

Impact of Employee Health on Workers' Compensation

10/6/2017

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What's the Connection?



Lifestyle Behaviors

Why are Health Care Costs Rising?

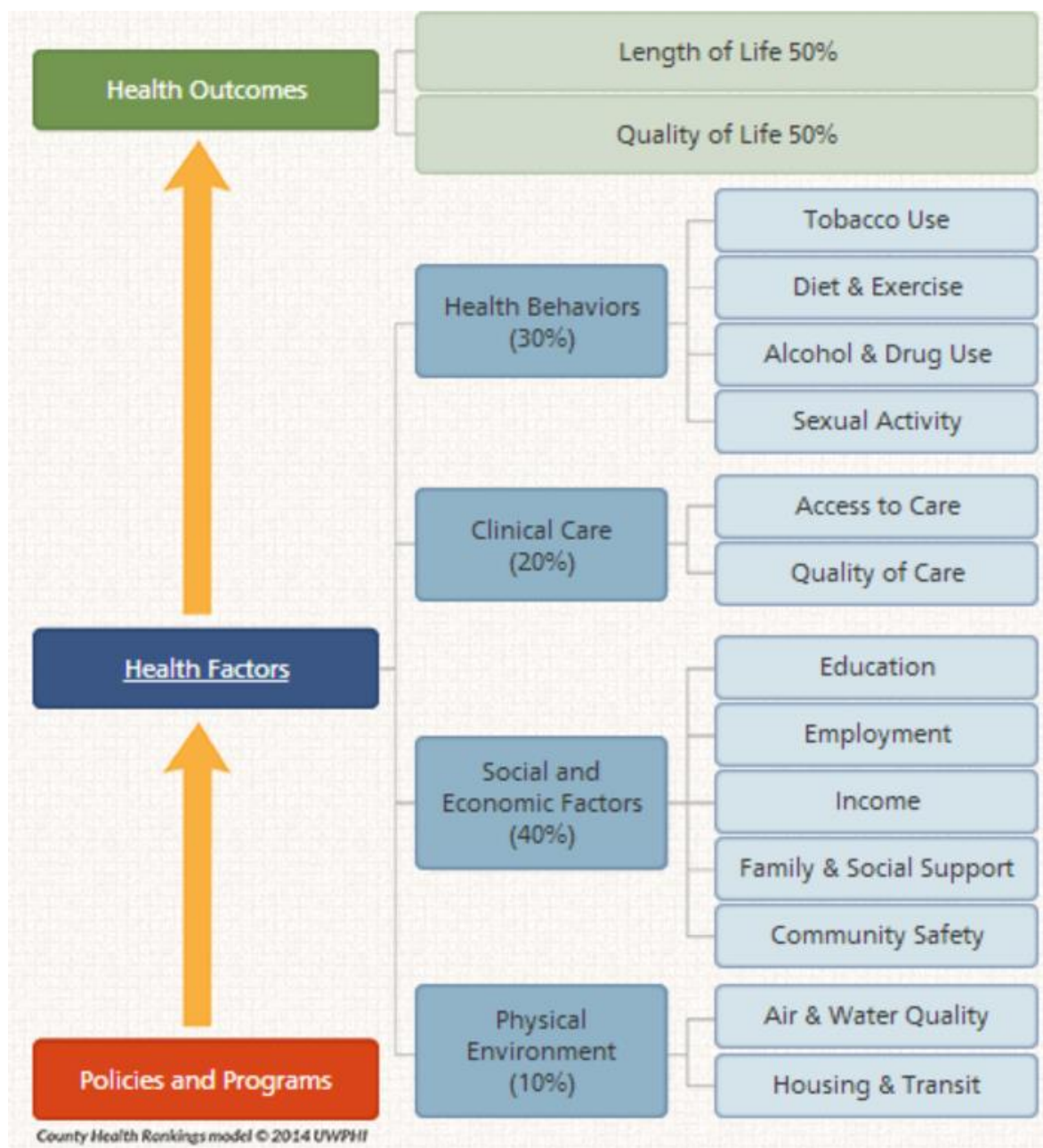


**Health
care costs
rising**

6.5%

annually*

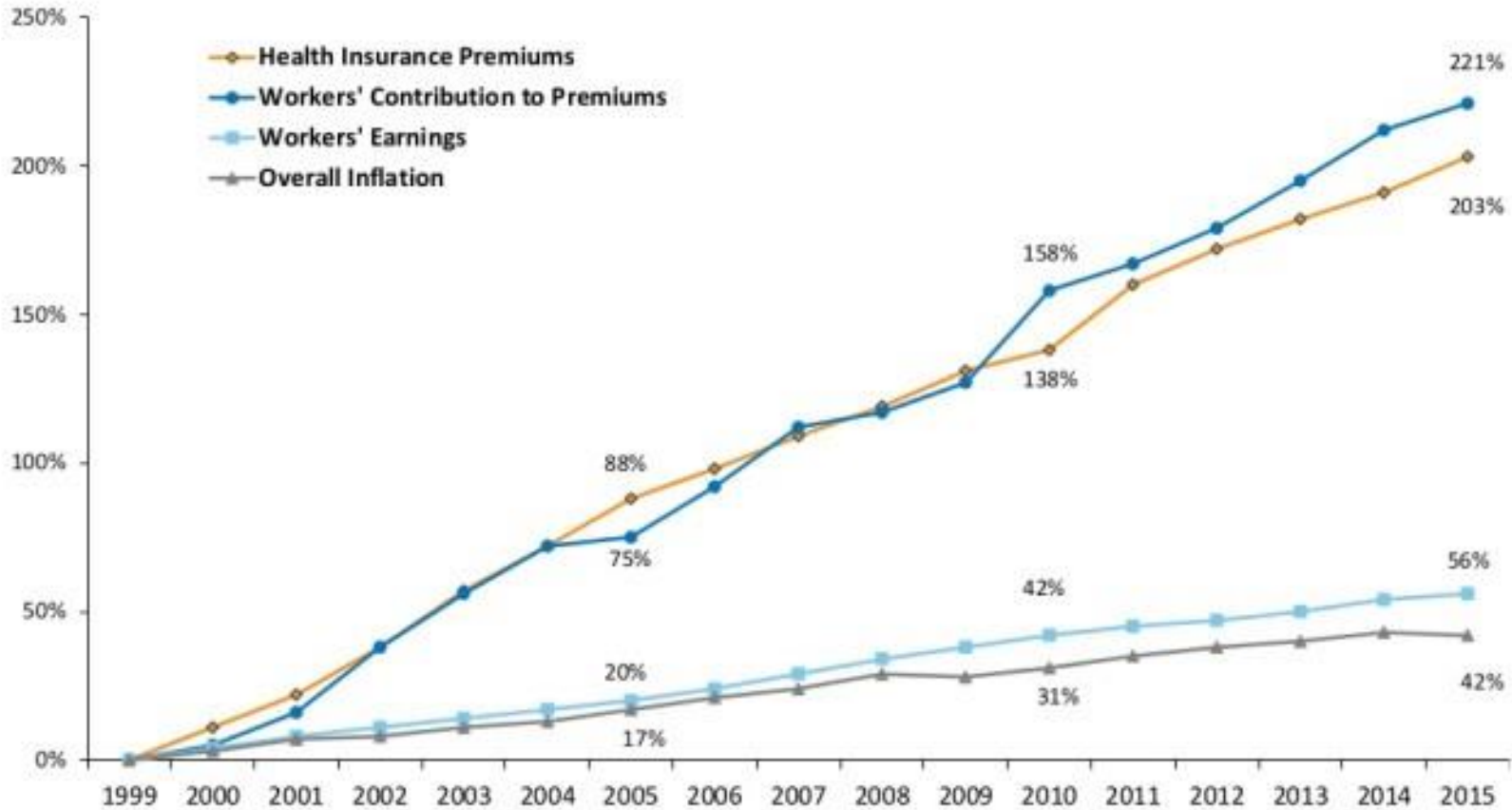
- ✓ Aging population
- ✓ Population growth
- ✓ New technology
- ✓ Prescription drugs (new + price)
- ✓ Defensive medicine
- ✓ Government mandates
- ✓ Hospital consolidation
- ✓ Lifestyle-related conditions
- ✓ Redundancy, inefficiency, ineffectiveness



