



February 15, 2017

The Honorable Orrin Hatch  
Chairman, Committee on Finance  
Washington, DC 20510

The Honorable Ron Wyden  
Ranking Member, Committee on Finance  
Washington, DC 20510

Dear Chairman Hatch, Ranking Member Wyden:

On behalf of John Donahue, Chairman and CEO of axialHealthcare, please find attached for your consideration a memo in response to your February 2 letter requesting feedback on addressing the opioid epidemic through Medicare and Medicaid.

AxialHealthcare has spent the last year educating and informing policymakers in Washington, D.C. and around the nation about their private sector solution that can help combat the nation's opioid epidemic. They are currently working with the range of health insurers and states to deploy their products and services in Tennessee, West Virginia, Pennsylvania, Alabama, and Delaware. They are already covering millions of lives and the company will be expanding in the coming weeks into Georgia and Arizona.

The attached memorandum is intended to intrigue the Committee's intellectual curiosity because the axialHealthcare approach can be used in the public health programs. John and his colleagues are already working with states, insurers, and doctors to strengthen the pain medication and care programs for Medicaid patients who are being treated with opioids or who are at risk. We have attached a one-page results slide showing the company's 2016 success in the state of Tennessee.

Please consider my client John Donahue, who has testified before Congress previously on other issues, as a resource for the Committee. He travels to Washington, D.C. on a consistent basis and, if helpful, will next be in town March 6-7, 2018. If of interest, we would be glad to make an introduction.

Thank you for your consideration.

Sincerely,

Andy Ehrlich  
Partner



## Executive Summary:

---

axialHealthcare is the nation's leading pain care solutions company focused on improving pain care, mitigating opioid misuse, and maximizing financial performance. The company's dynamic and effective approach to improving pain care relies on its expert team of physicians, scientists, pharmacists, technologists, and health plan operators. axialHealthcare's unique capabilities are centered around four clinically-integrated technology solutions that make a measurable impact both clinically—by driving safe and effective pain treatment for better outcomes—and financially—by creating value for health benefits providers. These technology-based solutions in conjunction with axial's Intellectual Property (IP) and vast access to patient data set axialHealthcare apart.

## How We Are Different:

---

axialHealthcare differentiates itself in three unique ways:

axialHealthcare houses the largest structured database of claims data, with over 100 million members and 2.4 million providers. This data fuels axialINSIGHT, an advanced data analytics engine informed by evidence-based (EB) guidelines and reviewed by the nation's foremost pain care practitioners and scientists.

Fueled by claims data, axialHealthcare's IP consists of predictive analytics and machine learning insights around pain medication and pain care treatment. These insights are then compiled into digestible technology solutions for health plans, providers, and patients. These technology-enabled services positively influence behavior at the patient, provider, and health plan level to maximize clinical and financial outcomes.

In the current pain care market, companies are focusing on one of three solutions: care management, data analytics, or technology. These companies offer an incomplete solution to pain management. axialHealthcare is differentiated by its comprehensive approach, using technology rooted in both the latest clinical research and advanced data analytics.



## Unique Capabilities:

---

axialHealthcare's unique capabilities are fueled by its IP and are designed to impact pain management through four clinically-integrated solutions. These solutions parallel the CDC Technical Package and HHS Opioid State Targeted Response requirements and recommended activity for combatting the opioid epidemic.

- **axialINSIGHT** houses the largest evidence-based compendium of its kind in pain care and opioid use disorder. The advanced analytics engine is the nation's only cognitive surveillance and clinical support platform for pain medication and treatment. axialINSIGHT presents a comprehensive view of an individual patient's care using medical and prescription claims data from all available sources.
- **axialPRACTICE** offers practitioners education and support tools including evidence-based (EB) guidelines, ongoing consultation with a team of licensed pharmacists specializing in pain management, and a Risk Identification & Mitigation Score, which drives appropriate opioid prescribing best practices by comparing a provider's prescribing patterns against their peer group. axialPRACTICE also provides practitioners with alerts for high risk patients on opioids and EB personalized treatment plans, which are informed by clinical standards and our partners at the Brigham and Women's Faulkner Hospital, a national leader in advanced pain management.
- **axialNETWORK** shapes a better network of high quality/low cost providers by continuously applying comparative performance assessments. axialNETWORK consists of the Aberrant Prescribing Pattern (APP) report and the Centers of Pain Excellence (COPE) referral directory. The APP report notifies the health plan of opioid prescribing performance that puts members at high risk of addiction, diversion, morbidity, and mortality. APP reports can be shared with internal Fraud, Waste, and Abuse departments and/or external law enforcement. COPE identifies and directs network referrals to providers who deliver high quality, evidence-based pain care.
- **axialPATIENT** encourages patients to take an active role in their treatment plans. axialPATIENT includes Empower, a mobile app for high-risk patients to monitor and track pain triggers, access coping and educational tools, and engage directly with their care team between visits.

