Medical Data Report

Opioid Utilization Supplement

For the state of

MINNESOTA

September 2021

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Introduction

Prescription opioids are a class of drugs used to treat moderate to severe pain, particularly chronic intractable pain. Opioid addiction and overdose have reached epidemic levels over the past decade. According to a December 2020 update from the US Department of Health and Human Services (HHS),[1] 10.1 million Americans misused prescription opioids in 2019, resulting in an estimate of more than 130 deaths every day from an opioid-related overdose.

In response to the opioid crisis, many states have established laws and regulations to address opioid prescribing patterns for the population at large, as well as for workers compensation (WC) injuries. See the NCCI series, On Opioids, for additional insight into the industry's viewpoints on, and responses to, the opioid experience in workers compensation.

Each calendar year, NCCI produces and publishes the Minnesota Medical Data Report, which is also made available to authenticated users on **ncci.com**. This Opioid Utilization Supplement is a supplement to the Medical Data Report and is intended to serve as a data resource for regulators and others who are interested in the prescription drug component of medical costs in workers compensation claims. Specifically, this report focuses on opioid prescriptions costs and utilization rates at the aggregate level for state, regional, and countrywide (CW) analysis.

This report has seven sections:

- Prescription Drug Statistics
- Opioid Claim Statistics
- Concurrent Use of Opioids and Benzodiazepines
- Changes in Opioid Prescribing Patterns
- Morphine Milligram Equivalents
- Claim Distribution by Claim Maturity
- Diagnosis Group and Body System Opioid Claim Experience

The report drills down on these sections to provide details on payments and prescribing patterns.

The data contained in this report represents medical transactions for Service Years (SY) 2016 through 2020. For Minnesota in SY 2020, the reported number of transactions was more than 1,126,700, with more than $234,423,700 paid, for more than 63,600 claims, representing data from 96% of the workers compensation premium written, which includes experience for large-deductible policies. Lump-sum settlements are not required to be reported. Also, self-insured data is not included.

Unless otherwise noted, the source for all data in this report is:

- NCCI Medical Data Call, SY 2020. Medical data for Minnesota is collected by NCCI on behalf of the Minnesota Workers' Compensation Insurers Association.
- Region includes data from the following states: IA, IL, IN, KS, MI, MO, NE, OK, SD, and WI.
- Countrywide includes data from the following states: AK, AL, AR, AZ, CO, CT, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, MD, ME, MI, MN, MO, MS, MT, NC, NE, NH, NJ, NM, NV, OK, OR, RI, SC, SD, TN, UT, VA, VT, WI, and WV.

[1] www.hhs.gov/opioids/about-the-epidemic/index.html

One important caveat: Information in this report may not coincide with an analysis of a legislative provision or rule change performed in the future. Such an analysis would require evaluation of the specific drugs covered by the rule, which may be different from the way that payments or prescriptions for the drugs are categorized in this report.

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Prescription Drug Statistics

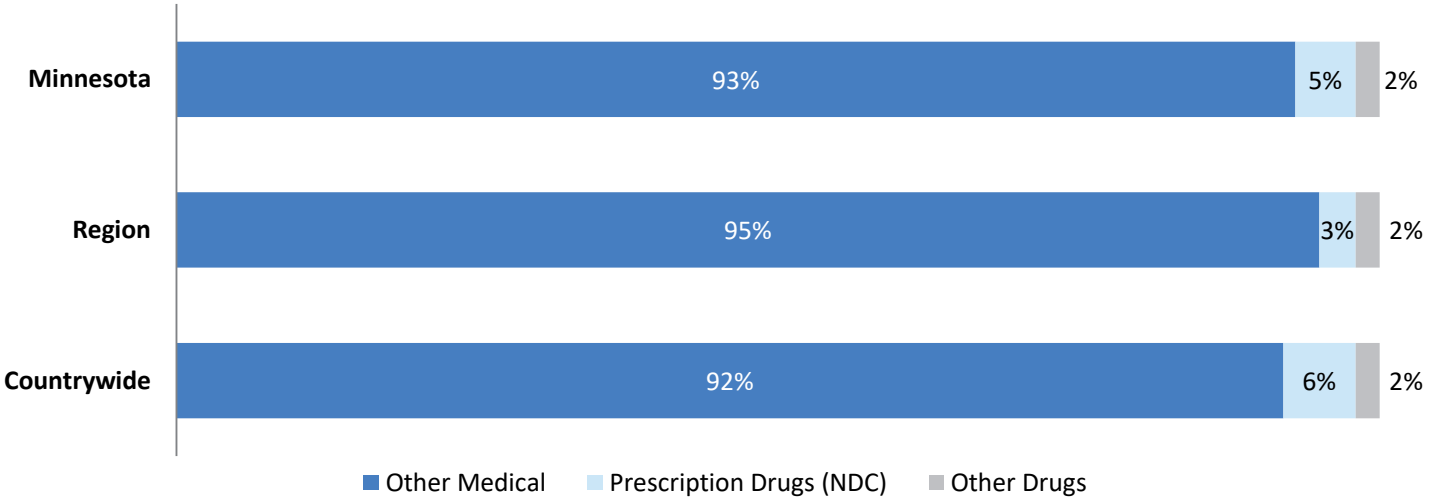
Drugs are uniquely identified by a national drug code (NDC). Charts 1 through 3 present greater detail on payments for prescription drugs reported with an NDC, whether the drugs were provided in a pharmacy, physician's office, hospital, or other place of service. Payments are categorized as drugs if the code reported on the transaction is an NDC. Drug payments can also be reported using codes other than NDCs, such as revenue codes, Healthcare Common Procedure Coding System (HCPCS) codes, and other state-specific procedure codes. These are referred to as "Other Drugs" in Chart 1.

For SY 2020, Minnesota spent $11 million on 89,000 prescriptions for workers compensation claims.

Chart 1 displays the prescription drug shares of medical payments for Minnesota, the region, and countrywide in SY 2020.

Chart 1

Drug Share of Medical Payments



The results in the charts that follow are based only on payments reported with an NDC.