Medical costs are the
“tapeworm of American
economic competitiveness”

Warren Buffet, 5/6/2017

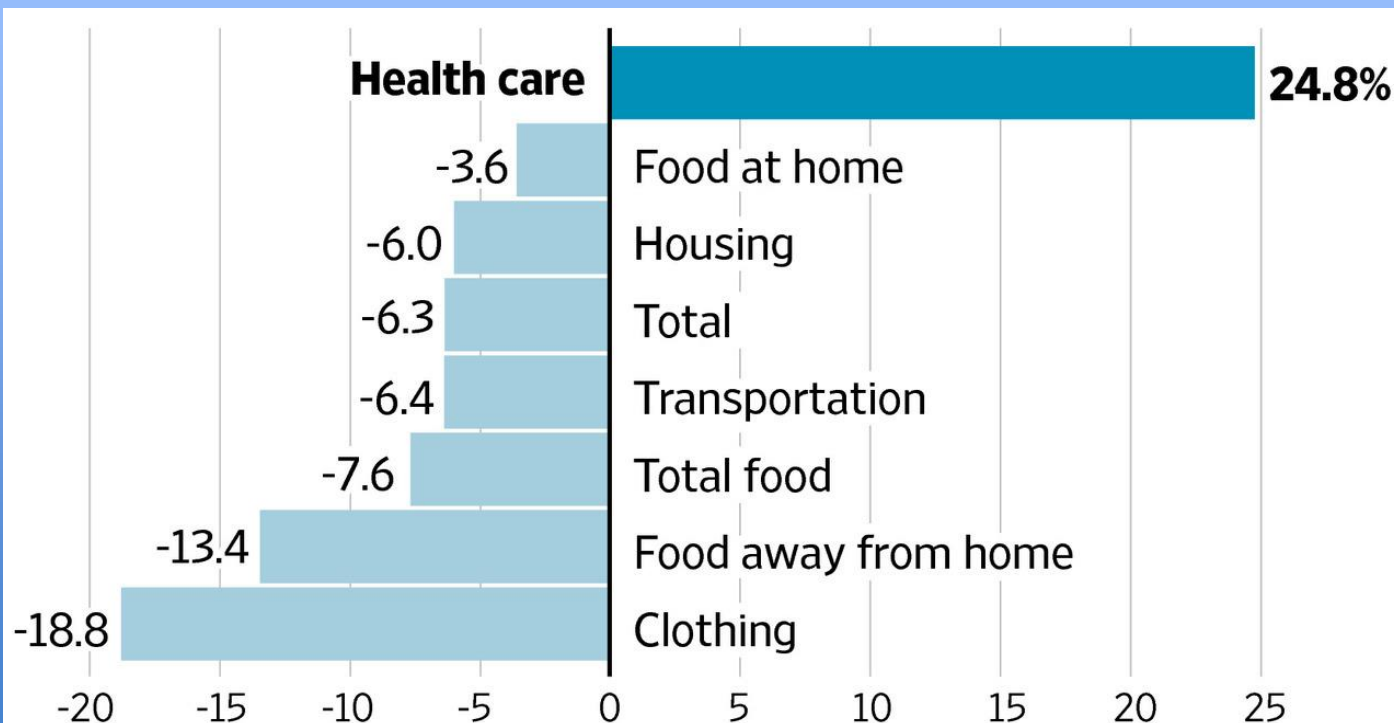
Cumulative Increases in Health Insurance Premiums, Workers' Contributions to Premiums, Inflation, and Workers' Earnings, 1999-2015



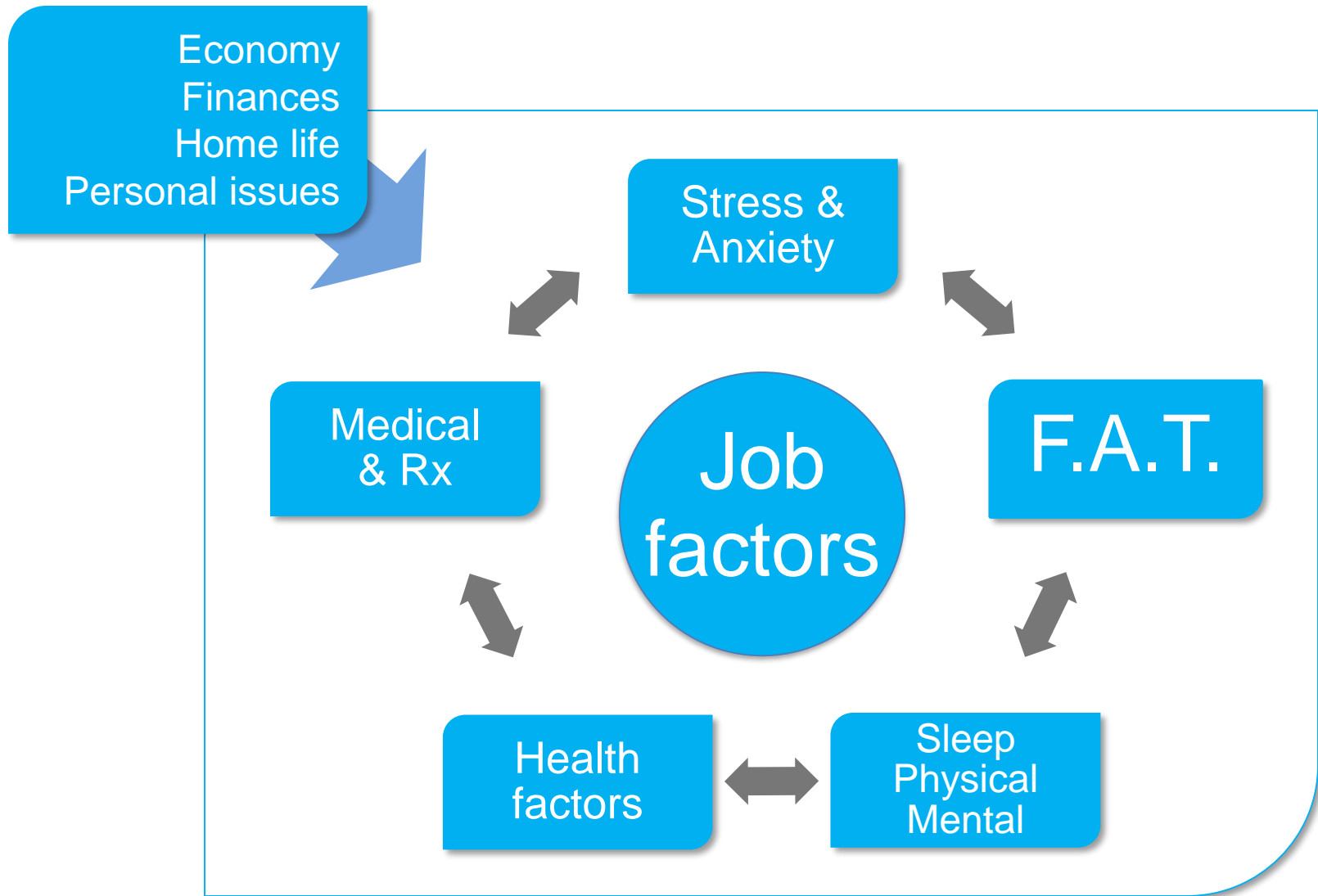
SOURCE: Kaiser/HRET Survey of Employer-Sponsored Health Benefits, 1999-2015. Bureau of Labor Statistics, Consumer Price Index, U.S. City Average of Annual Inflation (April to April), 1999-2015; Bureau of Labor Statistics, Seasonally Adjusted Data from the Current Employment Statistics Survey, 1999-2015 (April to April).

