may sign alarm contracts, teach your pharmacists to verify scripts, and write procedures to follow in case of robbery, but losses still occur.

Your Property: The most common loss experience for pharmacies is burglary. The usual take from these heists includes controlled substances. Although security measures do work to deter or reduce the loss, some of the strongest security features have been defeated by an even stronger criminal intent. Thieves are burrowing through walls, tearing holes in roofs, and crashing through windows and doors, motivated by the promise of drugs inside. During the past five years, our average claim payment for a pharmacy crime has increased by 39%, making the problem costlier than ever.

Pharmacy owners suffer the expenses involved in repairing structural damages, as well as replacing the stolen merchandise and drugs. They may also endure a loss of income. Business may be interrupted due to physical damage to the pharmacy or local and federal authorities’ investigations. Customers’ orders may be delayed or lost; depending on the time of day, customers could be lost for good. There is also a growing concern of confidential patient information jeopardized through the theft of customers’ personal checks, readied prescriptions, or patient files. Even after the damages have been restored and the pharmacy is back to conducting business as usual, you and your employees are still reeling from the emotional effects of the loss and trying to regain a sense of security. While your insurance policy may provide financial relief for many of these losses, the emotional toll and stress of the situation cannot be measured or compensated.

Your Business and Employees: While it is understandable that you and your employees would want to stop any would-be thieves looking for opioids and other controlled substances, you must know that any aggressive action at the time of a robbery may actually make things worse. Cases involving defense of a pharmacist who took matters into his or her own hands during a robbery attempt have not settled favorably. One case, for example, involved a shootout on pharmacy premises. The collateral property damage and life risk to you, your customers, your employees, and any passersby far outweighs the benefit of stopping the perpetrator. Another example involves a pharmacist who killed a would-be armed robber and was later charged with first degree murder. The pharmacy video surveillance documented the events and was leaked to YouTube for the world to see. The consequences for everyone involved were unimaginably stressful and sad. The claim settled out of court, but life was forever changed for the pharmacist, his family, and the pharmacy where he was employed.

We understand the intense frustration and urge to protect your business and staff. You may have seen national television coverage on a pharmacist who had endured two robberies from the same thief. The third time, she was prepared. She responded to the criminal’s demand for drugs by spraying him with a type of pepper spray formulated to protect against bears. While the criminal was caught and the robbery was ultimately prevented, the pharmacy sustained more than $5,000 in property damage. The spray is a contaminant and shut down business while the extensive clean-up and disposal of affected merchandise ensued. Customers were forced to fill scripts elsewhere or wait days to get their medications. Fortunately, there were no employees or customers injured by the irritant. To put it in perspec-
New technology in the war against pharmacy theft

Michael L. Warren, ARM, OHST, Risk Manager

About two years ago, Pharmacists Mutual started to notice some strange occurrences in an increasing number of cities and towns across the country: police were not responding to alarms. When police respond to business owner’s inquiries about why they didn’t show up with “That’s why you have insurance,” it raises an eyebrow. When we looked into the problem, what we heard was that much of the problem was due to budget cuts. When we looked further, we found that the issue was deeper.

In the United States, there are 38 million false alarms annually, representing 95 to 99% of all alarm activations in some parts of the country. (International Association of Chiefs of Police) When 10% of all police responses are triggered by alarms, and most of them are false, budget conscious officials respond. If they can’t verify the alarm is real, police departments may put response at the bottom of the list. In these cases, the police can take one half hour or more to arrive on the scene. In some cities, police will not respond to unverified alarms.

It’s a major concern for our member companies. Without police response to alarms, criminals have a lot of time to cause damage and take drugs. Pharmacies are almost defenseless against burglars.

Technology is now available that provides the verification police departments need for faster response. Video-ified® combines alarm sensors and cameras on a motion viewer to provide immediate alarm verification for faster response. When the alarm activates, the central monitoring station receives a short video clip of whatever, or whom-ever set the alarm off. If they view perpetrators, the alarm company can notify police that a crime is in progress. If requested, they can provide video evidence.