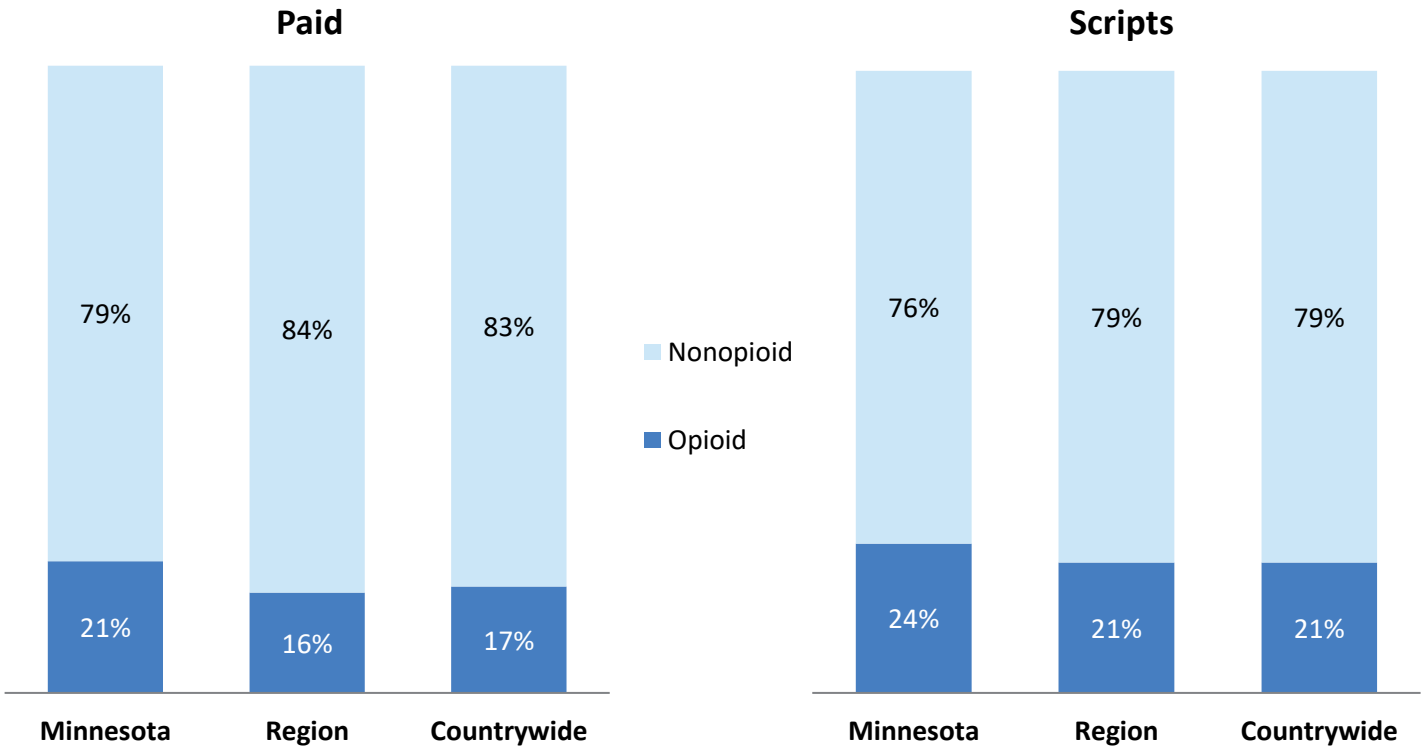
The opioid epidemic in the United States has a far-reaching impact on the workers compensation system. NCCI data shows that in recent years the average cost of prescriptions for claims with an opioid prescription is four times the average cost of a claim without opioids. One quarter of all prescription spending in the WC system is on opioids.

In 2020, Minnesota spent $2 million on 21,000 opioid prescriptions; 3 of the top 10 drugs by amount paid are opioids and account for 11% of drug payments.

Chart 2 shows the proportion of drug payments and prescription counts for opioids in Minnesota, the region, and countrywide.

Chart 2

Distribution of Drugs by Opioid and Nonopioid



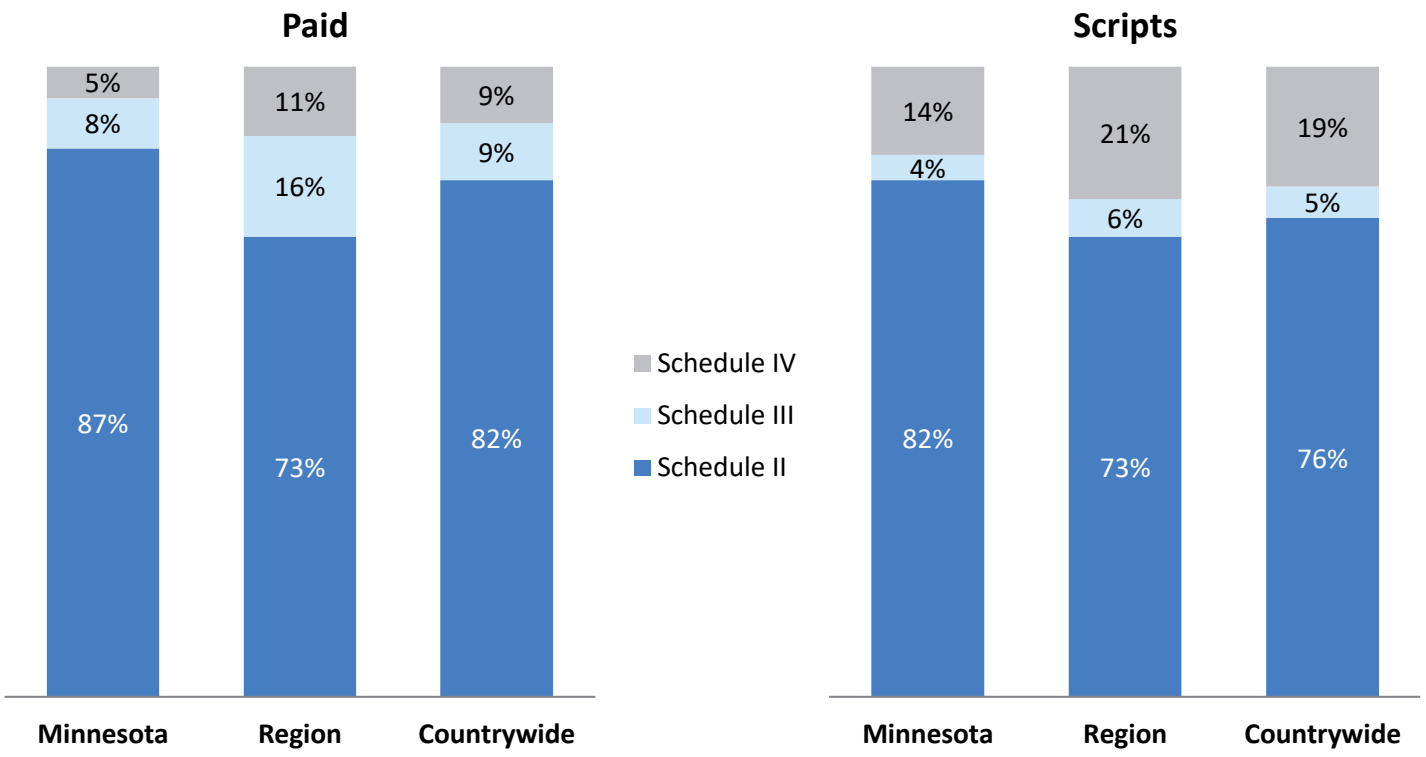
Opioids are subject to the Controlled Substance Act (CSA), passed in 1970 to regulate the manufacture, distribution, possession, and use of certain drugs. Five controlled substance schedules are determined by varying qualifications, such as the drug's medical uses, if any, and its potential for abuse. For example, Schedule V drugs, such as pregabalin, are defined as having the lowest potential for abuse, while Schedule I drugs, such as heroin, are illegal at the federal level and are defined as having no currently accepted medical uses and a high potential for abuse.