A Bigger Bite of Income

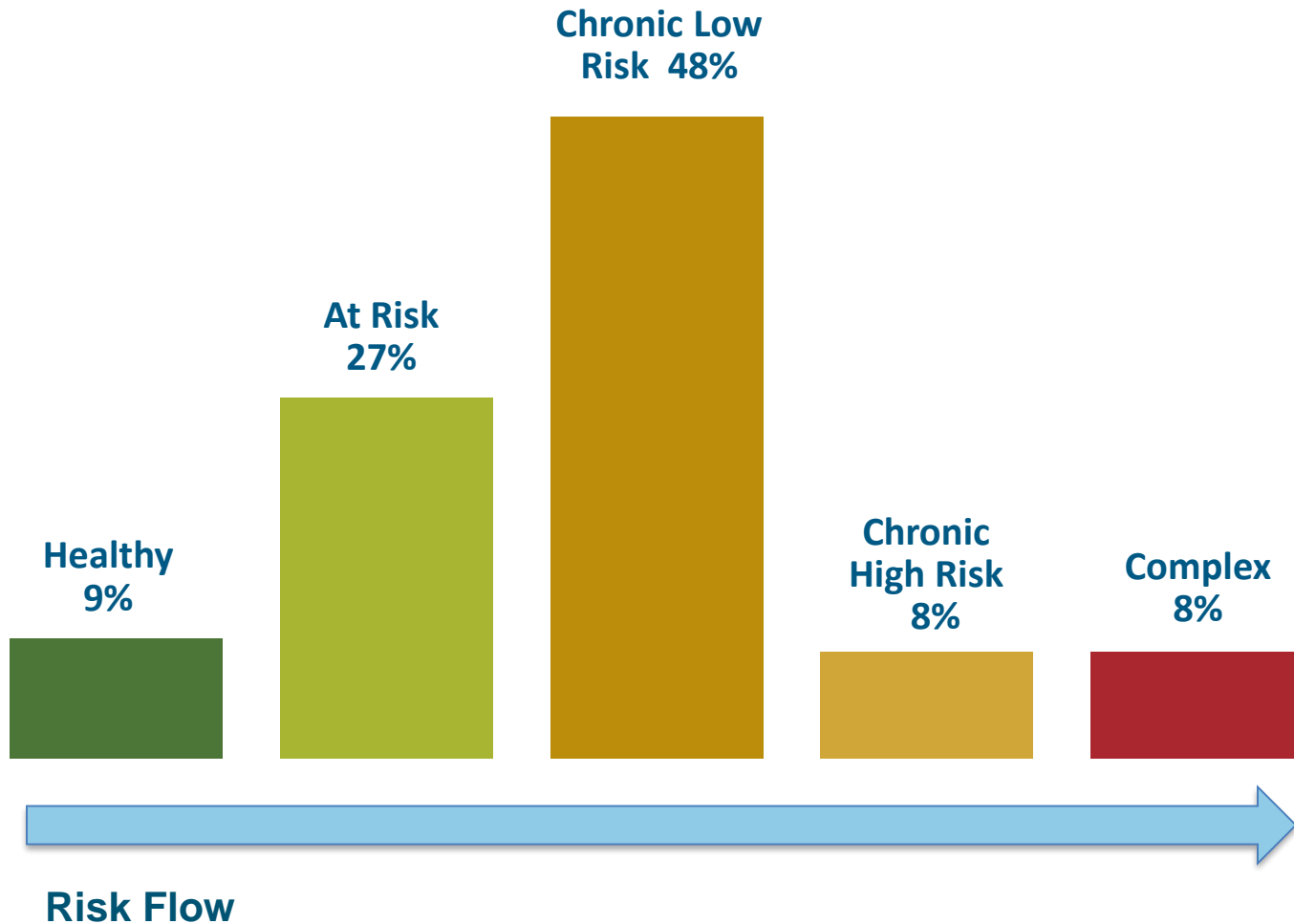
Percent change in middle-income households' spending on basic needs
(2007-2014)

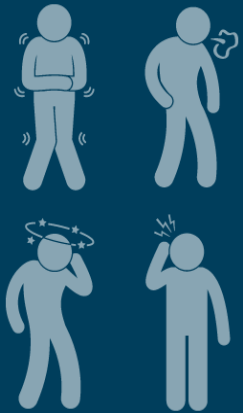


Sources: Brookings Institution analysis of Consumer Expenditure Survey, Labor Department
THE WALL STREET JOURNAL.



Employee health status





Poor employee health = increased costs from medical bills, more sick days and lower productivity.

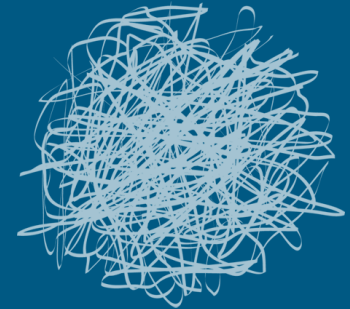


IT'S NOT THAT EASY

Solution? Change employee behavior – eat better, get more exercise, take their prescription drugs and utilize preventive care



For years, employers have been doing the same things to try and change employee behaviors like direct mail, payroll stuffers and worksite posters.



“Insanity: Doing the same thing over and over again and expecting different results.”

– **Albert Einstein**

*“If we could give every individual the right amount of **nourishment** and **exercise**, not too little and not too much, we would have found the safest way to health.”*

Hippocrates, *circa* 370 BC



VIACOM



Childhood obesity.
Don't take it lightly.



EAT FRUITS & VEGETABLES
AND BE ACTIVE

Food Stamps can help. Call 1-888-328-3483 to see if you qualify.

