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**Issue Brief: AMA, CMS, CPS, Manatt Health Response to Colorado DOI RFI**  
*AMA, Colorado physicians and Manatt Health issue actuarial analysis in report showing need for multidisciplinary, multimodal pain care*

**October 2020**

**Introduction**

Ensuring patients have alternatives to opioids (ALTO) as part of a full continuum of treatment options would help save money and improve patient care, according to [a new report and actuarial analysis](#) submitted to the Colorado Division of Insurance (DOI) by the American Medical Association (AMA), Colorado Medical Society the Colorado Pain Society and Manatt Health. The report was in response to a DOI Request for Information (RFI) of whether a bill passed by the Colorado Legislature in 2020 ([HB 20-1085](#)<sup>1</sup>) would have provided access to cost-effective, evidence-based ALTOs for patients with pain. Colorado Governor Jared Polis vetoed the bill citing cost concerns.

The organizations consulted with pain medicine specialists in Colorado to show that ALTOs provide clear health benefits and worked with Oliver Wyman Actuarial Consulting, Inc. on a preliminary set of actuarial analyses that show ALTOs also would save money on certain other health services. The analysis reinforces the need for a multimodal approach to treatment of pain that requires a critical review of administrative and other health insurance benefit barriers, exclusions and exceptions to coverage that both inhibit the use of ALTOs and fail to address the needs of patients with acute or chronic pain, including populations who may benefit from opioid therapy when indicated.

**Key findings**

- Oliver Wyman found that 13% of patients treated for pain incurred more than \$2,500 per person in pain-related claims in 2018, and that these individuals had total healthcare costs roughly eight times the total healthcare costs of all remaining insured members.
- While opioid prescriptions have been dramatically reduced in Colorado<sup>2</sup>, the standard health insurance benefit plan continues to feature opioids as the most affordable treatment option for patients, while imposing barriers to ALTOs.
- Oliver Wyman’s analysis found that among patients with more than \$2,500 in pain-related claims in 2018, certain other services, such as emergency department utilization, imaging, injections and other procedures, were used less by patients who received the ALTOs proposed by HB 20-1085, compared with those who did not.
- Cost-sharing and utilization management protocols required by health insurers for ALTOs were considerably more burdensome and more prevalent than for opioid analgesics.

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<sup>1</sup> Provisions within HB 20-1085 would have required health insurers to cover up to six physical therapy, occupational therapy, acupuncture and chiropractic visits, respectively, with cost-sharing no greater than that charged for non-preventive primary care visits, as nonpharmacological alternatives to opioid treatment; it would have eliminated prior authorization (PA) for these nonpharmacological treatments; required coverage for at least one “atypical opioid” at the lower cost tier, without step therapy or PA; and stopped step therapy for the prescription and use of any additional atypical opioids for the treatment of acute or chronic pain.

<sup>2</sup> Between 2014-2019, prescriptions for opioid analgesics decreased 39.7% in Colorado; this compares to a 37.1 percent decrease nationally. In the same time period, total morphine milligram equivalents decreased 48.5% in Colorado; there was a 45.7% decrease nationally. Source: IQVIA Xponent market research services. (c) IQVIA 2020. All rights reserved.



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“This analysis points us to the conclusion that the full continuum of options must be available for physicians and patients,” said Jon Clapp, MD, President-elect, Colorado Pain Society. “HB 20-1085 would have removed burdensome—and costly—hurdles to multidisciplinary, multimodal pain care. We hope this analysis helps pave the way in Colorado to help our patients.”

“We will use this analysis to help guide future work that emphasizes shared decision-making between patients, physicians and other health care professionals,” said CMS President Sami Diab, MD. “Whether opioid therapy or ALTOs, we base our clinical treatment recommendations on patient needs, while balancing the cost-effectiveness and clinical evidence for such treatments. We understand that opioid therapy is not without risk, but we also know from the data and our experience that while opioid therapy is appropriate when clinically indicated, ALTOs provide key benefits as well.”

The analysis also highlighted that while physical therapy, occupational therapy and chiropractic services are currently covered for non-grandfathered individual and small groups in some form under the current EHB benchmark plan in Colorado, they come with a number of significant exclusions/exceptions to coverage that do not address the needs of patients with acute or chronic pain. In addition, acupuncture, another low-risk and cost-effective therapy for a multitude of patients with pain, is not required to be covered for any health conditions under the Colorado EHB. Providing coverage for the proposed coverage benefits outlined in HB 20-1085 would expand cost-beneficial, effective treatment options to help patients with pain in Colorado.

## Recommendations

In addition to lending further support for Colorado to pursue legislation or other actions to implement the provisions similar to those contained in HB 20-1085, the report provided two additional, pain-related recommendations:

- Examine the individuals within the pain population who utilize ALTOs only, opioids only, both ALTOs and opioids, or neither ALTOs nor opioids in a longitudinal format to better determine the cost efficacy of ALTOs.
- Issue a carrier data call on cost-sharing and other related formulary issues to identify cost, cost-sharing, and coverage of atypical opioids as compared to commonly prescribed opioid analgesics.

The medical societies also discuss in the report that the other primary barrier that cannot be quantified in an actuarial analysis (but is nonetheless real for patients) is the intersection of social determinants of health and pain as well as potential inequities in how pain care has been provided. For example, a patient who would prefer to receive one of the ALTO non-pharmacologic options but does not have the time to take off work, or a patient who cannot see a provider before or after work because of child care responsibilities or transportation limitations—these realities point to the complexity of situations faced by patients, and necessitate the availability of a wide range of treatments and therapies for patients with pain.

## For more information

For questions about the analysis and findings, please contact Daniel Blaney-Koen, JD, Senior Legislative Attorney, American Medical Association, at [daniel.blaney-koen@ama-assn.org](mailto:daniel.blaney-koen@ama-assn.org); Joel Ario, Managing Director, Manatt Health, at [jario@manatt.com](mailto:jario@manatt.com); Chet Seward, Chief Strategy Officer, Colorado Medical Society, at [chet\\_seward@cms.org](mailto:chet_seward@cms.org); or Jonathon Clapp, MD, President-elect, Colorado Pain Society, at [jclappmd@gmail.com](mailto:jclappmd@gmail.com).