According to the Diversion Control Division of the Drug Enforcement Administration (DEA),[2] schedule drug prescribing must adhere to certain rules. A prescription for a schedule drug must be written in ink or indelible pencil, typewritten, or electronic—if the electronic prescription satisfies certain requirements—and must be signed by the practitioner or their designee, as is required for Schedule II prescriptions. While prescriptions for Schedules III and IV controlled substances may be refilled up to five times in six months, a Schedule II prescription may not be refilled, requiring a new prescription to be issued each time. Although the preceding sentences reflect codified regulations for prescription drugs, some of these requirements were eased or waived during the HHS Public Health Emergency Declaration for COVID-19 in 2020.[3]

Opioids are largely Schedule II and Schedule III drugs. Chart 3 shows the percentage of opioid payments and opioid prescriptions by schedule[4] for Minnesota, the region, and countrywide.

Chart 3

Distribution of Opioids by 2021 Drug Schedule



[2] www.deadiversion.usdoj.gov/faq/prescriptions_faq.htm
[3] www.deadiversion.usdoj.gov/coronavirus.html
[4] Schedule assignment reflects the DEA's schedule as of 2021.

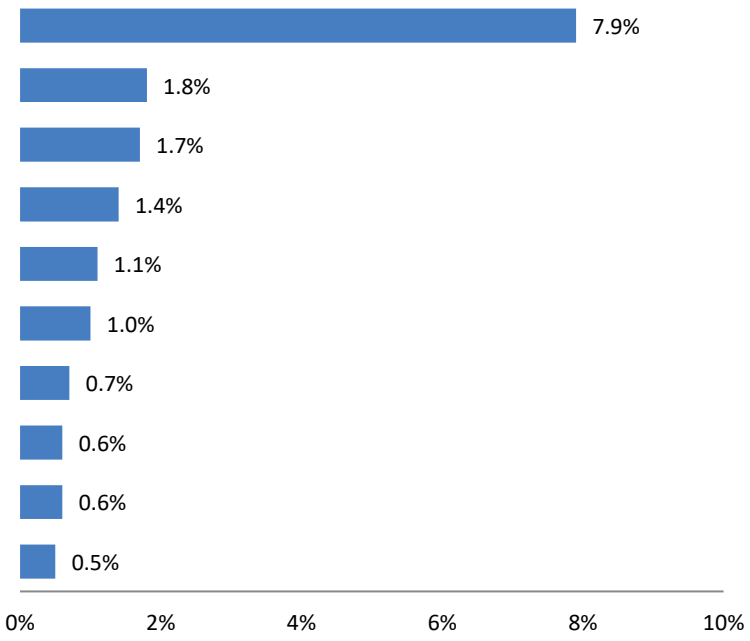
Charts 4 and 5 provide greater detail on payments for opioid prescriptions in Minnesota.

Chart 4 displays the shares of the payments of prescription medication for the top 10 opioids in WC claims and whether the drugs are generic (G) or brand name (B). This ranking method shows which drugs have the highest percentage share of payments. Also included is the amount paid per unit (PPU), common brand name, CSA schedule, and countrywide (CW) rank.

Chart 4

Top 10 Workers Compensation Opioid Drugs by Amount Paid for Minnesota

Drug Name	Average PPU MN	Region	CW
Oxycontin®	$9.07	$9.74	$9.67
Oxycodone HCl-Acetaminophen	$0.73	$0.92	$0.97
Oxycodone HCl	$0.60	$0.69	$0.80
Hydrocodone Bitartrate-Acetaminophen	$0.38	$0.53	$0.53
Percocet®	$23.82	$25.00	$24.94
Tramadol HCl	$0.51	$0.87	$0.90
Belbuca®	$11.77	$11.72	$11.06
Morphine Sulfate	$0.77	$1.15	$1.13
Nucynta®	$8.84	$8.31	$8.86
Fentanyl Transdermal System	$16.54	$16.91	$16.22



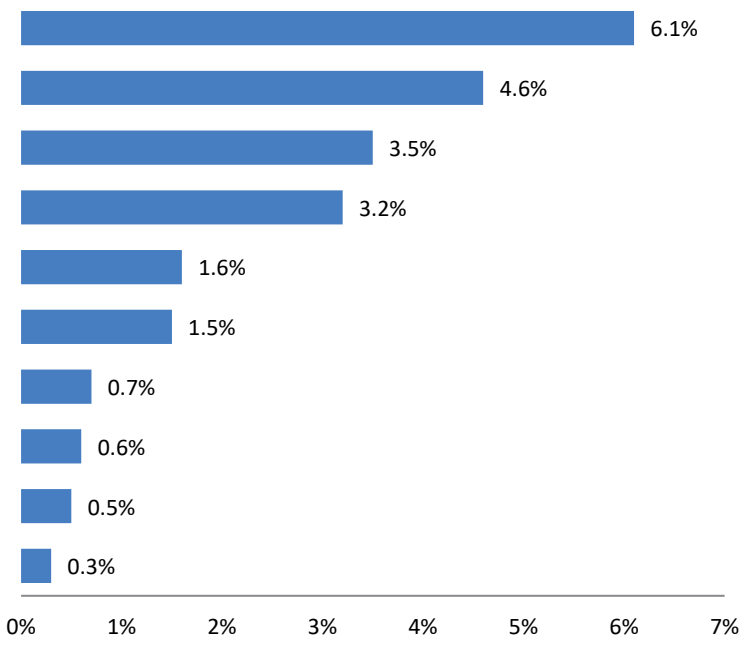
Drug Name	B/G	Common Brand Name	CSA Schedule	CW Rank
Oxycontin®	B	N/A	II	1
Oxycodone HCl-Acetaminophen	G	Percocet®	II	2
Oxycodone HCl	G	Oxycontin®	II	6
Hydrocodone Bitartrate-Acetaminophen	G	Vicodin®	II	3
Percocet®	B	N/A	II	5
Tramadol HCl	G	Ultram®	IV	4
Belbuca®	B	N/A	III	9
Morphine Sulfate	G	Duramorph®	II	10
Nucynta®	B	N/A	II	7
Fentanyl Transdermal System	G	Duragesic®	II	14

Chart 5 displays the top 10 opioids in workers compensation claims according to the number of prescriptions. This chart shows the most frequently prescribed opioids and the amount paid per unit.

