



NCCI Holdings, Inc.

Annual Issues Symposium 2009

Narcotics in Workers Compensation

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AIS
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2009

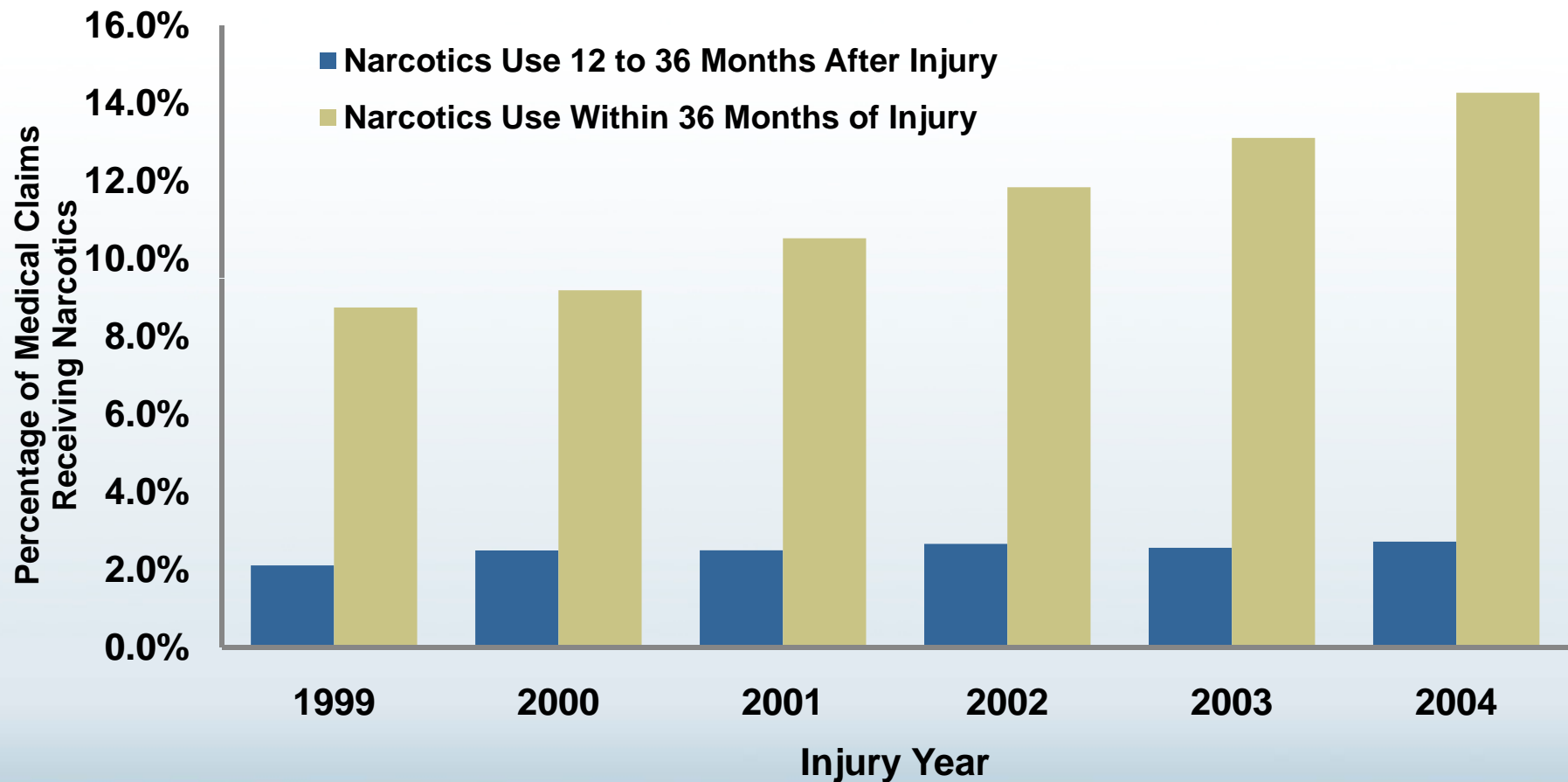
Topics of Interest

- Extent of narcotics use in workers compensation
- Types of narcotics used
- Injury groups with the most narcotics use
- Treatment expenses related to use of narcotics
- Persistence of narcotics use

