

Melissa Burke, PharmD
Travelers National Pharmacy Director
2nd Vice President, Workers' Compensation
(860) 954-2841
(877) 866-8654 (fax)
E-MAIL: mburke6@travelers.com

August 22, 2018

Industrial Commission of Arizona
c/o Jacqueline Kurth, Manager
Medical Resource Office
P.O. Box 19070
800 W. Washington Street
Phoenix, AZ 85005-9070

VIA EMAIL

Subject: August 23, 2018 Public Hearing on Laws 2018, Chapter 101, Section 3 (Senate Bill 1111)

Dear Members of the Industrial Commission of Arizona:

Travelers appreciates the Industrial Commission of Arizona (Commission) for bringing all stakeholders together and supports rule changes to the fee schedule and its administration regarding physician dispensing of prescriptions. As the largest workers' compensation carrier in the country, Travelers is a committed partner with employers, medical providers and injured workers to ensure a safe return to work and prides itself in providing quality products and services. The fundamental focus of workers' compensation insurance is the injured worker and with medical expenses being the leading cost driver in Arizona's workers' compensation system, the adoption of reimbursement guidelines for medications dispensed by physicians will help ensure a more cost efficient and effective system.

Preventing physician dispensing of opioids and restricting dispensing under the workers compensation fee schedule is a positive step. We would like to take this opportunity to recommend additional classes/groups of medications that could also be addressed:

- Non-FDA approved compounds that contain generic over the counter products, such as capsaicin, menthol and camphor
 - Physicians dispense these single source branded topicals for >\$1000 each
 - Not proven to be more effective than other OTC-topicals (e.g. Bengay)
 - Safety concerns: <https://www.fda.gov/Drugs/DrugSafety/ucm318858.htm>
- Kits that contain inexpensive drugs packed together for an exorbitant fee
 - E.g.: two oral medications or topical + oral medication dispensed under the same NDC
- Provider marketed medications
 - Single source manufactured with dosages between widely available existing dosages
 - No proven therapeutic benefit of using these doses vs available doses
- Chronic treatment through physician dispensing
 - Some jurisdictions limit physician dispensing only to emergency/short-term situations
 - Reduces the risk of unnecessary medications being prescribed, while still allowing access to emergency medication

We commend the Commission for their leadership on this issue, welcome any questions you may have and appreciate your consideration.

Sincerely,

Melissa Burke, PharmD

Melissa Burke, PharmD
Travelers National Pharmacy Director