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February 12, 2019

Oregon State Legislature Senate Committee on Health Care 900 Court St. NE Salem, OR 97301 Delivered via Email

Re: Comments on Senate Bill 150

Dear Chair Anderson and Members of the Committee:

Thank you for the opportunity to offer comments on the proposed legislation for the great state of Oregon Senate Bill 150. Mitchell International is a leading provider of services in workers' compensation systems across the country. Our primary goal is assisting injured employees on the road to a safe and holistic recovery by coordinating the complicated logistics in maintaining their medical and pharmaceutical care.

Our workers' compensation services include the electronic transmission of First Reports of Injury, E-Billing, managed medical care, managed pharmacy care, bill review, utilization review, independent medical review and other ancillary services, including a mail-order pharmacy. Our comments are drawn from our experience in providing managed pharmacy care and mail-order pharmacy options for injured workers of both insured and self-insured employers in all jurisdictions.

We are particularly grateful for your legislature's efforts in addressing the rising epidemic of abuse and addiction of controlled substances and opioids. We share the urgency and seriousness of this issue and applaud you for providing tools to help curb opioid use and aid in sustainable recoveries for injured workers. We do have some concerns with Senate Bill 150 and the requirement to use lockable vials for opioids. While their design may be intended for good purposes, their use is complicated by a variety of factors. One factor is the possibility of error or malfunction of the vial, creating issues for the patient and an inability to access needed medication. Senate Bill 150 allows for lockable vials to be substituted if the patient, due to a physical or mental condition, would have difficulties opening it. However, in the case of mail-order pharmacies, the pharmacist may not have visibility or knowledge of mental or physical conditions that may inhibit the opening of the vial. Providing a locking vial to an injured worker who may be unable to open the vial complicates and impedes the recovery of the injured worker and may result in increasing costs in both claims and time.



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Senator Knopp and Chair Anderson were mindful in addressing the significant costs of the new devices by adding the provision for manufacturers of the controlled substance to reimburse the costs of the lockable vial to the pharmacy. While covering the cost of the locking vials is helpful, the legislation doesn't consider additional costs incurred by our mail-order system. For instance, we will have to create a separate and manual process for Oregon prescriptions which will increase our cost to dispense the medication. That additional cost is not factored into the Oregon workers' compensation pharmacy fee schedule. The lockable vials would also prohibit the use of any automated fill systems since they are not currently equipped to handle a lockable vial.

Mitchell has been a leading voice in reducing opioid use in workers' compensation systems across the country. We support the goal of lowering opioid dependency and abuse. However, we have great concerns with mandating lockable vials. The costs to implement and provide the vials are extensive and expensive for our mail-order pharmacy and we have not seen any quantifiable data demonstrating that the use of the vials reduces diversion or abuse of opioids or other controlled substances.

Thank you for considering our comments. If you have questions or desire further information, please contact me at <u>brian.allen@mitchell.com</u> or at 801-903-5754.

Sincerely,

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Brian Allen Vice President Government Affairs