Chart 5

Top 10 Workers Compensation Opioid Drugs by Prescription Counts for Minnesota

Drug Name	Average PPU MN	Region	CW
Hydrocodone Bitartrate-Acetaminophen	$0.38	$0.53	$0.53
Oxycodone HCl	$0.60	$0.69	$0.80
Oxycodone HCl-Acetaminophen	$0.73	$0.92	$0.97
Tramadol HCl	$0.51	$0.87	$0.90
Oxycontin®	$9.07	$9.74	$9.67
Morphine Sulfate	$0.77	$1.15	$1.13
Methadone HCl	$0.18	$0.20	$0.21
Hydromorphone HCl	$0.32	$0.88	$0.99
Acetaminophen-Codeine Phosphate	$0.38	$0.42	$0.40
Fentanyl Transdermal System	$16.54	$16.91	$16.22



Drug Name	B/G	Common Brand Name	CSA Schedule	CW Rank
Hydrocodone Bitartrate-Acetaminophen	G	Vicodin®	II	1
Oxycodone HCl	G	Oxycontin®	II	4
Oxycodone HCl-Acetaminophen	G	Percocet®	II	3
Tramadol HCl	G	Ultram®	IV	2
Oxycontin®	B	N/A	II	6
Morphine Sulfate	G	Duramorph®	II	5
Methadone HCl	G	Dolophine®	II	11
Hydromorphone HCl	G	Dilaudid®	II	8
Acetaminophen-Codeine Phosphate	G	Tylenol® with Codeine #3	III	7
Fentanyl Transdermal System	G	Duragesic®	II	12

Opioid Claim Statistics

In addition to providing information on workers compensation claims with opioids, this report also provides information on workers compensation claims with concurrent use of opioids and benzodiazepines (benzos). A benzo, typically a Schedule IV drug, produces central nervous system depression (as do opioids) and is most commonly used to treat insomnia and anxiety. Two examples of widely used benzos are Xanax® and Ativan®.

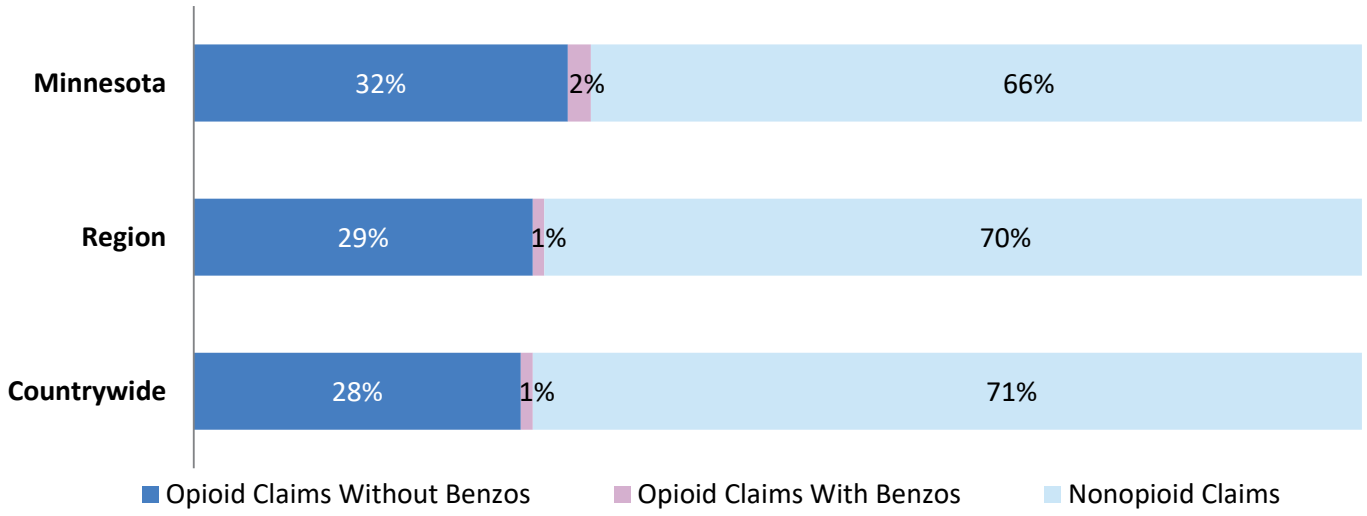
Several types of workers compensation claims are referenced in this report:

- **Rx claim**—A WC claim that had at least one prescription during the period
- **Opioid claim**—A WC claim that had at least one opioid prescription during the period
- **Nonopioid claim**—A WC claim that had at least one prescription but no opioids during the period
- **Opioid claim with benzos**—A WC claim that had at least one opioid prescription and at least one benzo prescription during the period
- **Opioid claim without benzos**—A WC claim that had at least one opioid prescription and no benzo prescriptions during the period

Chart 6 displays the distribution of Rx claims for Minnesota, the region, and countrywide for SY 2020.

Chart 6

Rx Claim Distributions



Injured workers who have been prescribed opioids are, on average, prescribed a greater number of prescriptions than those who have not. In Minnesota, a nonopioid claim has an average number of 4.2 prescriptions in SY 2020 compared to 3.0 in the region and 3.5 countrywide.

Charts 7 and 8 show the average number of opioid and nonopioid prescriptions per opioid claim and the average amount paid per opioid claim for Minnesota, the region, and countrywide.