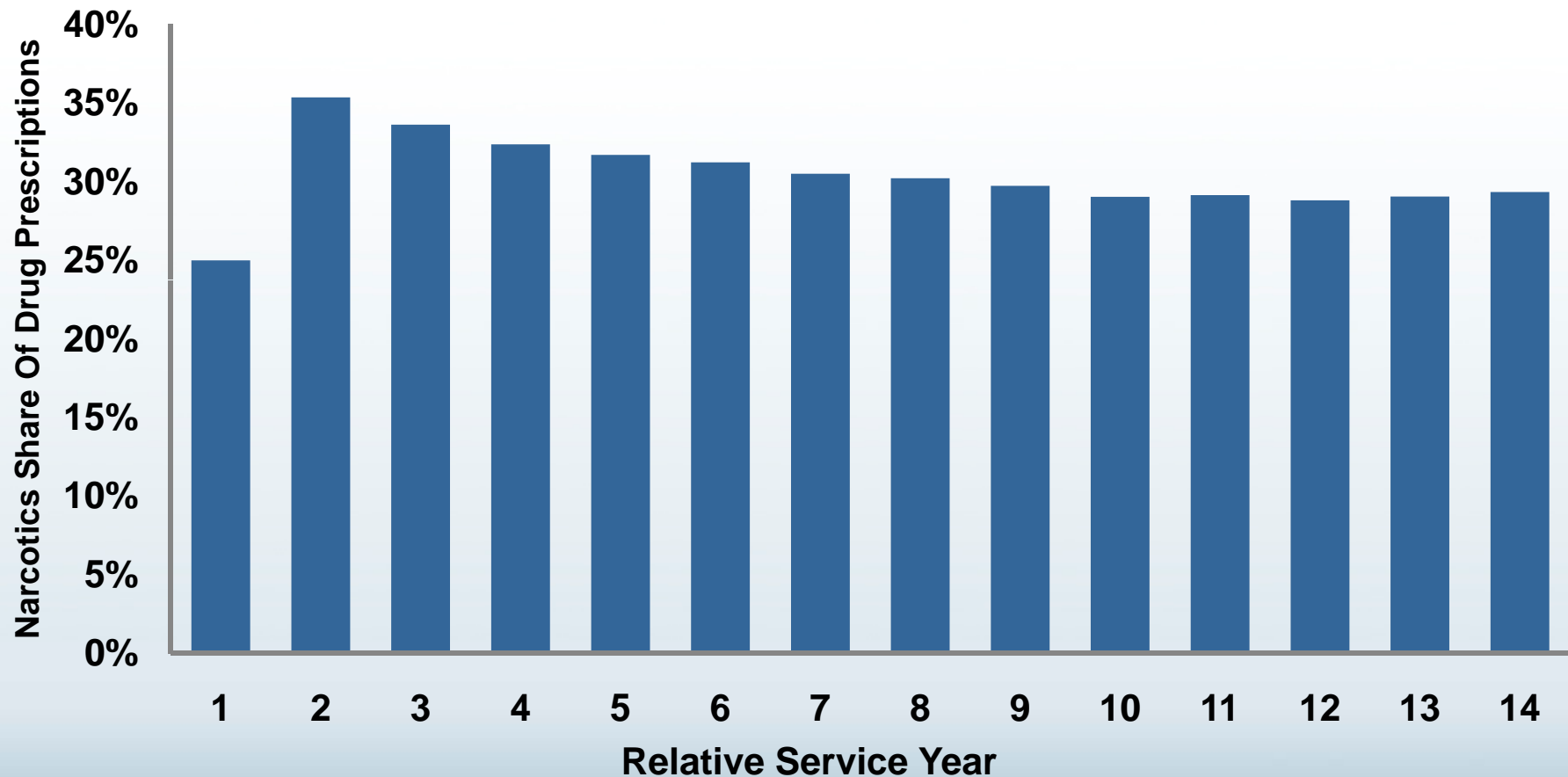
Study Design

- Data is based on a nationwide sample
- Data includes claims from 1994 to 2007 and services from 1996 to 2007
- Narcotics are those listed in:
 - International Narcotics Control Board
 - List of Narcotic Drugs Under International Control, Yellow List, 47th edition
 - December 2007