- Video-ified® can be adapted to existing alarm installations or as a new system
- The MotionViewer cameras are wireless and can be installed anywhere in the building, on roofs, and outside the property
- For situations where employee diversion is suspected, cameras can be installed covertly and even placed in security cabinets and safes
- The system can be armed/disarmed by traditional alarm keypad, smartphone, remote or proximity card reader

For more information about the technology, to see videos of actual incidents and the location of dealers near you, visit www.video-ified.com. Video-ified® has also established a dedicated line for Pharmacists Mutual customers. If you have questions or would like to locate a dealer near you, please call 651.855.7890.
“To fill or not to fill…” How to respond to the questionable prescription

Don McGuire, R.Ph., J.D., General Counsel

Many pharmacists have asked the question, “I have some doubts about this prescription, do I have to fill it?” Perhaps the dosage is on the high side of normal, the patient presents for an early refill, or the patient is opioid-naïve. What should you do if faced with a prescription that you believe is harmful to the patient?

Some states deal directly with this question in their regulations. For example, California states that pharmacists can refuse to fill prescriptions that would be against the law or that could potentially have a harmful effect on a patient’s health. Indiana states that the pharmacist can refuse to fill a prescription that is contrary to law, that is against the best interests of the patient, that would aid or abet an addiction or habit, or that is contrary to the health and safety of the patient. Two general rules can be formulated from these examples.

Prescriptions that are illegal or invalid can’t be filled – this is one of the most difficult scenarios for a pharmacist when it comes to controlled substances. The DEA takes the position that to be valid; a prescription for a controlled substance must be issued for a legitimate medical purpose by a practitioner acting in the usual course of professional practice. The DEA believes that the law does not require a pharmacist to dispense a prescription of doubtful, questionable, or suspicious origin. It is difficult for a pharmacist to know when the line has been crossed from legitimate treatment to addiction. I think it is safe to say that if the current prescription presented to you is causing you to ask the question, then the line is very close or perhaps already crossed.

Prescriptions that could harm the patient shouldn’t be dispensed. This seems obvious, but is not always easy to apply in the real world, especially in the early refill or excessive dosage situations where the prescriber directs you to go ahead and fill the prescription. However, if you think there is a high probability that the patient will be harmed, no one can order you to dispense the prescription.

While California and Indiana spell out the responsibility of the pharmacist in these two situations, I believe that the same responsibility exists even in jurisdictions that don’t explicitly cite it. If not, then why bother to require that drug utilization reviews be performed? And if the pharmacist is powerless to act when something is detected, again, why require them? We all know that there are some risks associated with every drug and every treatment. What we are talking about here are the large, severe risks. If the prescriber can overrule the pharmacist’s professional judgment in this situation, then the chances of an irreversible, negative outcome increase. But you can’t make these decisions in a vacuum. Discussion with the prescriber will probably be necessary. Perhaps discussions with the patient also will be necessary. Use the information from these discussions in conjunction with your professional knowledge, experience and judgment.

As I tell pharmacists in these situations, it is much easier to defend a case where the pharmacist refuses to fill a questionable prescription than it is to defend a case where the pharmacist has doubts about what was dispensed. You don’t want your answer to the deposition question, “And what did you do when you became aware of this potential danger?” to be, “Nothing.” The patient’s case against you for refusing to fill a questionable prescription is much weaker than the patient’s family’s case would be if the patient overdosed and died. While we can’t insure 100% safety, we do want to avoid high probabilities of serious harm.

Pharmacists owe patients their highest efforts to treat their health problems and try to protect them from avoidable harm. The pharmacist’s duty to a patient does not require the pharmacist to do anything illegal. However, I do believe that it requires the pharmacist to use their professional judgment for the patient’s benefit. That may mean refusing to dispense a particular prescription. And that situation may require some intestinal fortitude on the part of the pharmacist.

This article discusses general principles of law and risk management. It is not intended as legal advice. Pharmacists should consult their own attorney for specific advice. Pharmacists should be familiar with policies and procedures of their employers and insurance companies, and act accordingly.