Chart 7

Average Number of Prescriptions per Opioid Claim

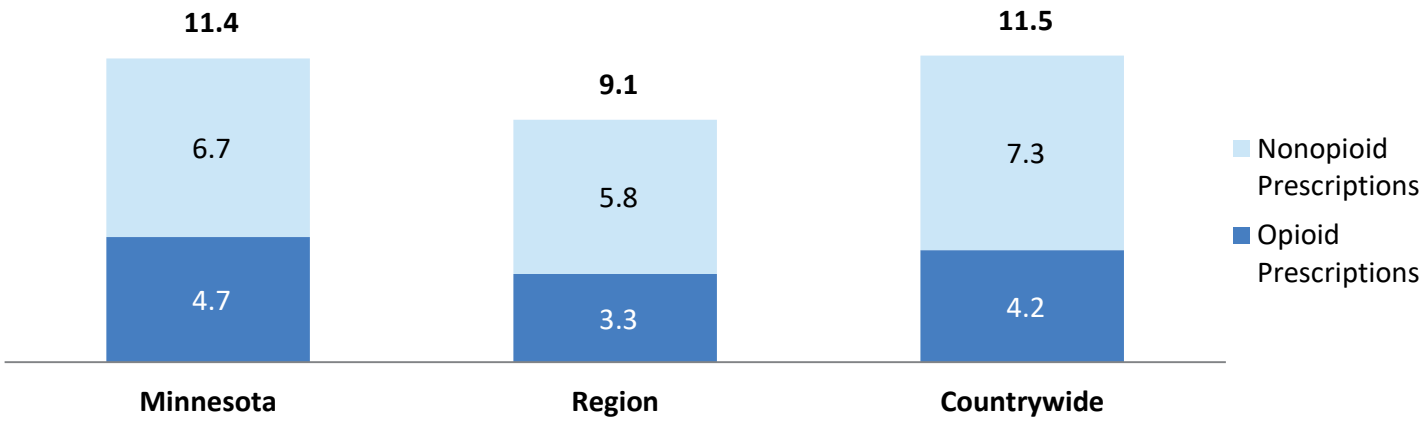
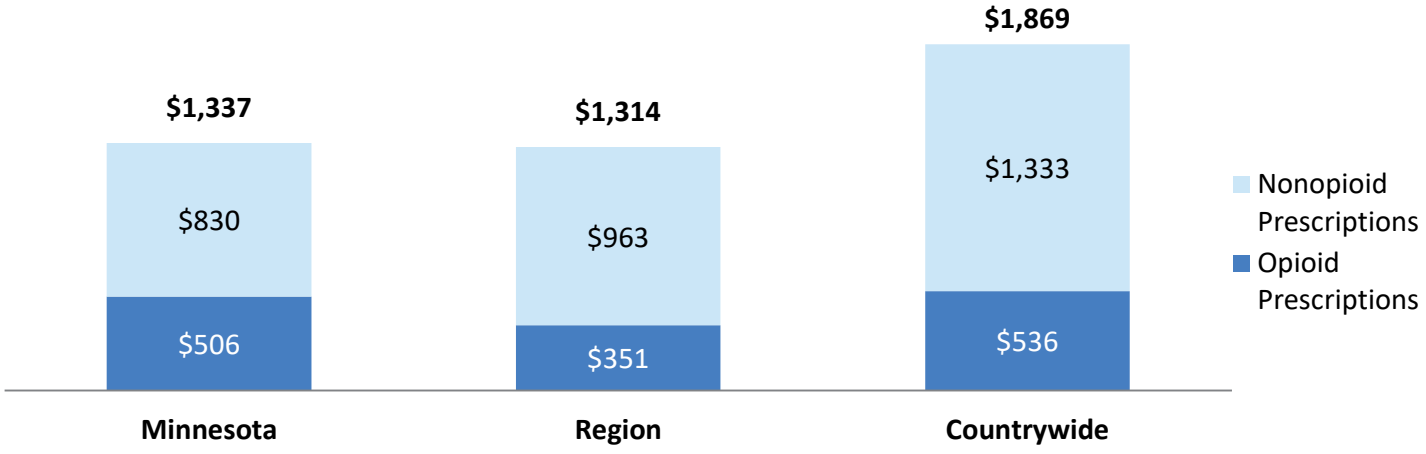


Chart 8

Average Amount Paid for Prescription Drugs per Opioid Claim



As seen in the previous chart, many nonopioid drugs are also prescribed in opioid claims. Chart 9 shows the top five nonopioid drugs by amount paid for opioid claims. Chart 10 shows the top five nonopioid drugs by number of prescriptions for opioid claims.

Chart 9

Top 5 Nonopioid Drugs for Opioid Claims by Amount Paid for Minnesota[5]

Drug Name	Common Brand Name	B/G	% of Nonopioid Drug Payments	PPU MN	PPU Region	PPU Countrywide	CW Rank
Pregabalin	Lyrica®	G	11.1%	$3.37	$4.51	$4.61	1
Gabapentin	Neurontin®	G	8.2%	$0.63	$0.83	$0.91	2
Duloxetine HCl	Cymbalta®	G	6.1%	$3.42	$4.11	$4.44	5
Neurontin®	N/A	B	3.4%	$8.65	$7.44	$8.29	43
Lidocaine	Lidoderm®	G	3.4%	$4.31	$7.08	$6.49	3

Chart 10

Top 5 Nonopioid Drugs for Opioid Claims by Number of Prescriptions for Minnesota[6]

Drug Name	Common Brand Name	B/G	% of Nonopioid Drug Prescriptions	PPU MN	PPU Region	PPU Countrywide	CW Rank
Gabapentin	Neurontin®	G	12.0%	$0.63	$0.83	$0.91	1
Cyclobenzaprine HCl	Flexeril®	G	5.4%	$0.66	$1.51	$1.74	2
Pregabalin	Lyrica®	G	5.0%	$3.37	$4.51	$4.61	4
Duloxetine HCl	Cymbalta®	G	4.3%	$3.42	$4.11	$4.44	8
Tizanidine HCl	Zanaflex®	G	4.0%	$0.80	$0.98	$1.06	5

[5] "% of Nonopioid Drug Payments" is the share of nonopioid drug payments in opioid claims.
[6] "% of Nonopioid Drug Prescriptions" is the share of nonopioid drug prescriptions in opioid claims.