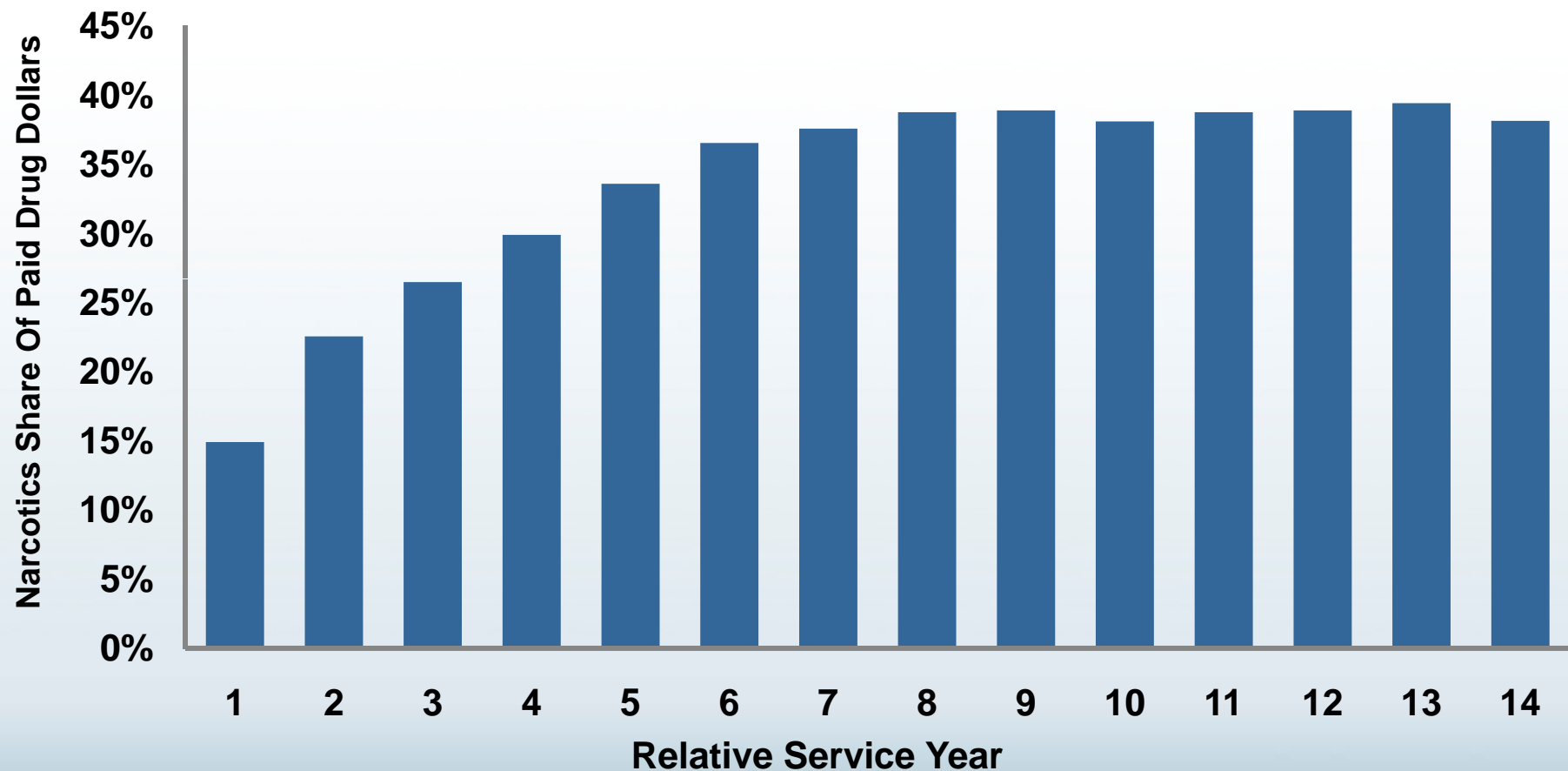
Early Narcotics Use Is Increasing



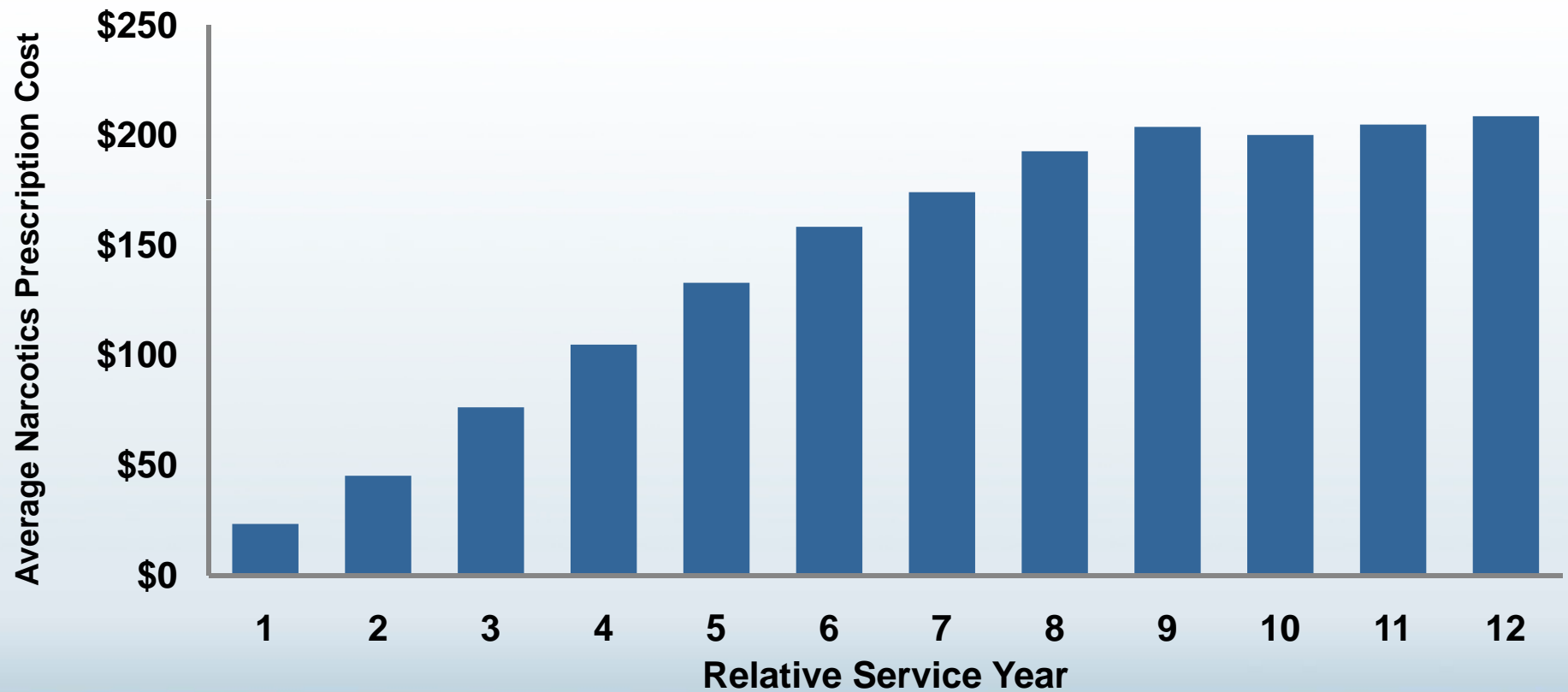
Narcotics Share of Drug Prescriptions Is Persistent as Claims Age



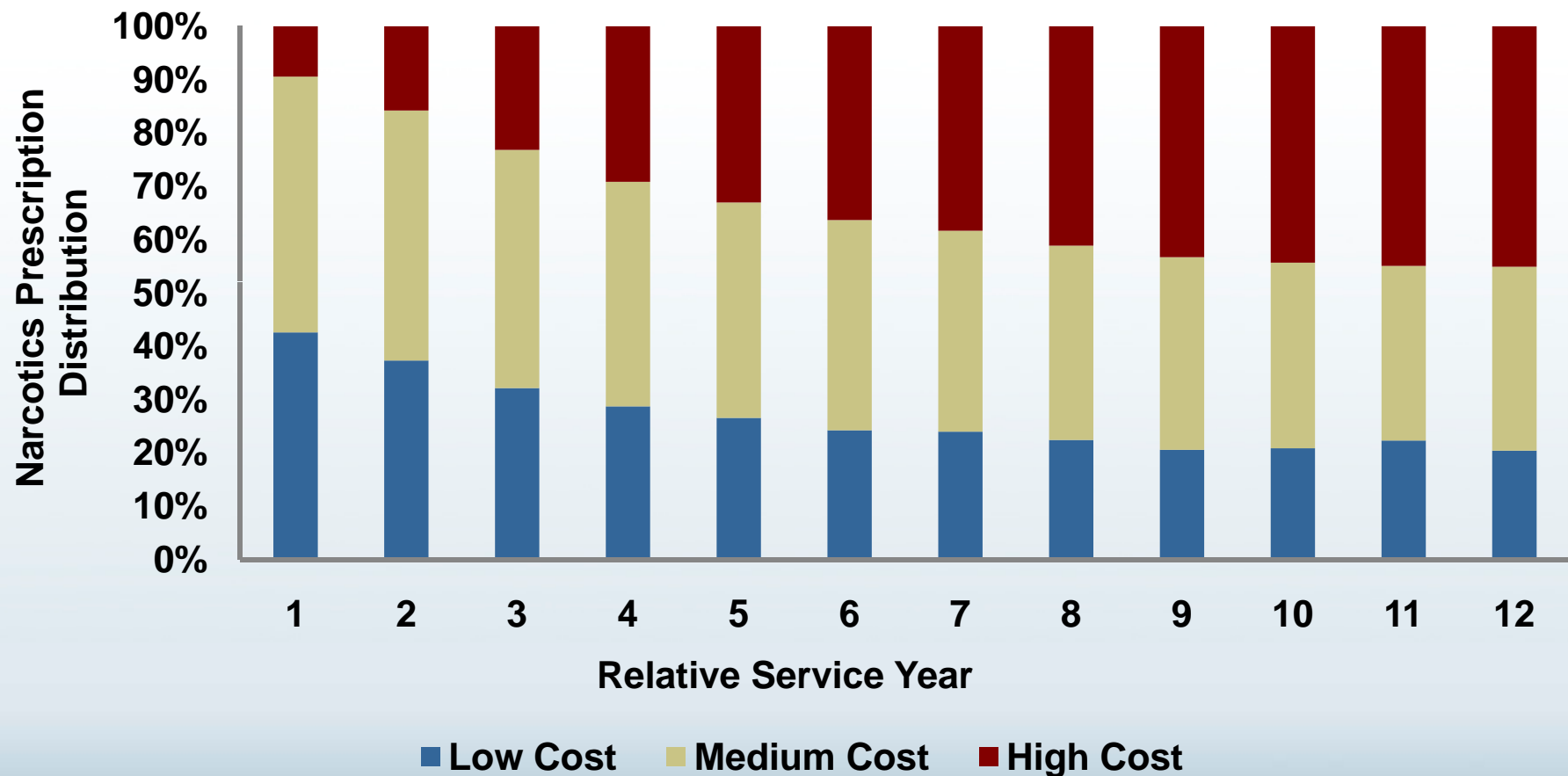
Narcotics Share of Drug Costs Increases as Claims Age