4151

VIACOM



I'm lovin' it



my kinda
shoppin'
spree



Dollar  Menu

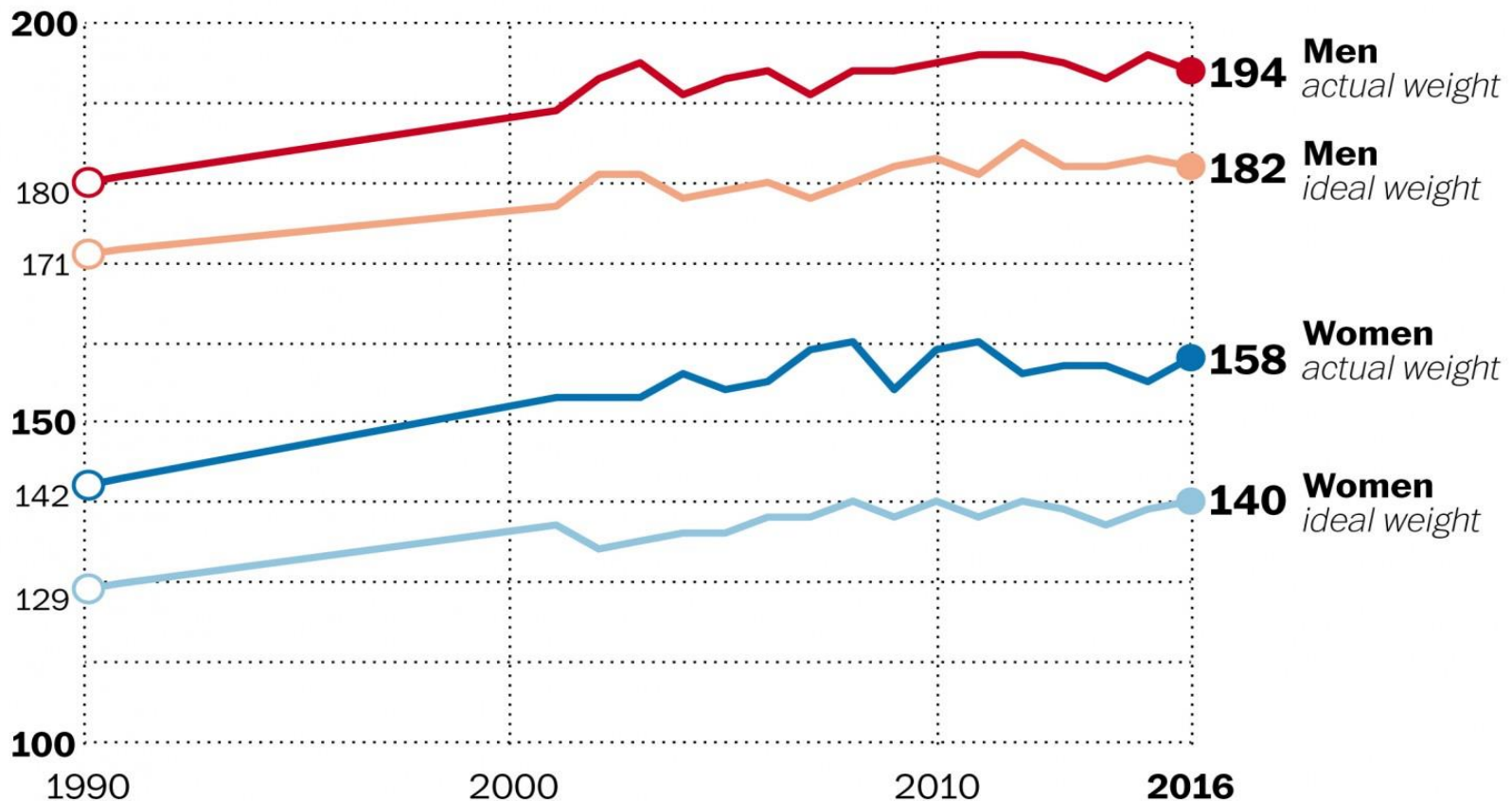
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Male and Female Differences