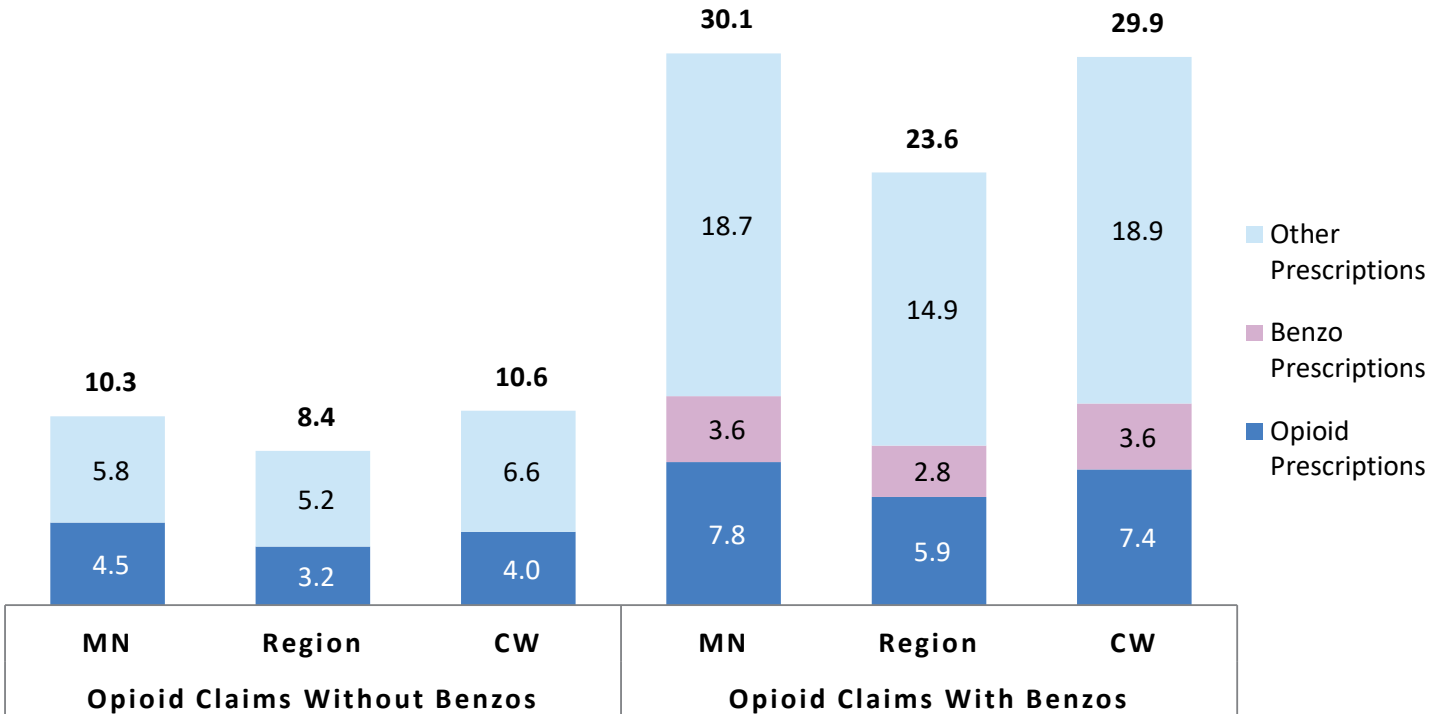
Concurrent Use of Opioids and Benzodiazepines

According to a study[7] on opioid abuse published by *The British Medical Journal*, of "2,400 veterans in the population who died because of a drug overdose while taking opioid painkiller prescriptions, 49% had been concurrently prescribed benzodiazepines." In workers compensation, the number of injured workers who are concurrently prescribed both an opioid and a benzo is relatively small. However, the number of prescription drugs and their associated costs for those injured workers are considerably higher than for workers who are not prescribed benzos.

Chart 11 displays the average number of opioid, benzo, and other types of prescriptions for opioid claims with and without benzos for Minnesota, the region, and countrywide.

Chart 11

Average Number of Prescriptions by Claim Type



[7] "Benzodiazepines and Opioids," National Institute on Drug Abuse, March 2018, www.drugabuse.gov/drug-topics/opioids/benzodiazepines-opioids

Chart 12 shows the top five benzos concurrently used with opioids for Minnesota, along with the PPU for Minnesota, the region, and countrywide.

Chart 12

Top 5 Workers Compensation Benzos by Amount Paid for Minnesota

Drug Name	Common Brand Name	B/G	% of Benzo Payments	PPU MN	PPU Region	PPU Countrywide	CW Rank
Valium®	N/A	B	16.7%	$5.87	$4.96	$6.84	4
Klonopin®	N/A	B	13.8%	$3.06	$2.63	$2.97	10
Clonazepam	Klonopin®	G	9.4%	$0.40	$0.48	$0.52	3
Alprazolam	Xanax®	G	8.4%	$0.48	$0.53	$0.59	1
Lorazepam	Ativan®	G	8.3%	$0.42	$0.44	$0.48	7

Changes in Opioid Prescribing Patterns

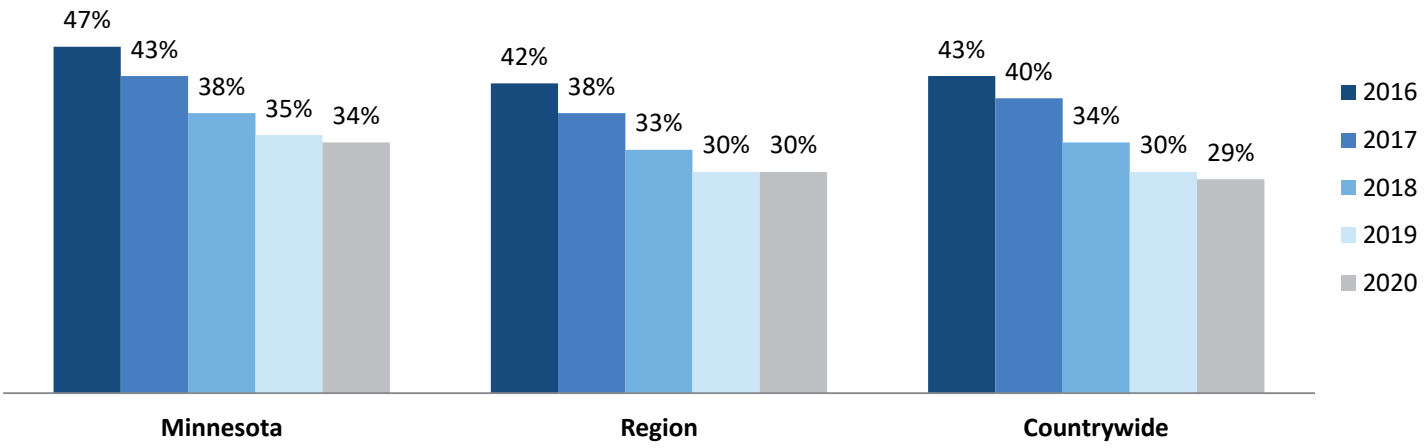
In 2017, the US Department of Health and Human Services[8] declared opioid abuse a public health emergency and created a five-point strategy to combat the opioid crisis, including increasing the availability of overdose-reversing Naloxone drugs such as Narcan®, and Evzio®. The number of workers compensation claims with these prescriptions has been steadily increasing, with about 2% of opioid claims now having a prescription for Naloxone drugs on a countrywide basis.

Lower prescribing patterns for workers compensation claims reflect concerted efforts by the various stakeholders to respond to the opioid crisis—through rules used by regulatory agencies, guidelines for prescribing opioids, or greater attention paid by the prescribing physicians and employers to the injured workers with prescriptions.

Chart 13 shows the share of opioid claims over the latest five service years for Minnesota, the region, and countrywide.