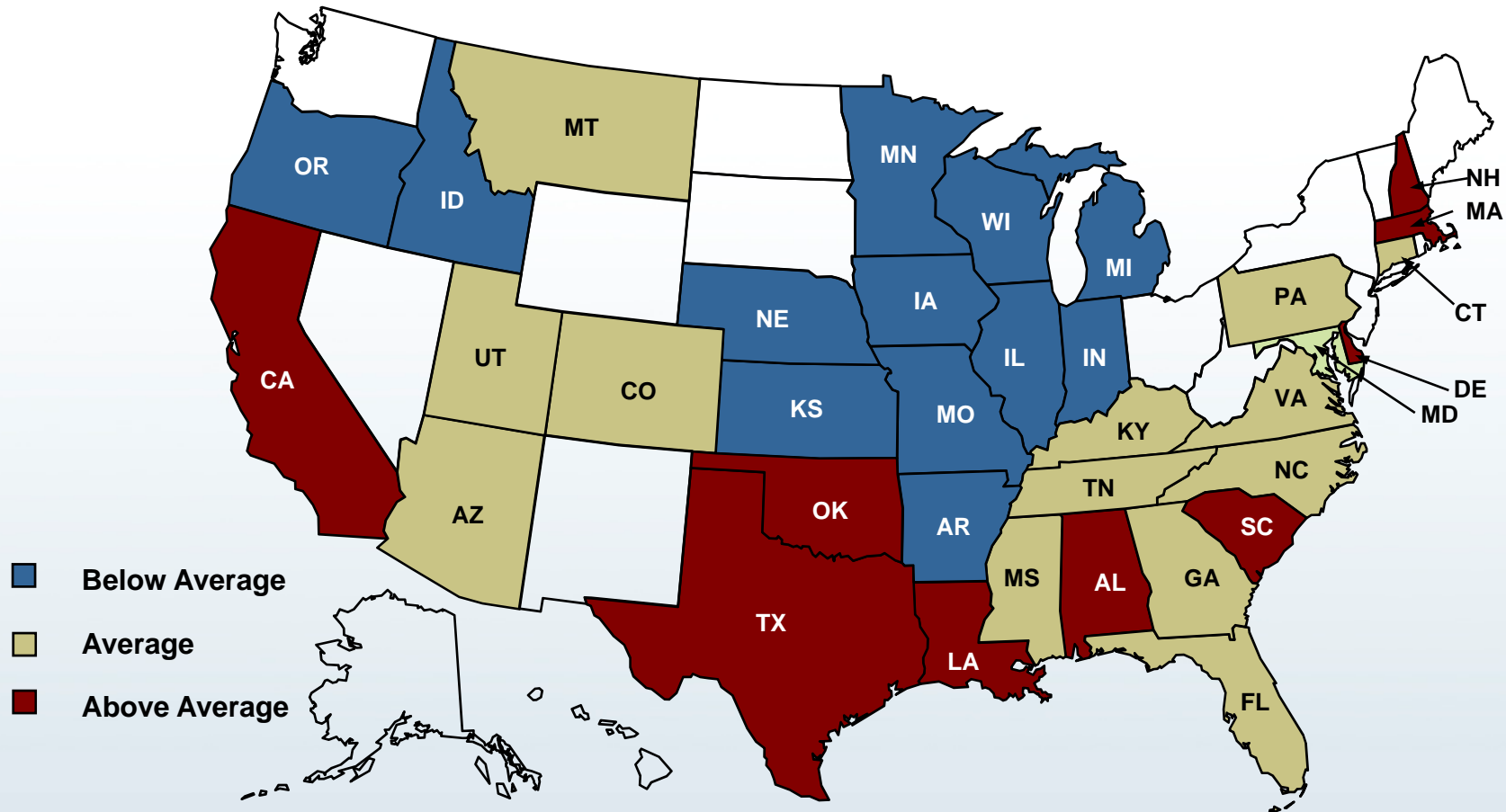
Average Narcotics Prescription Cost Increases as Claims Age