Loosening the belt, lowering the bar

Actual versus ideal weight for American men and women, 1990 – 2016

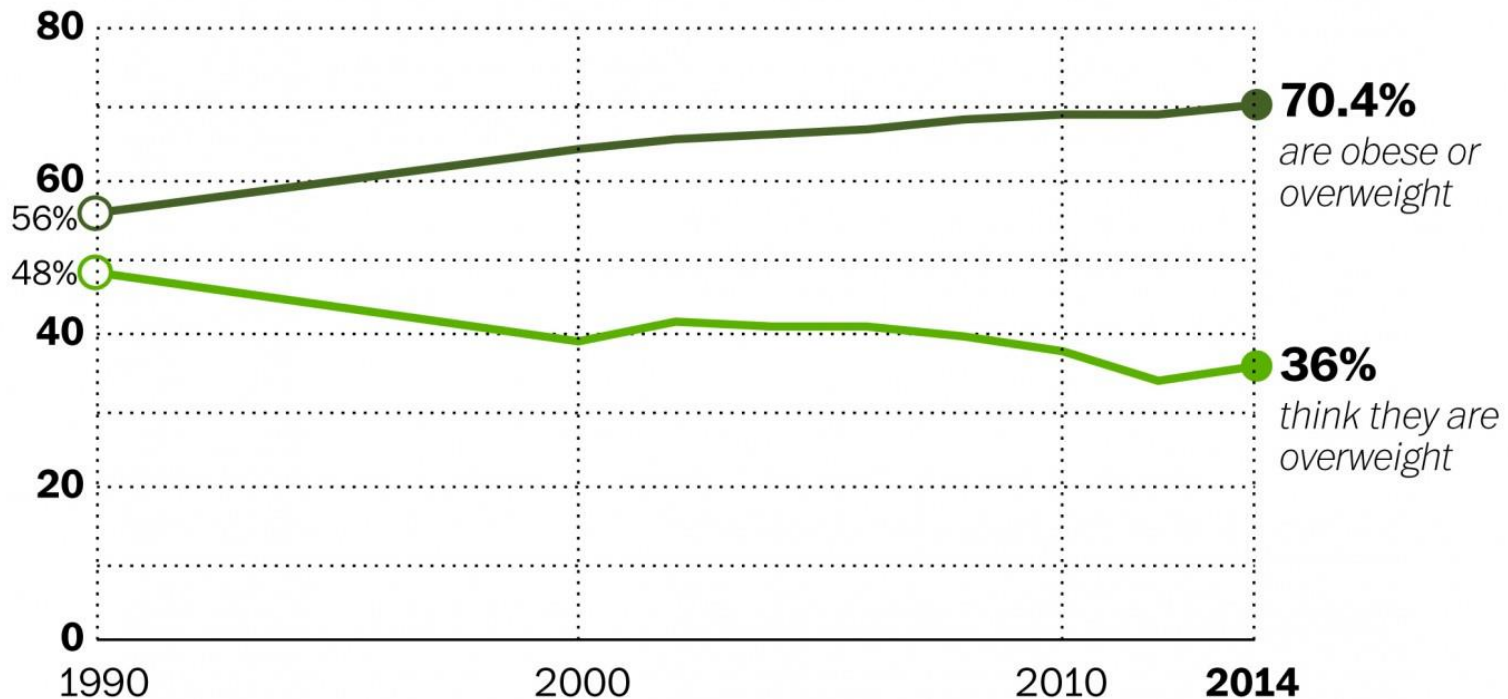


Obesity in America



Deluding ourselves

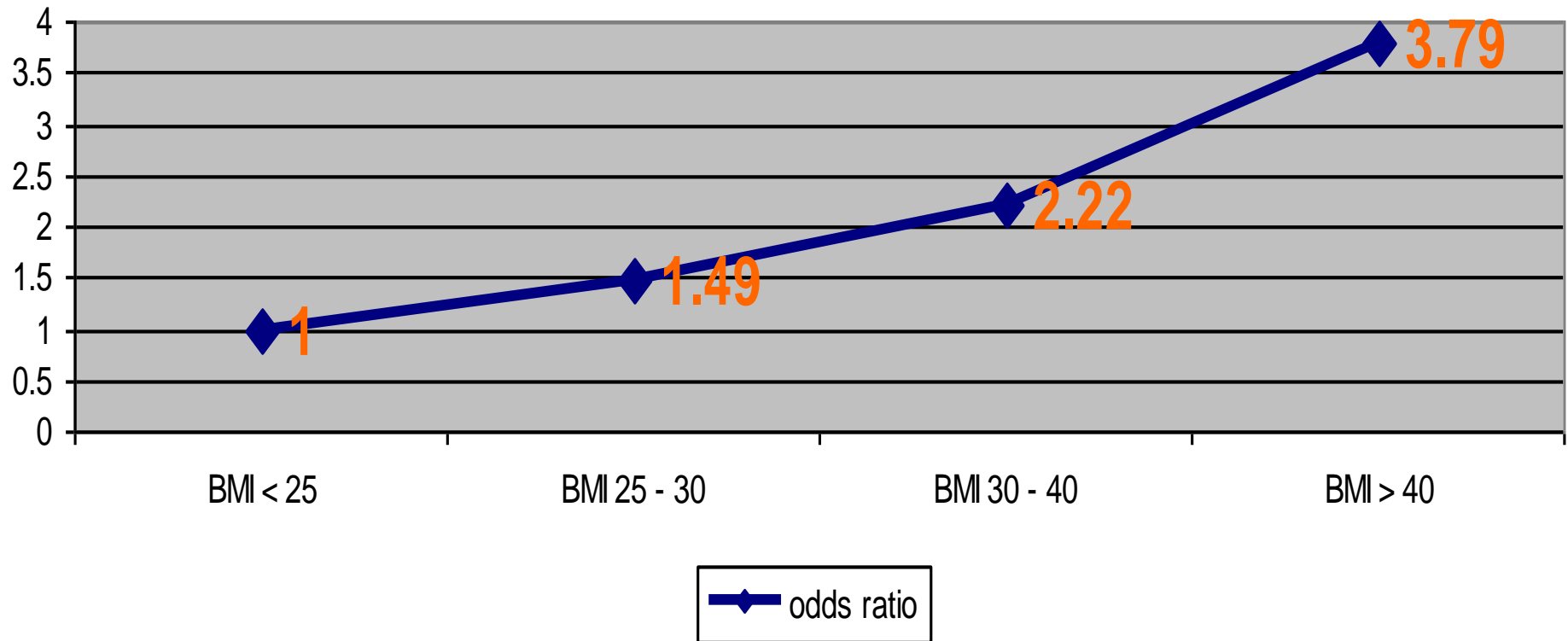
% calling themselves “very” or “somewhat” overweight, versus % who are overweight or obese