## **Introduction**

Based upon the recommendations put forth by the President's Commission on Combating Drug Addiction and the Opioid Crisis and the objectives outlined in Health & Human Services' State Targeted Response (STR) to the Opioid Crisis, there is a current opportunity to create CPT codes related to a structured screening for Opioid Use Disorder (OUD). These codes would be non-invasive, preventative, and proactive in addressing OUD and could be utilized by both primary care physicians (PCPs) and pain specialists. The addition of these codes will help reduce the approximately 33% percent of chronic opioid patients who trigger into OUD every year.<sup>1</sup>

## **Similar CPT Codes**

In 2015, CMS adopted CPT 99490 for chronic care management, which reimburses a provider for establishing or delivering care to a patient with two or more chronic conditions. Before the creation of CPT 99490, practitioners delivering chronic care management often went unreimbursed. In 2017, CPT 99490 reimburses \$42 per patient to providers who dedicate 15-20 minutes establishing, revising, or monitoring comprehensive care. An OUD screening code would function similar to 99490; it would incentivize providers to proactively screen for OUD, and it would compensate them for actions that are currently not reimbursed.

## **Screening for OUD**

There is a long history of the federal government reimbursing for screening activities, and because of the significance of the opioid epidemic, initiating OUD related CPT codes would allow providers to be compensated for proactive and educational OUD screenings. Without specific codes, there is little incentive for the provider to screen for OUD. The reasonable reimbursement cost yields an outcome that is measurable, preventative in nature, and allows for patients and practitioners to be supported with a higher degree of clinical efficiency. The most effective method for preventing OUD is to stop dependencies on opioids before they lead to disordered use.

CPT codes documenting OUD screening would be utilized by PCPs in a similar way to codes used for alcohol abuse screenings and conversations surrounding end of life diagnoses. In 2017, CMS reimburses up to \$69.07 per claim for alcohol abuse screening and \$86.00 for care planning related to end of life diagnoses, setting the precedent for codes which are educational, proactive and materially beneficial for providers.<sup>2</sup>

---

<sup>1</sup> Center for Disease Control Q4 2016

<sup>2</sup> 2017 CMS Physicians Fee Schedule

### **Moving Beyond Patient Identification: Initiating Treatment**

In addition to OUD screening codes, CPT codes related to OUD tapering would also help mitigate the opioid crisis by working in parallel to the objectives set by the STR and the President's opioid commission. Codes related to opioid tapering would create an opportunity to further the practice of substance abuse screenings while enhancing prevention strategies. Moving beyond patient identification to treatment of OUD diagnosis candidates would mirror smoking cessation treatment. Patients in pain would benefit from similar codes reflecting opioid tapering in two primary ways. First, it would allow PCPs and pain specialists to proactively identify patients at risk of OUD and to transition those patients into opioid tapering under their care. Given their informed view of the patient, providers would be given the choice to continue care under their guidance or to refer patients to MAT clinics or outpatient services to begin recovery. Second, a relevant code would reduce stigmatization around OUD and incentivize physicians to begin conducting and documenting these tough conversations with their patients in order to ensure they are receiving the appropriate continuum of care.

### **Potential Clinical & Financial Impact**

Based upon evidence proven Medicaid and Medicare opioid patient risk stratification applied to the 2017 total CMS estimated membership, an OUD screening code could positively affect up to 6.5 million Medicare lives and 2.4 million Medicaid lives. The maximum Medicare cost would be \$460 million with a Medicaid ceiling spend of \$168 million.<sup>3</sup> OUD specific CPT codes would help curb the CDC's estimated 142 drug overdose related deaths that occur every day while also materially advancing provider care and offering economic savings and societal benefits resulting from this screening process.

---

<sup>3</sup> Estimates based on CMS Fast Facts projections from 2017, forecasting 58M Medicare and 34M Medicaid adult lives, which were then analyzed across evidence-based opioid risk stratification and resulted in 6.6M Medicare and 2.4M Medicaid lives potentially affected by OUD



# Proven Results in Managed Medicaid

## ✓ Improved patient care and reduced risks



- **Patients on opioid scripts declined by 17%** from January 2016 to December 2016
- Concurrently, a **25% drop in patients with dangerous polydrug risk** is also attributable to the efforts of axialHealthcare's pharmacy outreach
- Despite Controlled Substance Monitoring Database going live in December of 2006, concerning multi-prescriber activity climbed during 2015. However, outreach by axialHealthcare's clinical staff realized a **26% decrease in multi-prescriber activity** over 2016



## ✓ Improved physician satisfaction and confidence

- Over **90% of engaged providers were receptive** to the awareness campaign, transparent support, and mission of axialHealthcare



## ✓ Enhanced financial performance

- **Cost of care savings > \$3.50 PMPM**