Chart 13

Share of Drug Claims With at Least One Opioid Prescription by Service Year

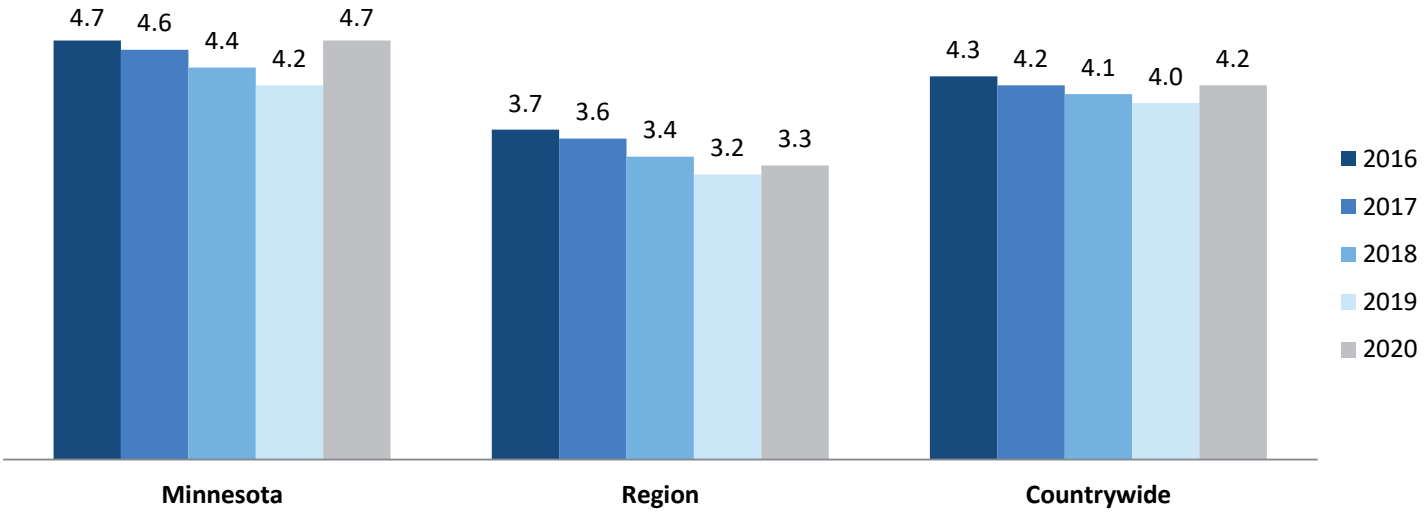


[8] www.hhs.gov/opioids/about-the-epidemic/index.html

Chart 14 reflects the change in the average number of opioid prescriptions per opioid claim over the latest five service years in Minnesota, the region, and countrywide.

Chart 14

Average Number of Opioid Prescriptions per Opioid Claim by Service Year



Charts 15 and 16 display the change in the average opioid payment per opioid claim and per opioid prescription over the last five service years for Minnesota, the region, and countrywide.

Chart 15

Average Opioid Payment per Opioid Claim by Service Year

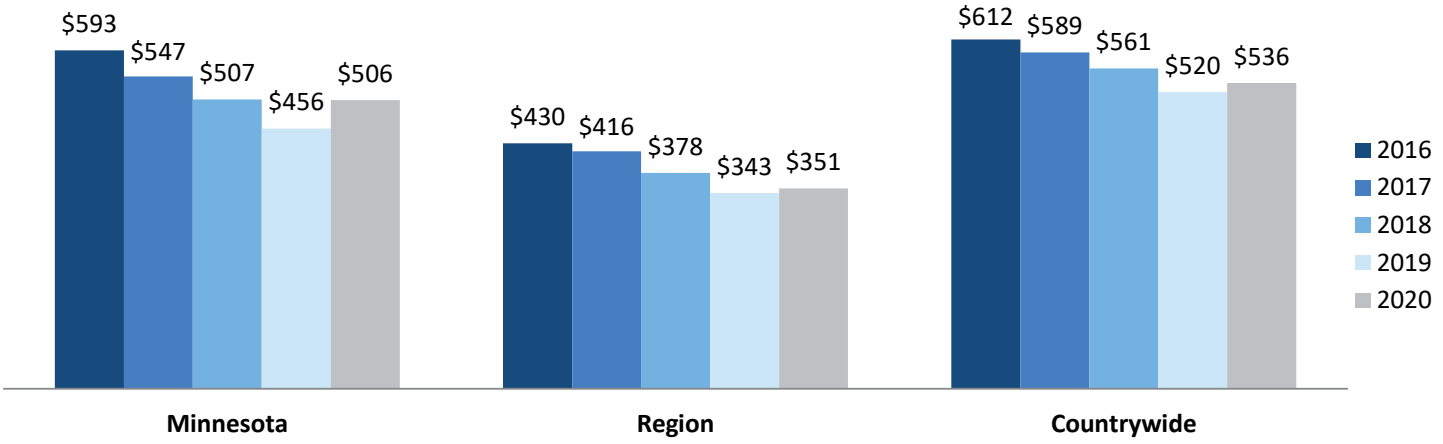
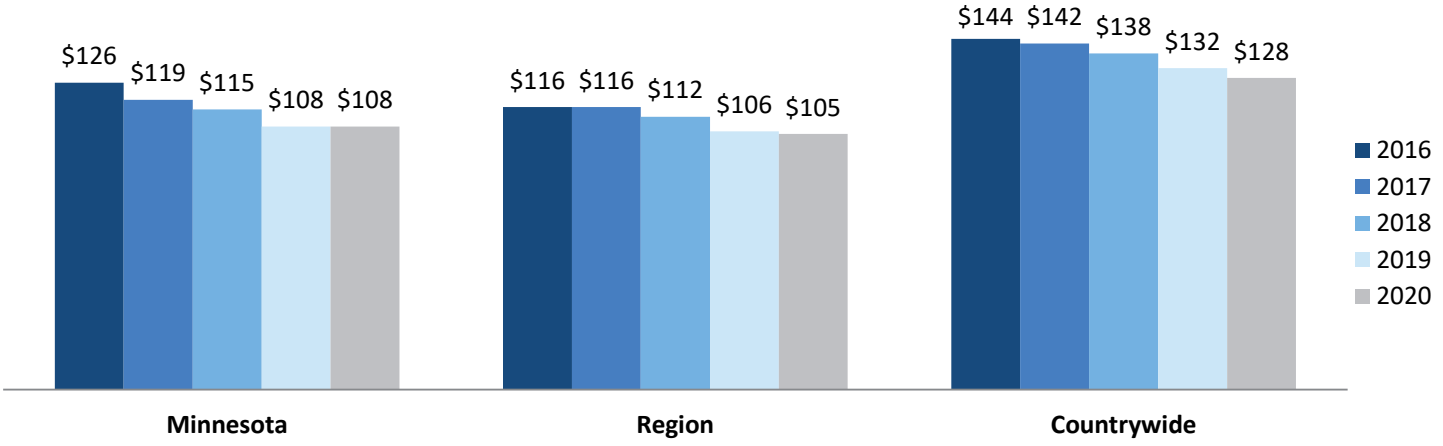


Chart 16

Average Payment per Opioid Prescription by Service Year



Morphine Milligram Equivalents

Price inflation of prescription drugs is one factor that impacts payments over time. The content of prescriptions and dosages can also impact the payments made. Not all prescriptions are equal, and not all opioids are equal. Consequently, a comparison of prescriptions or opioid payments with a common unit of comparison can add clarity to the observed experience.