Obesity's Impact on WC Claims

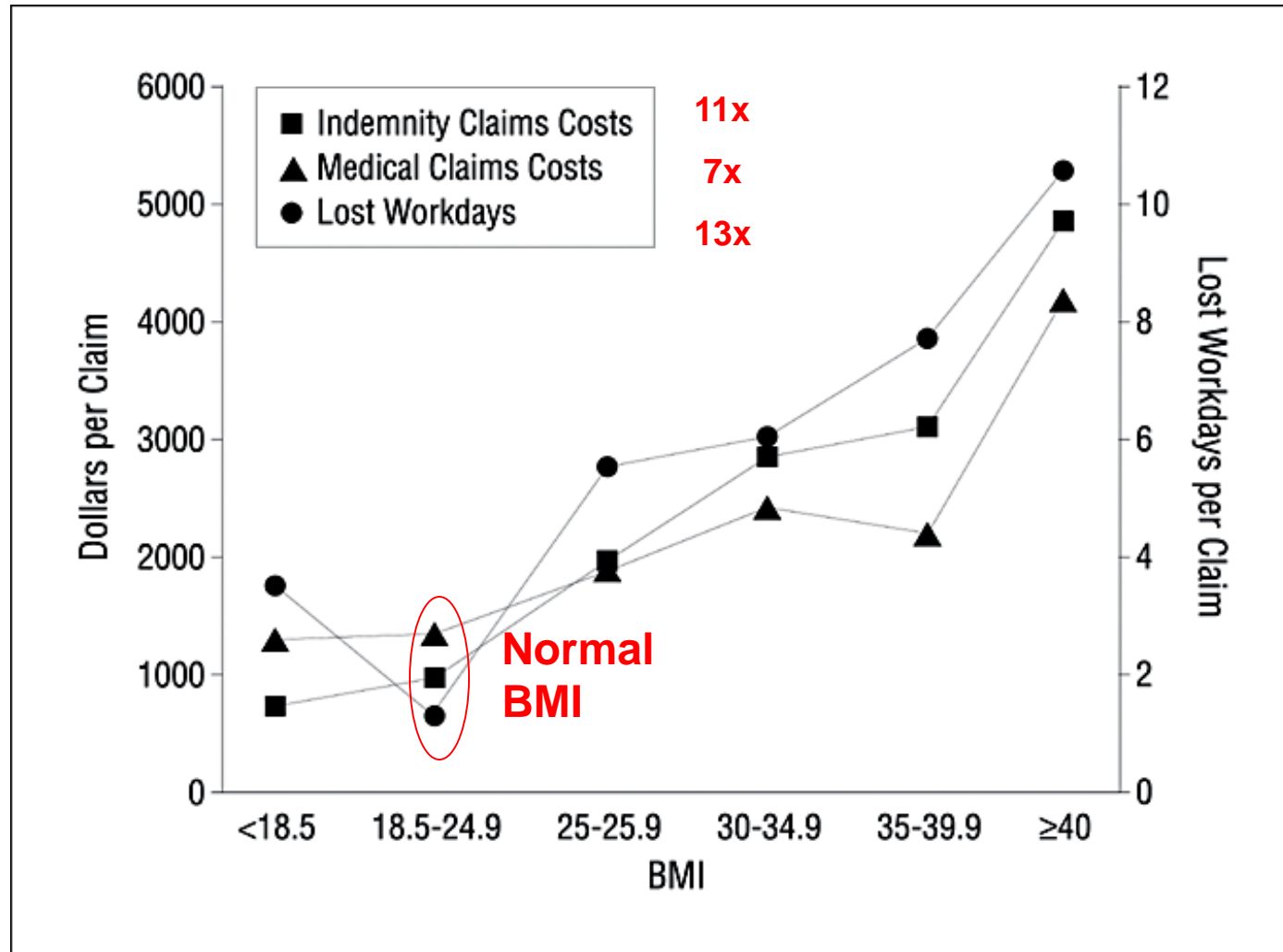


Odds of Incurring an Acute Sprain or Strain

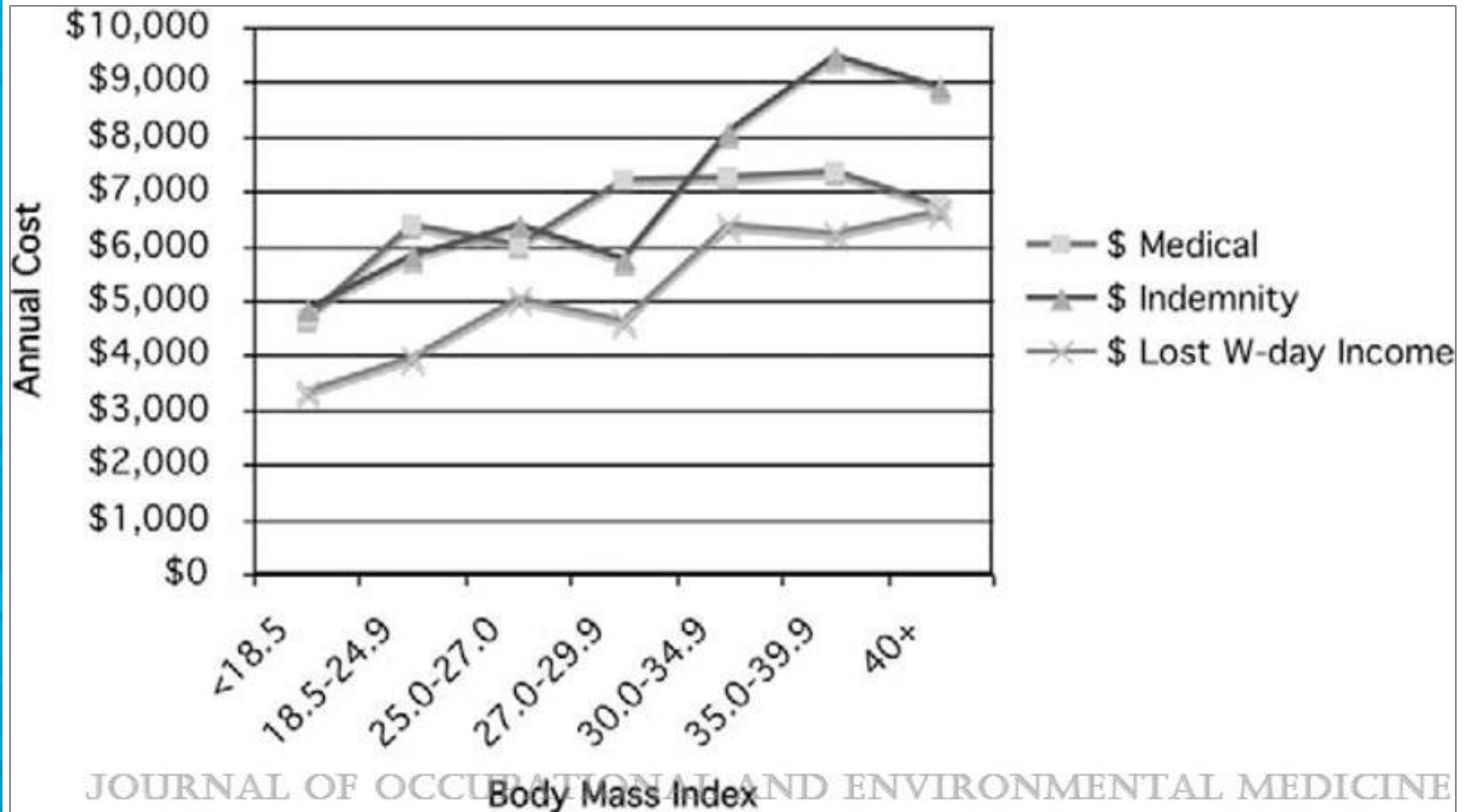


Source: Pollack et al. A J Epi 166(2) 2007

Mean Indemnity Claims Costs, Medical Claims Costs, and Number of Lost Workdays per Claim by Body Mass Index (BMI) Category



Relationship between BMI and Workers' Comp Costs



Source: Chenoweth, David H.; Rager, Robin C.; Haynes, Robert G. [Relationship Between Body Mass Index and Workers' Compensation Claims and Costs: Results From the North Carolina League of Municipalities Database](#). Journal of Occupational and Environmental Medicine. 57(9):931-937, September 2015. doi: 10.1097/JOM.0000000000000506

Cost Differences in Diabetes and Pre-diabetes



Source: 2017 Internal BCBSNC Data – commercial BoB

GEOGRAPHY

OPIOID ABUSERS ARE MORE LIKELY TO LIVE IN THE RURAL SOUTH.

22 out of the top 25 cities for opioid abuse rate are primarily rural and located in Southern states. Opioid abuse rates range from 11.6% of individuals in Wilmington, NC to 7.5% of individuals in Fort Smith, AR who received an opioid prescription. Alabama, Florida, North Carolina, Oklahoma, Tennessee, and Texas have multiple cities that are in the top 25 for opioid abuse rate. The three non-Southern cities in the top 25 are: Terre Haute, IN; Elmira, NY; and Jackson, MI.

OPIOID ABUSERS

BASED ON
ABUSE RATE

TOP 25 CITIES

1. Wilmington, NC	>11.6%
2. Anniston, AL	11.6%
3. Panama City, FL	11.5%
4. Enid, OK	10.2%
5. Hickory, NC	9.9%
6. Pensacola, FL	9.8%
7. Gadsden, AL	9.1%
8. Montgomery, AL	8.8%

9. Johnson City-Bristol, TN-VA	8.6%
10. Texarkana, TX-AR	8.5%
11. Tuscaloosa, AL	8.2%
12. Jacksonville, NC	8.2%
13. Amarillo, TX	8.1%
14. Terre Haute, IN	8.1%
15. Odessa, TX	8.0%

16. Oklahoma City, OK	8.0%
17. Longview, TX	8.0%
18. Fayetteville, NC	7.9%
19. Evansville-Henderson, IN-KY	7.8%
20. Chattanooga, TN	7.7%
21. Elmira, NY	7.7%

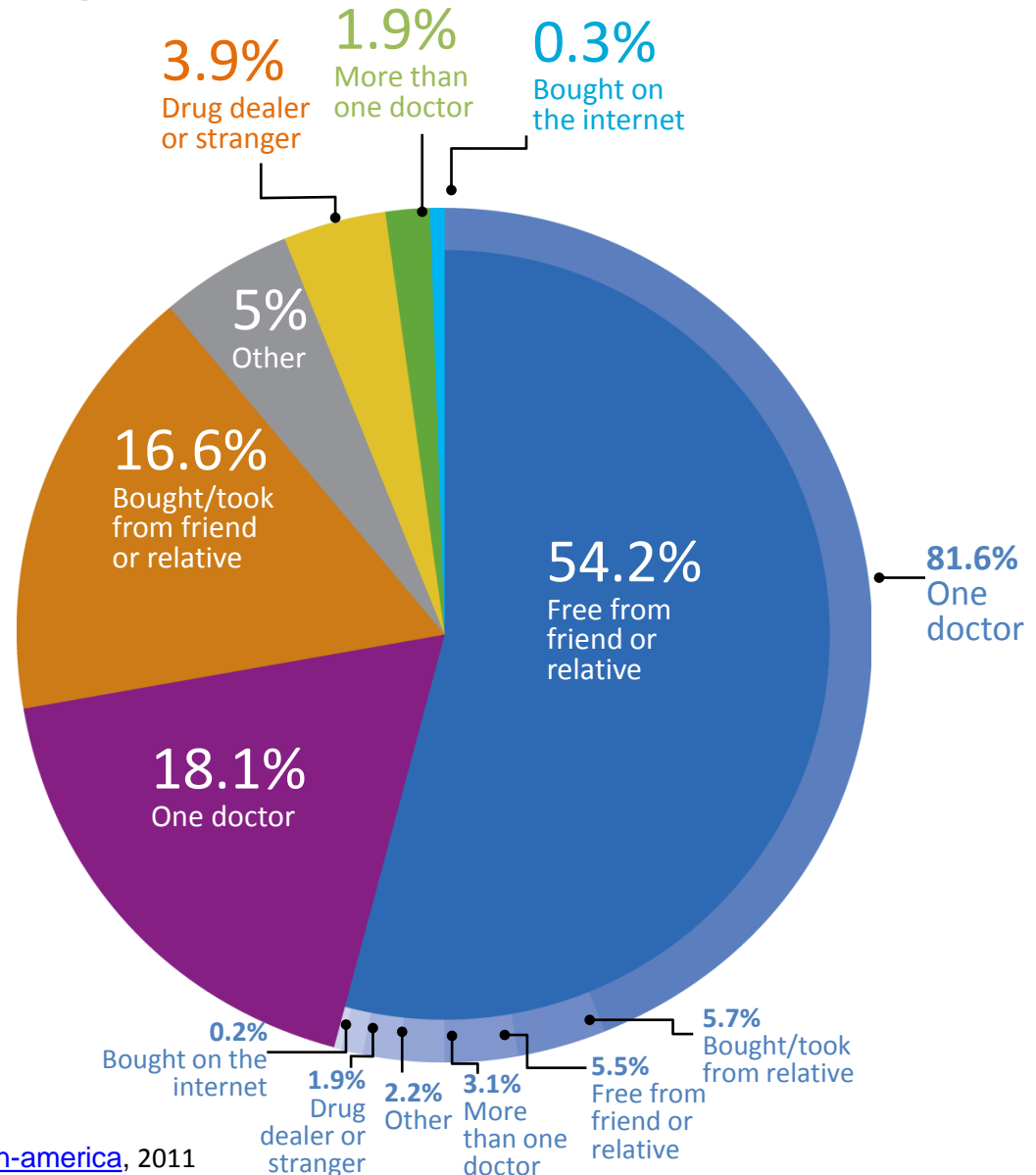
22. Jackson, TN	7.7%
23. Baton Rouge, LA	7.5%
24. Jackson, MI	7.5%
25. Fort Smith, AR	7.5%



