May 27, 2016

Dear House and Senate Opioid Legislation Conferees:

We, the undersigned organizations representing a research and policy organization, healthcare plan sponsors, managed care pharmacists, and pharmacy benefit managers, urge conferees to include a provision in the final legislation that would authorize the use of patient review and restriction (PRR) programs by Medicare plan sponsors. These programs can play an important role in preventing prescription drug misuse and diversion by assigning patients who are at risk for substance use disorders to designated pharmacies and prescribers to obtain drugs that are subject to abuse.

PRR programs are a critical tool for addressing the nation's prescription drug abuse epidemic. A Centers for Disease Control and Prevention expert panel evaluation found that PRR programs used in Medicaid programs have reduced narcotic prescriptions, abuse, and visits to multiple doctors and emergency rooms, while also generating cost savings. These programs are used in Medicaid as well as in commercial plans, but authorization is needed by Congress to permit the use of PRR programs in Medicare.

There is broad support to advance these drug management programs as an effective tool to decrease opioid misuse in Medicare. The policy has been proposed in the FY 2016 and 2017 Budget requests for the Department of Health and Human Services (HHS), and the Centers for Medicare and Medicaid Services acting administrator, Andy Slavitt, expressed his support for PRR programs at a January 2016 Senate Finance Committee hearing. ii

Section 705 of S. 524, the Comprehensive Addiction and Recovery Act (CARA) would authorize the use of PRR programs by Medicare plan sponsors to help reduce prescription drug misuse and diversion in this population while increasing care coordination and ensuring that patients have access to effective pain management. The legislation provides beneficiaries with the right to appeal their identification as at-risk 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 HHS Secretary elects to treat as exempt would be excluded from enrollment in a PRR.

While we urge the conferees to pass final opioid legislation that would authorize the use of PRR programs in Medicare, there remains room to further strengthen this provision in section 705 of CARA by expanding these programs to include the use of controlled substances in Drug Enforcement Administration (DEA) schedules II through V. This would encompass opioids, benzodiazepines, muscle relaxants, and other frequently misused drugs. Alternatively, we would support a provision that allows the HHS Secretary to determine controlled substances that are

frequently misused or diverted for inclusion in PRRs. Expanding the scope of these programs to include controlled substances beyond DEA schedule II would allow plan sponsors the flexibility to address current and future patterns of drug misuse.

We urge conferees to include the PRR policy as part of the opioid legislation currently being conferenced. Thank you for your bipartisan work to advance this important public health policy. Should you have any questions, please do not hesitate to contact Lindsey Berman at The Pew Charitable Trusts at lberman@pewtrusts.org or (202) 540-6958.

Sincerely,

The Pew Charitable Trusts Academy of Managed Care Pharmacy Blue Cross Blue Shield Association Express Scripts, Inc. CVS Health Pharmaceutical Care Management Association Health Care Service Corporation

CC:

The Honorable Patty Murray, The Honorable Lamar Alexander, The Honorable Ron Wyden, The Honorable Orrin Hatch, The Honorable Fred Upton, The Honorable Frank Pallone, The Honorable Chuck Grassley, The Honorable Patrick J. Leahy, The Honorable Bob Goodlatte, and The Honorable John Conyers

ⁱ 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/drugoverdose/pdf/pdo_patient_review_meeting-a.pdf

Healthcare Co-ops: A Review of the Financial and Oversight Controls. Senate Finance Committee Hearing, (2016) (statement of Andy Slavitt, acting administrator of the Centers for Medicare and Medicaid Services), http://www.finance.senate.gov/hearings/healthcare-co-ops-a-review-of-the-financial-and-oversight-controls