1 California Code of Regulations, Division 17, Title 16, Article 2, Section 1707.6
2 Indiana Code 25-26-13-16
Opioids in Workers’ Compensation – major factor in high dollar claims/poor outcomes

Lisa Molsberry, CPCU, AIC, AIM, AIS, R.T.(R) (ARRT), Claims Manager

Prescription drug abuse is the nation’s fastest-growing drug issue, an epidemic affecting all of society and workers’ compensation in particular. Prescription opioids are presently the number one workers’ compensation problem in terms of controlling the ultimate cost of indemnity losses. There has never been a more damaging impact on the cost of workers’ compensation claims from a single issue than the abuse of opioid prescriptions for the management of chronic pain. These costs are ultimately passed to the customer and are a major reason for the skyrocketing cost of workers’ compensation insurance. The abuse of opioids by injured workers is a major problem, both in terms of cost and individual health.

Opioids are powerful pain killers normally prescribed for people that have just undergone surgery. Terminal cancer patients also receive this type of medication to help reduce the pain in the final stages of their lives. Many workers compensation claimants that suffer physical injuries are prescribed this form of medication. However, many end up getting hooked and require higher dosages. A study by the Workers’ Compensation Research Institute (WCRI) found that 55-85% of workers’ compensation claimants were prescribed opioids. This study found that one in twelve still took the drugs 3-6 months later. However, the overwhelming consensus of evidence-based medicine does not support its long-term treatment protocol outside of very specific cases.

According to the National Council on Compensation Insurance (NCCI), prescription drugs account for 19-20% of the total medical paid on a workers’ compensation claim. Opioids account for approximately 38% of the prescription spend. Opioids computed to 33.61% of Pharmacists Mutual’s prescription expense during the last 12 months. What is Pharmacists Mutual doing to control this phenomenon? Managing opioid usage and expense is beneficial to everyone involved - employer, employee and us. Our goal is for injured workers to recover quickly and not become addicted to these drugs. We monitor every claim and look at ways to limit opioid usage. Early identification and intervention is the key, and we receive regular reports we compare each claim against 14 different flags and a score above a certain number requires special attention and handling by the adjuster. We work closely with the treating doctor and employee and may assign a nurse case manager who attends appointments and talks directly with the medical provider. We discuss the reason for the opioid treatment, the anticipated length of time the opioid will be provided, the quantity being provided, and most importantly, the possibility of alternative non-narcotic medication or alternative pain management treatment methods. We may bring in a doctor that specializes in pain management for a peer review of the treatment and, if necessary, a doctor to doctor discussion. We have been very successful with these reviews and reaching agreement between the doctors for alternatives forms of treatment as well as a plan to stop or reduce certain opioids.

Communication and education is important to engage injured workers in the recovery process. These include counseling, informed consent, and treatment agreements that outline patient expectations and responsibilities with regard to opioid therapy.

What steps can the employer take to control opioid abuse?

1. Control Selection of Medical Provider- The first step employers should take to control opioid abuse and cost is to control the selection of the medical provider. In states where the employer has the right to select a medical provider, and in the states where the employer is required to provide a panel of doctors for the employee to select from, all providers should be prescreened. The goal is to eliminate doctors that are too quick to prescribe opioids and keep injured workers on them too long. There are several other methods of treatment that can be utilized.

2. Initiate a Drug-Free Workplace Program- According to WCRI data, employers with an actively managed Drug-Free Workplace Program have significantly lower percentage of injured workers using opioids. Employers who do not hire people who use illicit drugs, and employers who do random on-going screening have far fewer employees who are predisposed to developing addiction.

3. Engage an Employee Assistance Program (EAP) for Opioid Users Longer than 60 Days- If the injured employee has been receiving opioids for more than 60 days, and the employer has a Wellness Program, the employee should be referred to the EAP. The employee needs to be educated about the long-term negatives of opioid addiction. This can include counseling, information on alternative treatments and, if needed, drug rehabilitation. If no EAP is available, then employers can still make sure that employees are receiving appropriate communication and education about addiction and their well-being. Encourage them to be engaged and openly communicate with and question their medical providers.

Do opioids improve the long-term function of injured workers? Too often they say their pain is improved but show no improvement in performing activities of daily living or returning to work. Conversely, they may say they aren’t improved enough to return to work or perform other activities, yet are able to leave the house and drive to the doctor to get a new prescription. We often see multiple opioid scripts with no functional improvement. We all want people getting better. If opioids aren’t providing functional improvement, they are providing more harm than good, a losing situation for us all.
Dealing with drug seeker crimes

From manufacturing through distribution, retail, healthcare establishments and down to the end user, the ways that drugs are diverted can stun the imagination. Some are highly complex and sophisticated, some are very direct and to the point. The bottom line can be the same. In most cases, it is impossible to stop the attempt.