Where do they get the Opioids?

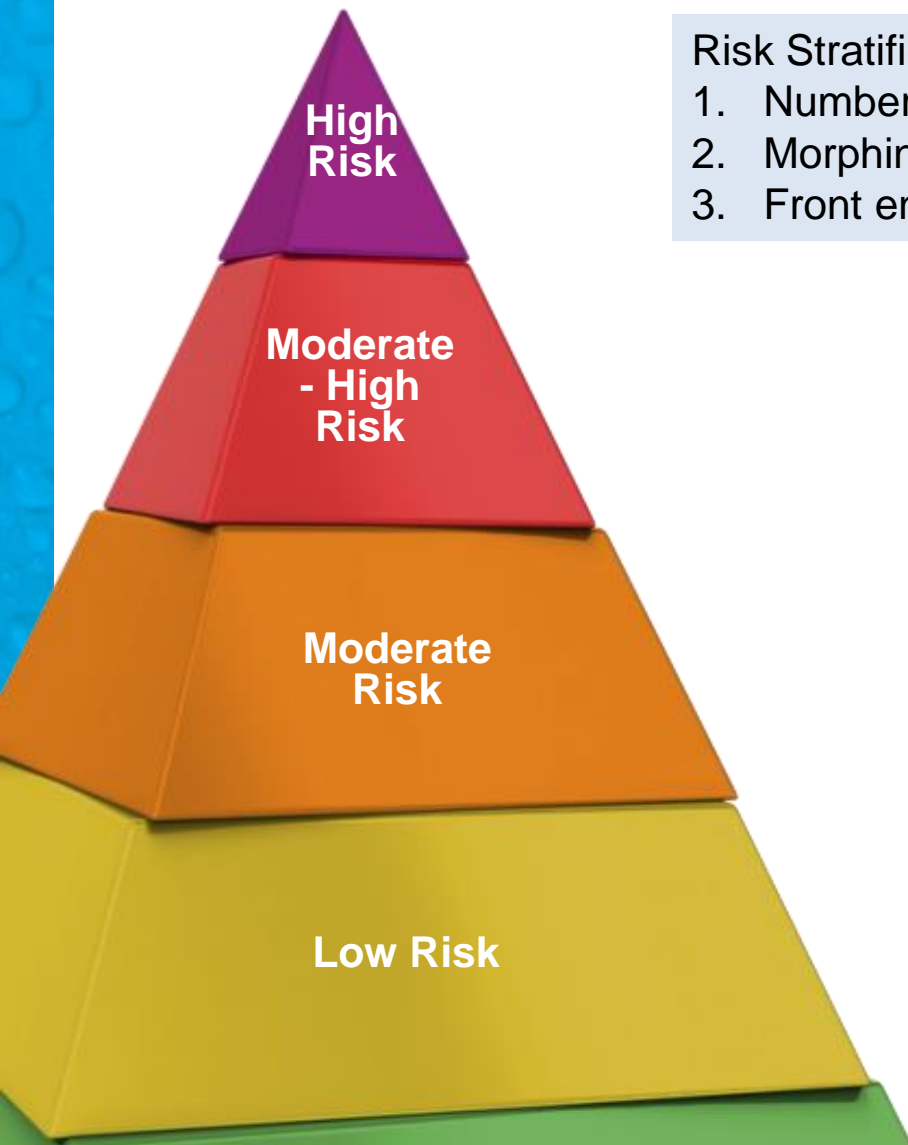


- An estimated **52 million** Americans have used prescription drugs for non-medical purposes



Source: Link: <http://www.drugabuse.gov/related-topics/trends-statistics/infographics/popping-pills-prescription-drug-abuse-in-america>, 2011

Identification of Patients at Risk



Risk Stratification Algorithm is based on:

1. Number of prescriptions filled in the last 90 days
2. Morphine Equivalent Dose
3. Front end platform based risk assessment

	Total Members
Total Members	2, 513, 930
Non Users	1,989,138 (79%)
High Risk <i>3 or more fills in 90 day period with more than a 120 MED</i>	10,229 (1%)
Moderate-High Risk <i>3 or more fills in a 90 day period with an MED of less than 120</i>	75,064 (3%)
Moderate Risk <i>2 fills in a 90 day period with an MED of less than 120</i>	82,443 (3%)
Low Risk <i>1 fill in a 90 day period</i>	357,056 (14%)

Correlations to Dx and Use



Predictors: Diagnoses

HIGH RISK COMPARED TO NON-USERS	ODDS RATIO ($p < .001$)
Spondylosis and other back problems	5.3
Substance Related and Addictive Disorders	4.6
Sleep-Wake Disorders	2.2
Depressive Disorders	1.7
Headache	2.1
Anxiety Disorders	1.5

Predictors: Utilization

HIGH RISK COMPARED TO NON-USERS	ODDS RATIO ($p < .001$)
Substance Abuse Services	4.5
Anesthesia	4.2
ER	3.2
Mental Health Services	2.3
Surgery	2.0
OP Surgery	1.3

Opioid Use Management



Prevention/Education

- Provider education on portal
- 100% Coverage for alcohol/drug screening
- Quarterly letters to providers sharing potential abuse
- Screening during case management enrollment

Control/Limit Use

- PA/QL on all extended release opiates
- Drug testing in pain management/substance abuse treatment (medical policy)
- Pharmacogenetic testing for drug metabolism (medical policy)
- Claims edits

Addiction treatment

- 24 hour phone line
- Network of Substance abuse professionals and facilities
- Medication Assisted Therapy Coverage
- TROSA substance abuse recovery center funding



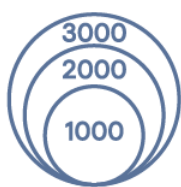
Opioid Considerations

- STOP Act in North Carolina
- Standing order for Naloxone
- Fraud, Waste & Abuse Investigations
- Out of state marketing efforts
- Take Back Boxes
- Network expansion
- Drug costs
- EAP programs
- Drug Free Workplace Program
- “Goldman Sachs thinks the opioid crisis is so bad it’s affecting the economy” © cnbc.com 7/6/2017

Mental Health & Substance Use Disorders

Mental Health and Substance Use Disorders Were the Leading Cause of Disease Burden in the US in 2015

Disability adjusted life years (DALYs) rate per 100,000 population



**Mental Health
& Substance
Use Disorders**



**Cancers
& Tumors**



**Cardio-
vascular
Disease**



Injuries



**Musculo-
skeletal
Disorders**



**Endocrine
(e.g.,
Diabetes)**



**Nervous
System**



**Chronic
Respiratory
Diseases**

Source: Kamal, Cox & Rousseau. Costs and Outcomes of Mental Health and Substance Use Disorders in the US. *JAMA* August 1, 2017.