High-Cost Narcotics Are a Greater Portion of Narcotics as Claims Age

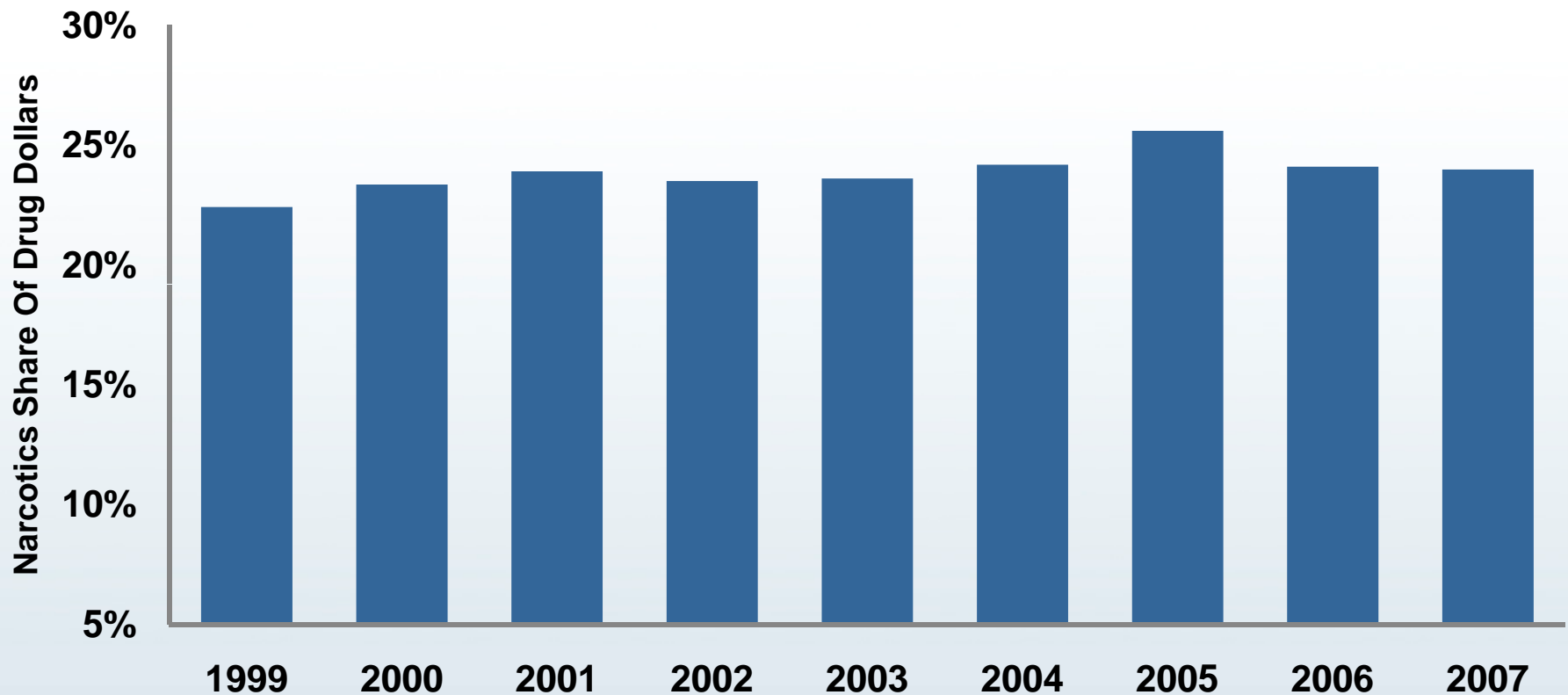


WC Narcotics Costs per Medical Claim



Injury Years 1999 through 2003
Relative Service Years 1 through 5

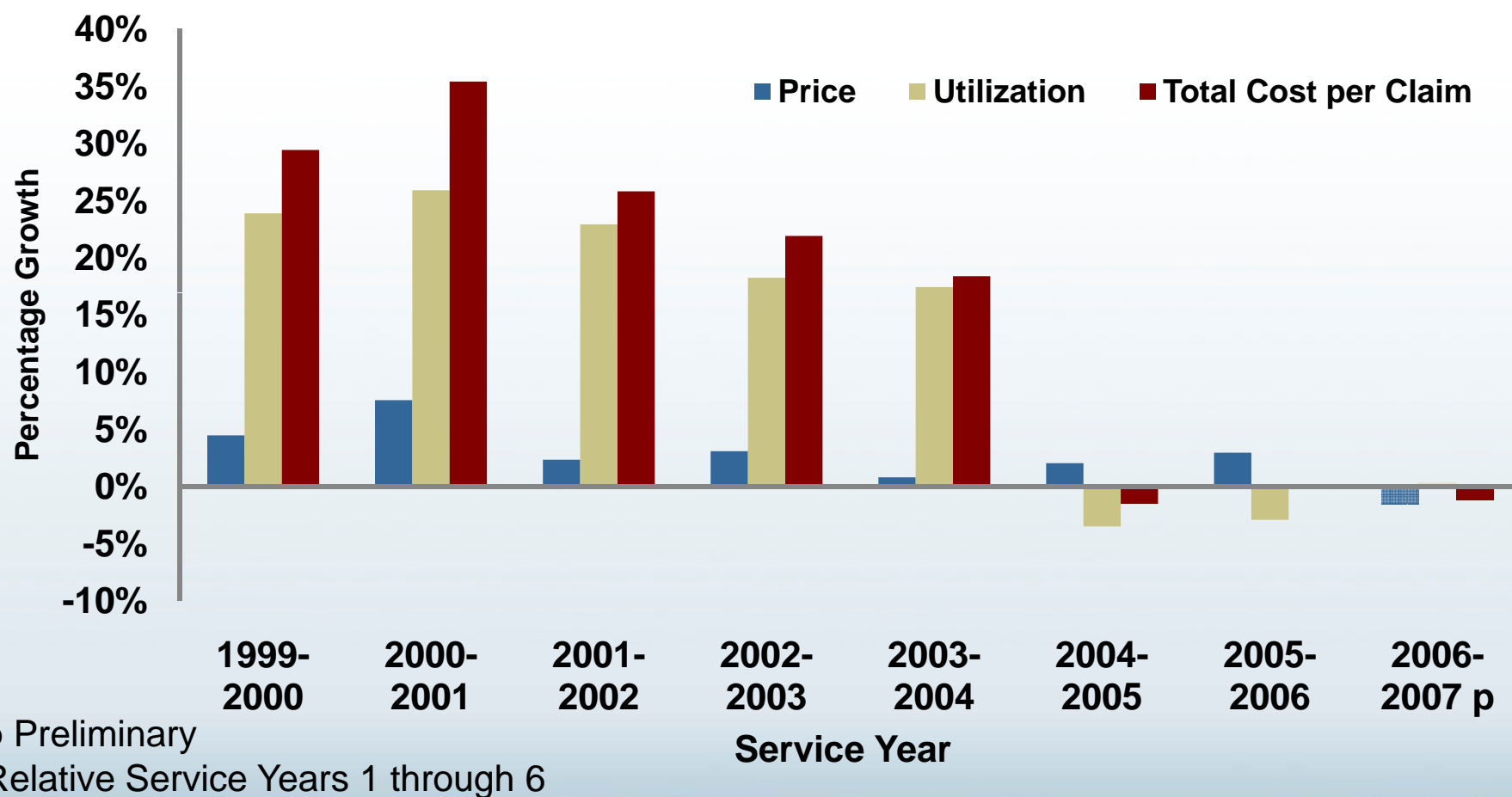
Narcotics Share of Drug Dollars Has Been Stable Over Time