The truth about preventing and controlling crimes fueled by drug seeking is that criminals will try. In their efforts to break in, they will cause property damage even if they don’t get the drugs. Preventing robberies or fraud attempts is virtually impossible, but you can limit the size of the loss.

Play the odds.

90% of thefts are by breaking in versus robbery, and 50% of these are through the front door or window.

- Limit the time they have available. You can do this with alarm systems that ring loudly and activate quickly. High visibility of the pharmacy area from the front and enhanced lighting make the crooks nervous.
- Slow them down. Use strong doors and locks. Protect vulnerable windows and glass.
- Keep them from the drugs they are looking for. Criminals can sweep a lot of shelves in under two minutes. It is much tougher to access contents of a safe.

The opioid epidemic: Is it our fault?

Dr. Steven Richards, Medical Director

Pharmacists Mutual insures pharmacies against loss due to theft. It insures Richards Pharmacy an independent pharmacy in Des Moines, Iowa (used with permission). My dad started the business in 1953 and my brother operates it today. Pharmacists Mutual has been its original and only insurer. Only one break-in occurred in the first 55 years of operation, but the sixth break-in during the last five years happened on April 14, 2013. Despite the store having shatter proof glass, surveillance systems, alarms and steel doors. The thief used a stolen SUV to ram the entrance door. Why? You all know the answer “opioids.”

Opiates have been around since ancient Egypt and there have been numerous cycles of use eventually leading to misuse. China and Britain fought the opium wars that eventually led to the Treaty of Nanking that gave Hong Kong to Britain. Heroin was used in cough medication produced by Bayer that led to the Harrison Treaty of Nanking that gave Hong Kong to Britain. Heroin was used in cough medication produced by Bayer that led to the Harrison Narcotic Act of 1914.

So why are we cycling again? I graduated from pharmacy school in 1971 and medical school in 1974. We were taught that opioids are potentially dangerous drugs with risk for misuse/addiction and should be used sparingly. In the early 1990’s medical literature was published that suggested opioids could be used to treat chronic pain. This led to a change in the pharmacy/medical education system about the use of these drugs. At the same time, “pain” became the sixth vital sign that the government mandated had to be documented and ultimately treated. The stage was set for the “perfect storm.”

Today, if you visit an ER for pain from an accident or if you undergo minor outpatient surgery, you will almost universally receive an Rx for some opioid. Ninety-five percent of all hydrocodone manufactured is consumed in the USA. Enough to provide about 100 doses for every man, woman and child in this country. In 1999 opioids overtook cocaine and heroin as the most abused drug and became the number one cause of death from drug overdose.

The cycle has once again been recognized. The new laws this time involve the prescription drug monitoring programs being implemented. Many states now have mandatory periodic continuing education about appropriate prescribing and documenting of the use of this drug class. The academic community is again teaching the dangers associated with these drugs.

Pharmacists Mutual supports these endeavors and we are anxious to help shift the paradigm to safer usage of these medications. In the meantime, we will be there when we are needed, just as my brother needs us now.

History has always been a good teacher. Let’s hope we listen better this time.

Be aware of outliers.

Over 50% of pharmacy burglars come through the front of the store, but some cut through ceilings, drive cars through walls or attack drive-through windows and rear doors. These can be difficult to protect against or to even anticipate. If you see these types of aggressive attempts in the local news, consider ways to protect yourself.

In some cases there have been no similar crimes in the area and there is no warning. First and foremost, make sure your alarm system is reliable and covers all areas of the pharmacy and protect narcotics in a safe. New technologies provide video verification for police that the alarm is not false and criminals are on site.

Protect against the most serious threat.

Physical violence to employees and customers is a key concern with armed robberies. Drug seekers can be dangerous, but overwhelmingly will leave if they get what they ask for without resistance. Have a plan. Practice how to respond.

For additional information about Pharmacy Crime Prevention, please visit us at www.phmic.com, Risk Management.