<http://jamanetwork.com/journals/jama/fullarticle/2646703>

Create an Integrated Strategy



Issues Relevant to Advancing Worker Well-being Through Total Worker Health®

Control of Hazards and Exposures

- Chemicals
- Physical Agents
- Biological Agents
- Psychosocial Factors
- Human Factors
- Risk Assessment and Risk Management

Organization of Work

- Fatigue and Stress Prevention
- Work Intensification Prevention
- Safe Staffing
- Overtime Management
- Healthier Shift Work
- Reduction of Risks from Long Work Hours
- Flexible Work Arrangements
- Adequate Meal and Rest Breaks

Built Environment Supports

- Healthy Air Quality
- Access to Healthy, Affordable Food Options
- Safe and Clean Restroom Facilities
- Safe, Clean and Equipped Eating Facilities
- Safe Access to the Workplace
- Environments Designed to Accommodate Worker Diversity

Leadership

- Shared Commitment to Safety, Health, and Well-Being
- Supportive Managers, Supervisors, and Executives
- Responsible Business Decision-Making
- Meaningful Work and Engagement
- Worker Recognition and Respect

Compensation and Benefits

- Adequate Wages and Prevention of Wage Theft
- Equitable Performance Appraisals and Promotion
- Work-Life Programs
- Paid Time Off (Sick, Vacation, Caregiving)
- Disability Insurance (Short- & Long-Term)
- Workers' Compensation Benefits
- Affordable, Comprehensive Healthcare and Life Insurance
- Prevention of Cost Shifting between Payers (Workers' Compensation, Health Insurance)
- Retirement Planning and Benefits
- Chronic Disease Prevention and Disease Management
- Access to Confidential, Quality Healthcare Services
- Career and Skills Development

Community Supports

- Healthy Community Design
- Safe, Healthy and Affordable Housing Options
- Safe and Clean Environment (Air and Water Quality, Noise Levels, Tobacco-Free Policies)
- Access to Safe Green Spaces and Non-Motorized Pathways
- Access to Affordable, Quality Healthcare and Well-Being Resources

Changing Workforce Demographics

- Multigenerational and Diverse Workforce
- Aging Workforce and Older Workers
- Vulnerable Worker Populations
- Workers with Disabilities
- Occupational Health Disparities
- Increasing Number of Small Employers
- Global and Multinational Workforce

Policy Issues

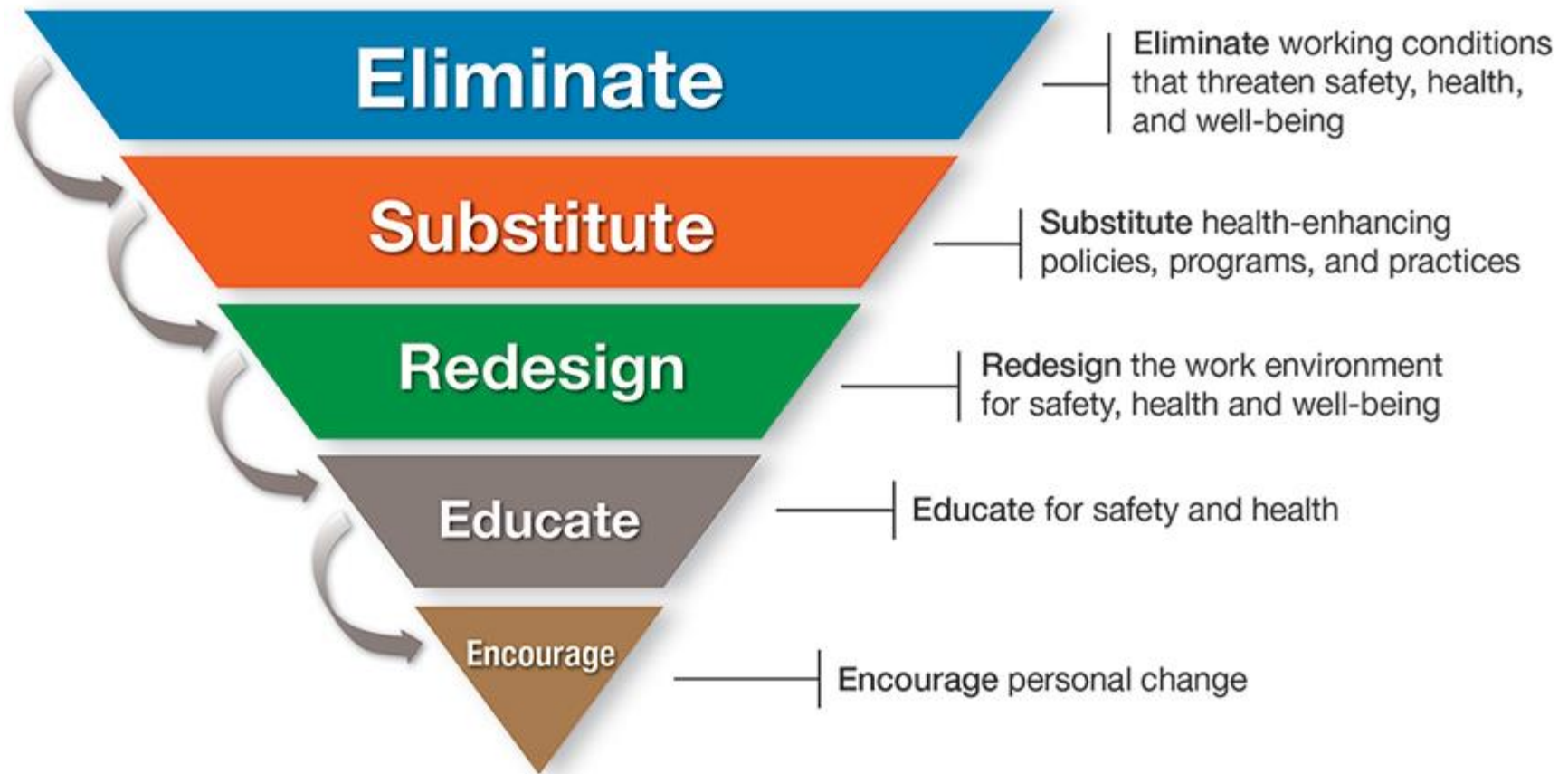
- Health Information Privacy
- Reasonable Accommodations
- Return-to-Work
- Equal Employment Opportunity
- Family and Medical Leave
- Elimination of Bullying, Violence, Harassment, and Discrimination
- Prevention of Stressful Job Monitoring Practices
- Worker-Centered Organizational Policies
- Promoting Productive Aging

New Employment Patterns

- Contracting and Subcontracting
- Precarious and Contingent Employment
- Multi-Employer Worksites
- Organizational Restructuring, Downsizing and Mergers
- Financial and Job Security



TWH® Hierarchy of Controls



Source: <https://www.cdc.gov/niosh/twh/letsgetstarted.html>



Think about your employees' total health