



**OKLAHOMA INSURANCE DEPARTMENT**

**OPIOID PRESCRIPTION CLAIMS REPORT**

**DECEMBER 2020**

# OKLAHOMA INSURANCE DEPARTMENT

RESULTS FROM THE DEPARTMENT'S EVALUATION OF THE EFFECTS OF LIMITS ON PRESCRIPTIONS FOR OPIOID DRUGS ESTABLISHED IN 63 O.S. § 2-309I(I) (SB 1446, 2018).

THIS REPORT IS IN ACCORDANCE WITH TITLE 36 O.S. § 7402 (SB 848, 2019).

## REPORT OF FINDINGS

### I. PURPOSE AND JUSTIFICATION

In accordance with 36 O.S. § 7402, the purpose of this study was to evaluate the effect of the limits on prescriptions for opioid drugs on the claims paid by health insurance carriers and the out-of-pocket costs including copayments, coinsurance and deductibles paid by individual and group health insurance policyholders. More specifically, the objectives involved an assessment of annual opioid prescription claims from 2015 to 2019 for the following outcome:

- Policyholder out-of-pocket costs (i.e., co-payments, co-insurance, and deductibles)

Analyses were conducted pursuant to and in accordance with specifications outlined by Oklahoma Senate Bill 848 (2019) and 63 O.S. § 2-309I(I):

*Every policy, contract or plan delivered, issued, executed or renewed in this state, or approved for issuance or renewal in this state by the Insurance Commissioner, and every contract purchased by the Employees Group Insurance Division of the Office of Management and Enterprise Services, on or after November 1, 2018, that provides coverage for prescription drugs subject to a copayment, coinsurance or deductible shall charge a copayment, coinsurance or deductible for an initial prescription of an opioid drug prescribed pursuant to this section that is either:*

- 1. Proportional between the cost sharing for a thirty-day supply and the amount of drugs the patient was prescribed; or*
- 2. Equivalent to the cost sharing for a full thirty-day supply of the drug, provided that no additional cost sharing may be charged for any additional prescriptions for the remainder of the thirty-day supply.*

### II. METHODOLOGY

This retrospective database analysis utilized adjudicated prescription opioid related medication claims for all covered lives across all major health insurance plans delivered, issued, executed or renewed in this state, or approved for issuance or renewal in this state by the Insurance Commissioner as well as purchased through the Employees Group Insurance Division (EGID) of Oklahoma's Office of Management and Enterprise Services (OMES) over a five year period to observe any resulting trends.

Inclusion criteria involved policyholder accounts with at least one prescription claim for an opioid drug, opioid substitute, or opioid rescue/antidote among all covered lives for health insurance contracts as

mentioned above. The claims under review consisted of 96% opioids, 3.4% opioid substitutes, and 0.6% opioid rescue/antidote claims. Of note, a policyholder account may embody an individual, a married couple, or dependents on the health coverage plan itself. Insurers were excluded if no prescription claim was noted during the review period for “opioid drugs” as defined in the Uniform Controlled Dangerous Substances Act.

### III. RESULTS

Overall, some 20 insurance carriers within the State of Oklahoma were observed with any prescription claim of an opioid drug across 753,406 individual policyholders. A total of 2,494,961 complete claims for opioid related prescriptions were observed across the five-year review period. The total sum of cumulative costs to insurers was \$112,420,068 and cumulative costs to policyholders was \$24,259,409. The average cost per prescription claim was \$45.06 for insurers and \$9.72 for policyholders. The findings are presented in the following **Tables**.

**Table 1. Costs Paid per Prescription Claim by Insurance Carriers per Year**

| Year | Number of Claims | Cost of Prescription Opioid Related Claims Paid by the Insurer (Sum) | Absolute Difference from Previous Year | Percent Difference from Previous Year | Average Cost of Prescription Opioid Related Claim Paid by the Insurer |
|------|------------------|--|--|---------------------------------------|---|
| 2015 | 562,508          | \$27,034,396   | --                                     | --                                    | \$48.06   |
| 2016 | 570,770          | \$28,170,940   | +\$1,136,544                           | +4.2%                                 | \$49.36   |
| 2017 | 537,392          | \$24,024,240   | -\$4,146,700                           | -14.7%                                | \$44.71   |
| 2018 | 456,655          | \$19,009,420   | -5,014,820                             | -20.9%                                | \$41.63   |
| 2019 | 367,636          | \$14,181,072   | -4,828,348                             | -25.4%                                | \$38.57   |

**Table 2. Costs Paid per Prescription Claim by Policyholders per Year**

| Year | Number of Claims | Cost of Prescription Opioid Related Claims Paid by the Policyholder (Sum) | Absolute Difference from Previous Year | Percent Difference from Previous Year | Average Cost of Prescription Opioid Related Claim Paid by the Policyholder |
|------|------------------|---|--|---------------------------------------|--|
| 2015 | 562,508          | \$6,042,663   | --                                     | --                                    | \$10.74  |
| 2016 | 570,770          | \$5,807,254   | -\$235,409                             | -3.9%                                 | \$10.17  |
| 2017 | 537,392          | \$5,296,573   | -\$510,681                             | -8.8%                                 | \$9.86   |
| 2018 | 456,655          | \$4,166,768   | -\$1,129,805                           | -21.3%                                | \$9.12   |
| 2019 | 367,636          | \$2,946,151   | -\$1,220,617                           | -29.3%                                | \$8.01   |

Using an index date of 11/01/2018 to coincide with the implementation of SB1146 (Laws 2018) [formerly reflected in 63 O.S. § 2-309I(H), eff 11/01/2018] [currently enacted as 63 O.S. § 2-309I(I)], a pre/post analysis was conducted to assess the average costs to policyholders for prescription opioid related claims. Therein, results presented in the below **Table** indicated that the average cost decreased by -\$2.01 from the pre-period (\$10.02) to the post-period (\$8.01).

**Table 3. Comparative Average Costs to the Policyholder of Pre- versus Post-Period Coinciding with Senate Bill 1446 Implementation on November 1, 2018**

| <b>Time Period</b>            | <b>Approximate Average Cost of Prescription Claims Paid by Policyholder</b> |
|-------------------------------|---|
| Pre-Implementation (4-yr avg) | \$10.02   |
| Post-Implementation           | \$8.01  |

#### **IV. CONCLUSION**

Across 20 insurance carriers, over 750k policyholder accounts, and nearly 2.5 million opioid related prescription claims, we observed a reduction in the cost of opioid related prescriptions each year during the five year period of review for a new average cost per prescription of \$38.57 for Insurers (previously \$48.06) and \$8.01 for Policyholders (previously \$10.74). The cost shared by the policyholders experienced the largest reduction after implementation of SB 1446 (2018). In summary, the study observed a decrease in the total number of prescriptions, total costs, and average cost per prescription over time. It appears the statutory changes brought about by SB 1446 (2018) and SB 848 (2019), have shown positive results and have met the Legislature’s intended purpose.

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