

Breaking News

Healthcare Payers Could Potentially Recover Millions in Opioid Related Costs



Drug Manufacturers and the Opioid Epidemic

[Healthcare Recovery Solutions \(HRS\)](#) has added opioid addiction to its list of identifiable conditions and potential recovery opportunities for payers. Several states and local municipalities have instituted legal actions against the opioid industry. Five opioid manufacturers; Purdue Pharma, Endo Health Solutions, Teva Pharmaceutical Industries and its subsidiary Cephalon, Johnson & Johnson and its subsidiary Janssen Pharmaceuticals, and Allergan have been named in these actions.

The lawsuits claim that the manufacturers of opioid painkillers used deceptive and fraudulent marketing tactics to mislead prescribers and users about the risks and benefits of long-term opioid use. It is alleged that the manufacturers knew that prolonged use of opioids was both highly addictive and ineffective for the treatment of chronic pain. Opioids were allegedly promoted by manufacturers for the treatment of long term pain management when there was no scientific basis to support the use of these drugs for long term treatment. It is further alleged that the companies also marketed opioids as treatment for a wider range of problems, including common aches and pains, lower back pain, arthritis, and headaches where non-addictive alternative treatments are available.

The misleading marketing campaigns are alleged to have fueled the epidemic of opioid addiction in the U.S. and led to large profits for opioid manufacturers. A [factsheet](#) published by the U.S. Department of Health and Human Services states that in 2012 alone, \$8.3 billion in profit was made on sales of opioids in the U.S., an increase of 110% from 2001.ⁱ

The Impact on Healthcare Payers

Potentially misleading marketing of opioid medications may have also caused damage to healthcare payers who have paid out billions of dollars to fill prescriptions when the manufacturers knew or should have known that the drugs would be ineffective for the prescribed purpose. Private healthcare payers saw spending on opioid-related treatment rise 1,000% between 2011 and 2015. Additionally, millions of dollars have been expended to provide further emergency treatment and rehabilitation to needlessly addicted individuals. A national, independent, nonprofit organization, [FAIR Health](#), analyzed data of over 21 billion privately billed healthcare claims. Their findings showed that in 2015 the per-patient average annual cost of treatment related to opioid abuse disorders was \$63,356.ⁱⁱ

Motivated payers who ultimately foot the bill for both opioid prescriptions and treatment of opioid addiction disorders must take affirmative action. [Healthcare Recovery Solutions \(HRS\)](#) has the unmatched ability to identify these claims. Without [HRS](#), payers risk losing billions of dollars in potential recoveries.

ⁱ "Factsheet: The Opioid Epidemic: By the Numbers." *Human Rights Documents Online*. U.S. Department of Health and Human Services, June 2016. Web. <<https://www.hhs.gov/sites/default/files/Factsheet-opioids-061516.pdf>>.

ⁱⁱ The Impact of the Opioid Crisis on the Healthcare System, FAIR Health. Web. <<http://www.fairhealth.org/servlet/servlet.FileDownload?file=01532000001g4i3>>.