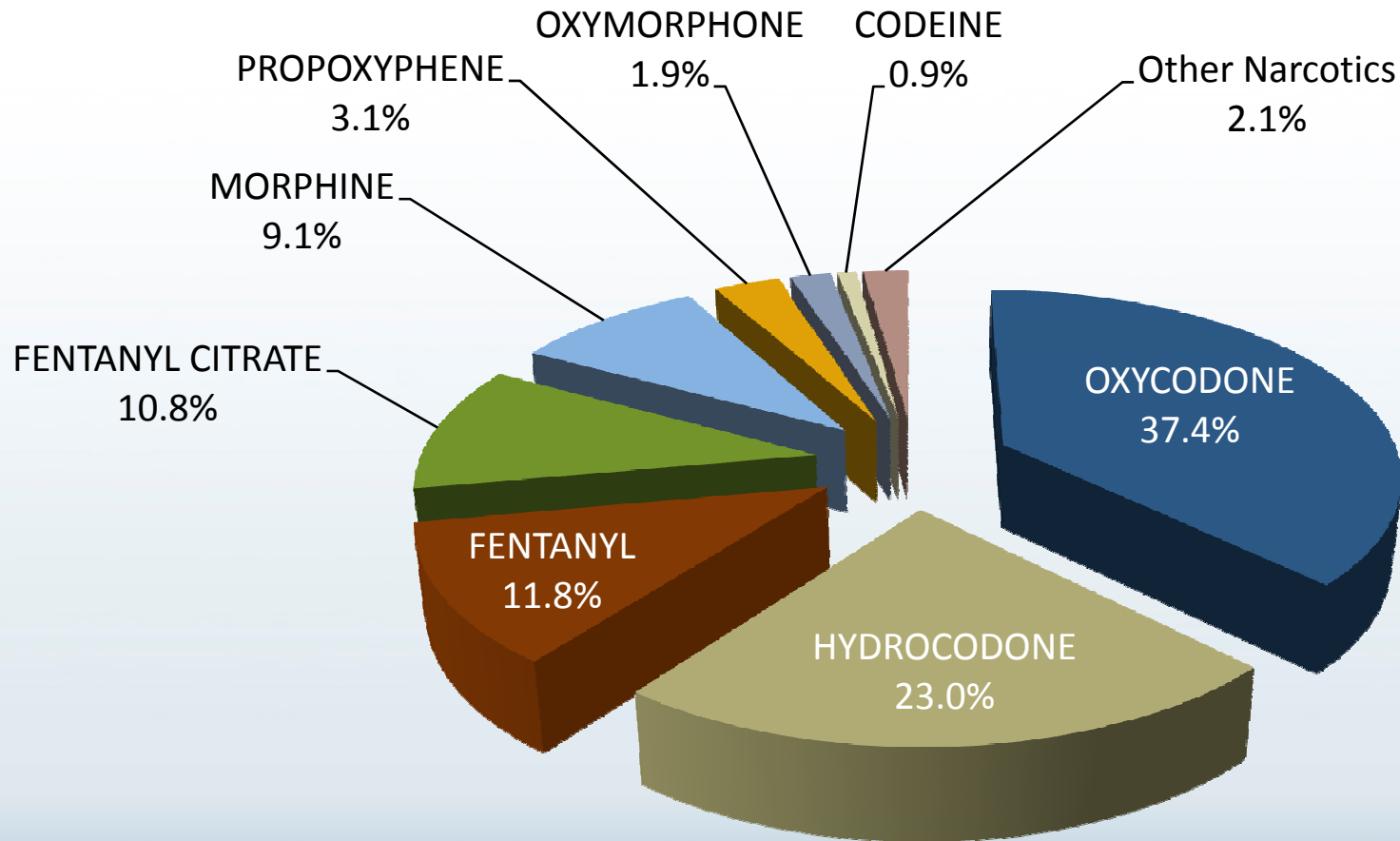
Relative Service Years 1 through 6

Service Year

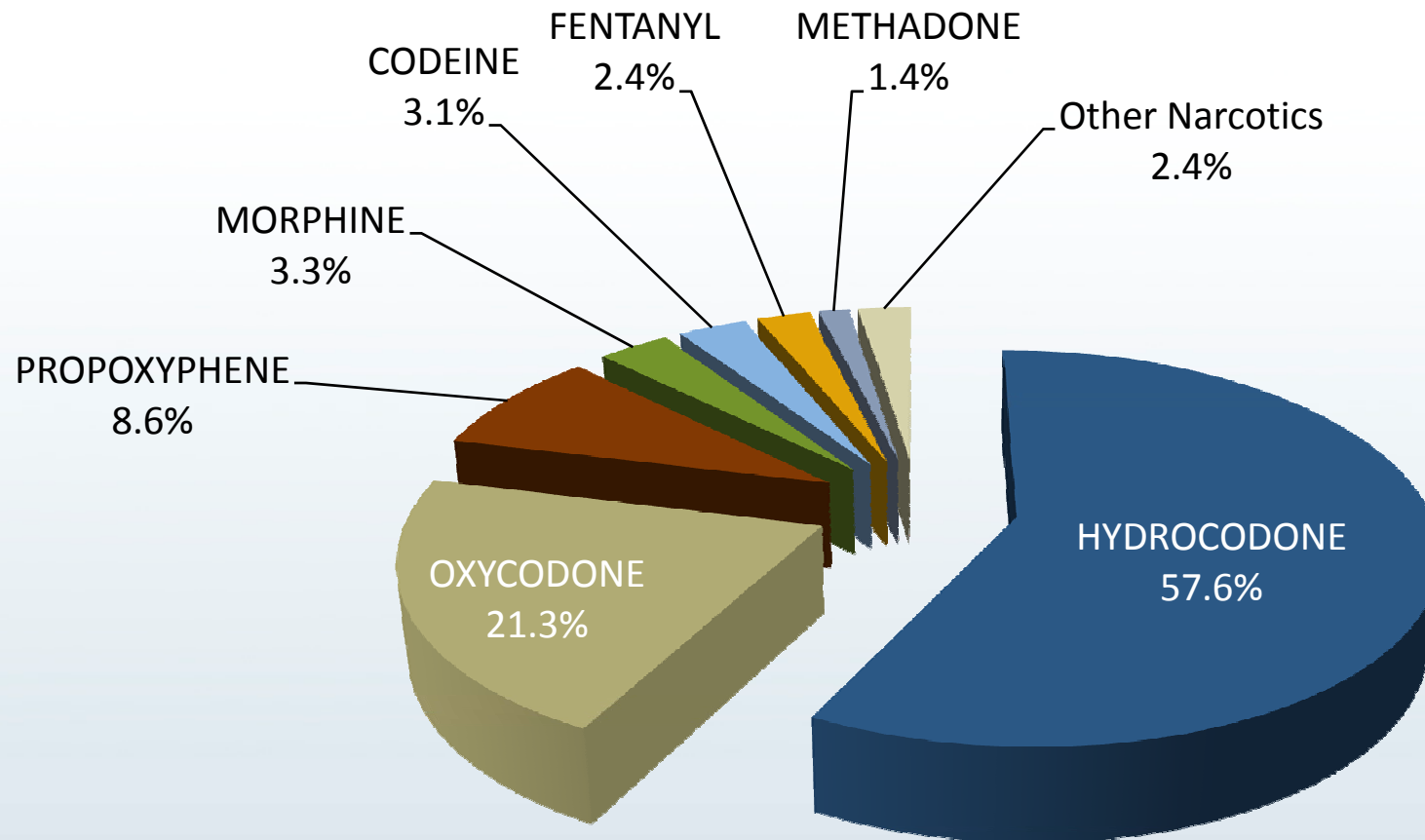
Average Narcotics Costs per Claim Recently Stable



Most Narcotics Dollars Paid Are for the Active Ingredient OXYCODONE



Most Narcotics Prescriptions Are for the Active Ingredient HYDROCODONE



Top Paid Narcotics in 2007 With OXYCODONE as Active Ingredient

Drug Name	% Paid	% Scripts	Paid Rank	Script Rank
OXYCODONE HCL	12.2%	5.7%	2	4
OXYCONTIN®	11.9%	1.8%	3	6
OXYCODONE W/ACETAMINOPHEN	7.0%	10.6%	5	2
PERCOCET®	3.5%	0.9%	10	11
ENDOCET®	2.4%	1.8%	12	7
ROXICODONE®	0.2%	0.1%	31	38
ROXICET®	0.1%	0.2%	39	22
MAGNACET®	0.1%	0.0%	43	55
COMBUNOX®	0.1%	0.0%	47	46
ETH-OXYDOSE®	0.1%	0.0%	49	56
All Others	0.1%	0.1%		
Subtotal	37.4%	21.3%		

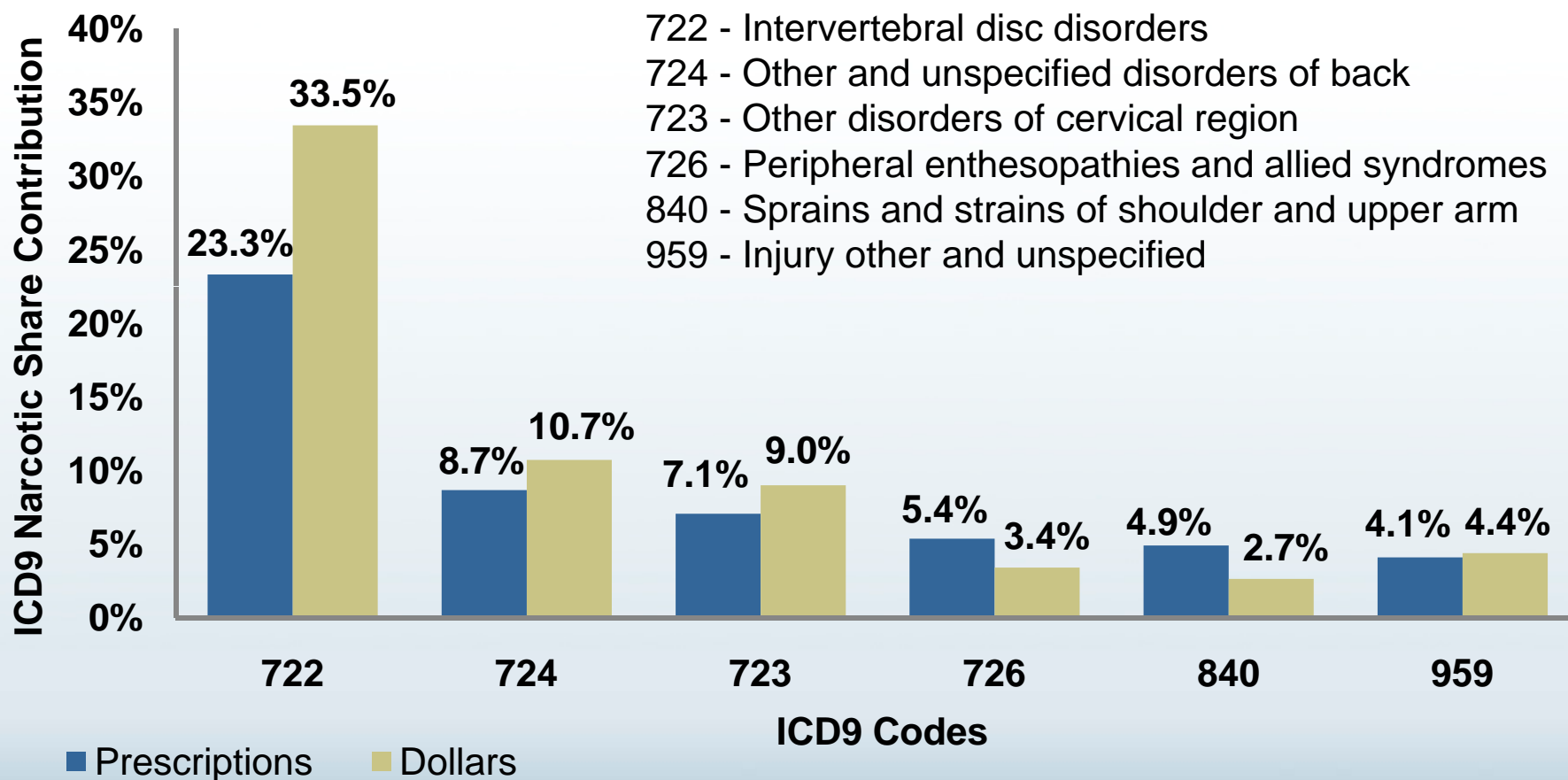
Top Paid Narcotics in 2007 With HYDROCODONE as Active Ingredient

Drug Name	% Paid	% Scripts	Paid Rank	Script Rank
HYDROCODONE/ACETAMINOPHEN	19.9%	55.2%	1	1
HYDROCODONE BIT-IBUPROFEN	0.6%	0.8%	18	15
NORCO®	0.6%	0.3%	19	20
THERACODOPHEN-650®	0.5%	0.2%	20	27
LORTAB®	0.4%	0.4%	23	18
VICODIN ES®	0.2%	0.3%	28	21
VICODIN®	0.1%	0.2%	32	24
HYDROCODONE BITARTRATE	0.1%	0.0%	35	43
LORCET 10/650®	0.1%	0.0%	37	44
XODOL 10/300®	0.1%	0.0%	40	45
THERACODOPHEN-LOW-90®	0.1%	0.0%	41	54
VICODIN HP®	0.1%	0.0%	45	50
VICOPROFEN®	0.1%	0.0%	48	51
All Others	0.1%	0.1%		
Subtotal	23.0%	57.6%		

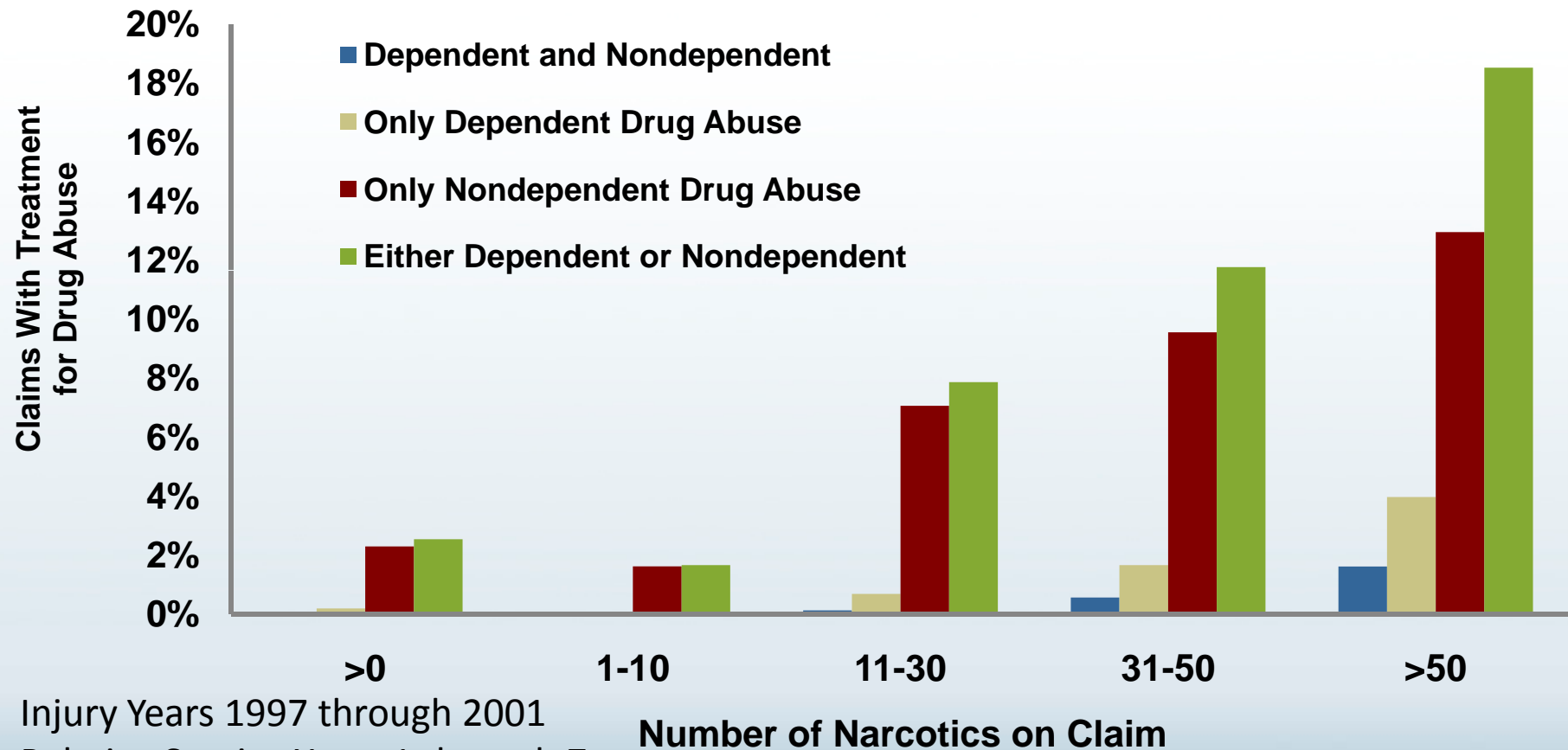
Top Paid Narcotics in 2007 With FENTANYL as Active Ingredient

Drug Name	% Paid	% Scripts	Paid Rank	Script Rank
FENTANYL	7.1%	1.7%	4	8
DURAGESIC®	4.7%	0.7%	7	16
FENTANYL	11.8%	2.4%		
ACTIQ®	4.9%	0.1%	6	36
FENTANYL CITRATE	4.2%	0.2%	8	26
FENTORA®	1.7%	0.1%	15	37
All Others	0.0%	0.0%		
FENTANYL CITRATE	10.8%	0.3%		

Top ICD9 Diagnosis Codes in 2007



Claims With Heavy Narcotics Use Are More Likely to Have Drug Abuse Treatments

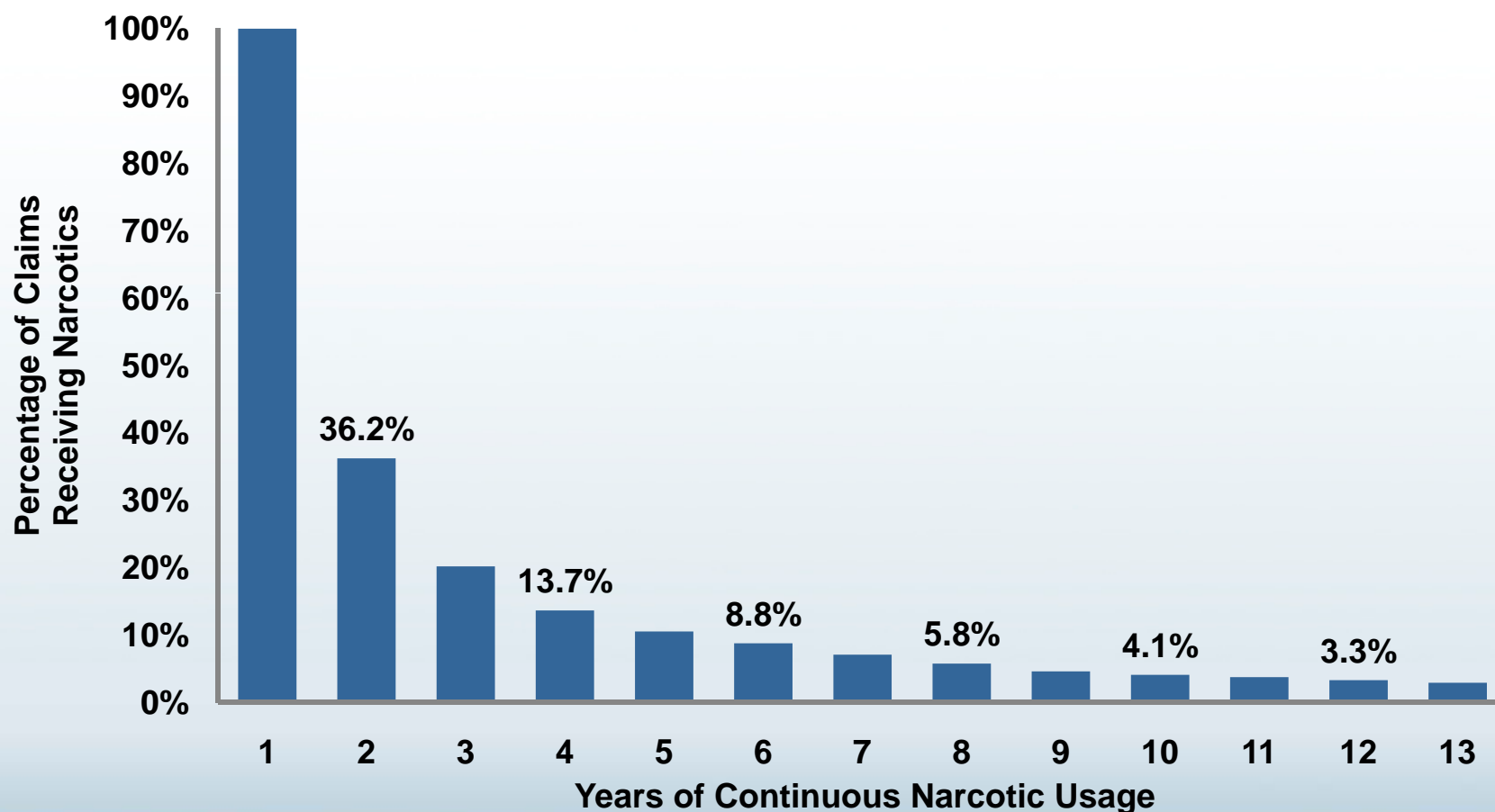


Injury Years 1997 through 2001
Relative Service Years 1 through 7

Number of Narcotics on Claim

Persistence of Narcotics Use

Claimants Receiving Narcotics Between
12 and 24 Months After Injury



Summary

- As claims age, the narcotics share of total drug costs increases due to a shift toward more expensive narcotics
- The growth in narcotics costs per claim was much greater between 1999 and 2004 than more recent years
- A majority of all narcotics prescribed contain either Oxycodone or Hydrocodone
- Narcotics are prescribed for back or neck injuries more often than for other injuries
- Full study will appear on ncci.com