The CDC[9] provides a way to convert daily—or hourly—doses of opioids to an equivalent daily dose of morphine by assigning a conversion factor to each type of drug, thus deriving the Morphine Milligram Equivalents (MME) for any opioid prescription, based on the number of units (pills, for example) prescribed and the drug formulation. One milligram per day of oxycodone, for instance, is assigned an MME factor of 1.5; one milligram per day of codeine, on the other hand, is assigned an MME factor of 0.15.

CDC
CENTERS FOR DISEASE CONTROL AND PREVENTION

Morphine Milligram Equivalents (MME)

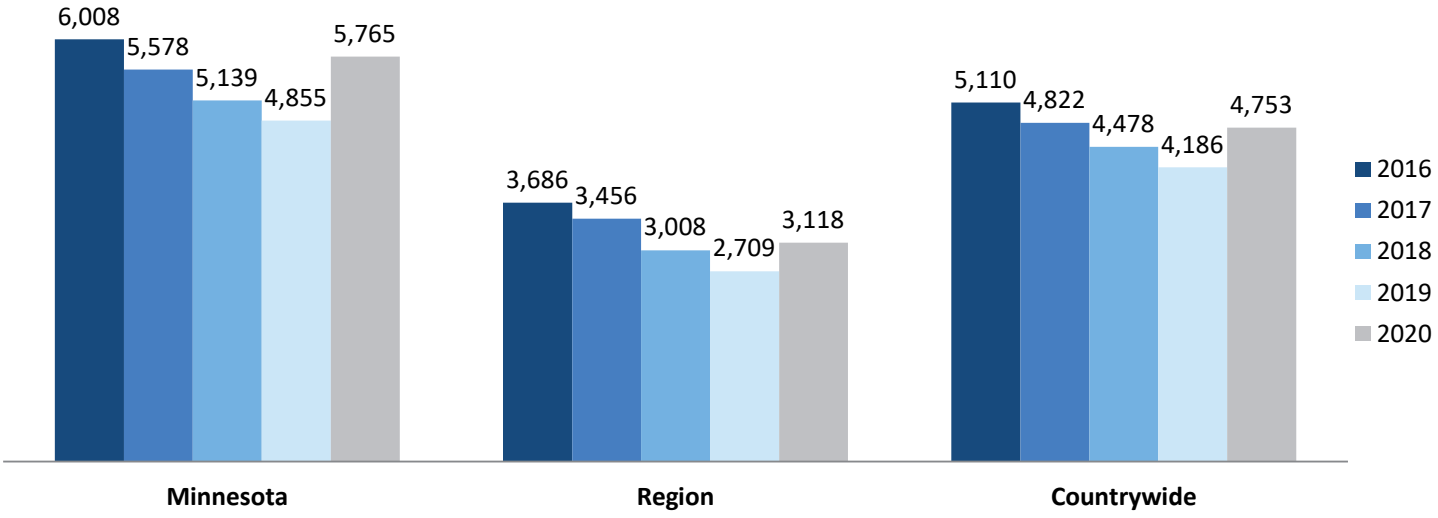
Vicodin® (10mg)	Oxycodone (20mg)	Butrans® (20mcg/hr)
10 MMEs	30 MMEs	36 MMEs/Day

[9] www.cdc.gov/drugoverdose/pdf/calculating_total_daily_dose-a.pdf

Chart 17 displays the average yearly amount of MMEs prescribed per claimant with at least one opioid prescription for the latest five service years in Minnesota, the region, and countrywide.

Chart 17

Average Yearly MME per Opioid Claim by Service Year



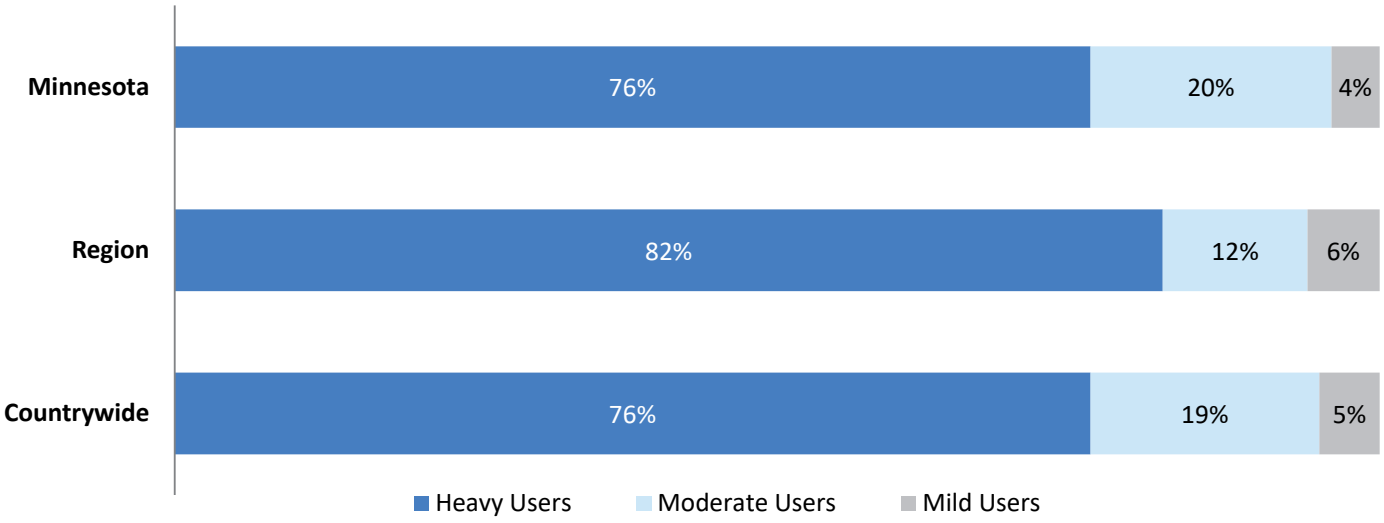
One way to recognize the extensive use of opioids is to classify claims into groups with different levels of opioid use. NCCI classifies opioid claimants based on yearly MME consumption:

- "Heavy users" represent the top 10% of claims by MME consumption
- "Moderate users" are in the next 20% of claims by MME consumption
- "Mild users" are in the bottom 70% of claims by MME consumption

Chart 18 shows the distribution of MME by consumption classification in Minnesota, the region, and countrywide for SY 2020.

Chart 18

Distribution of MME by Consumption Classification

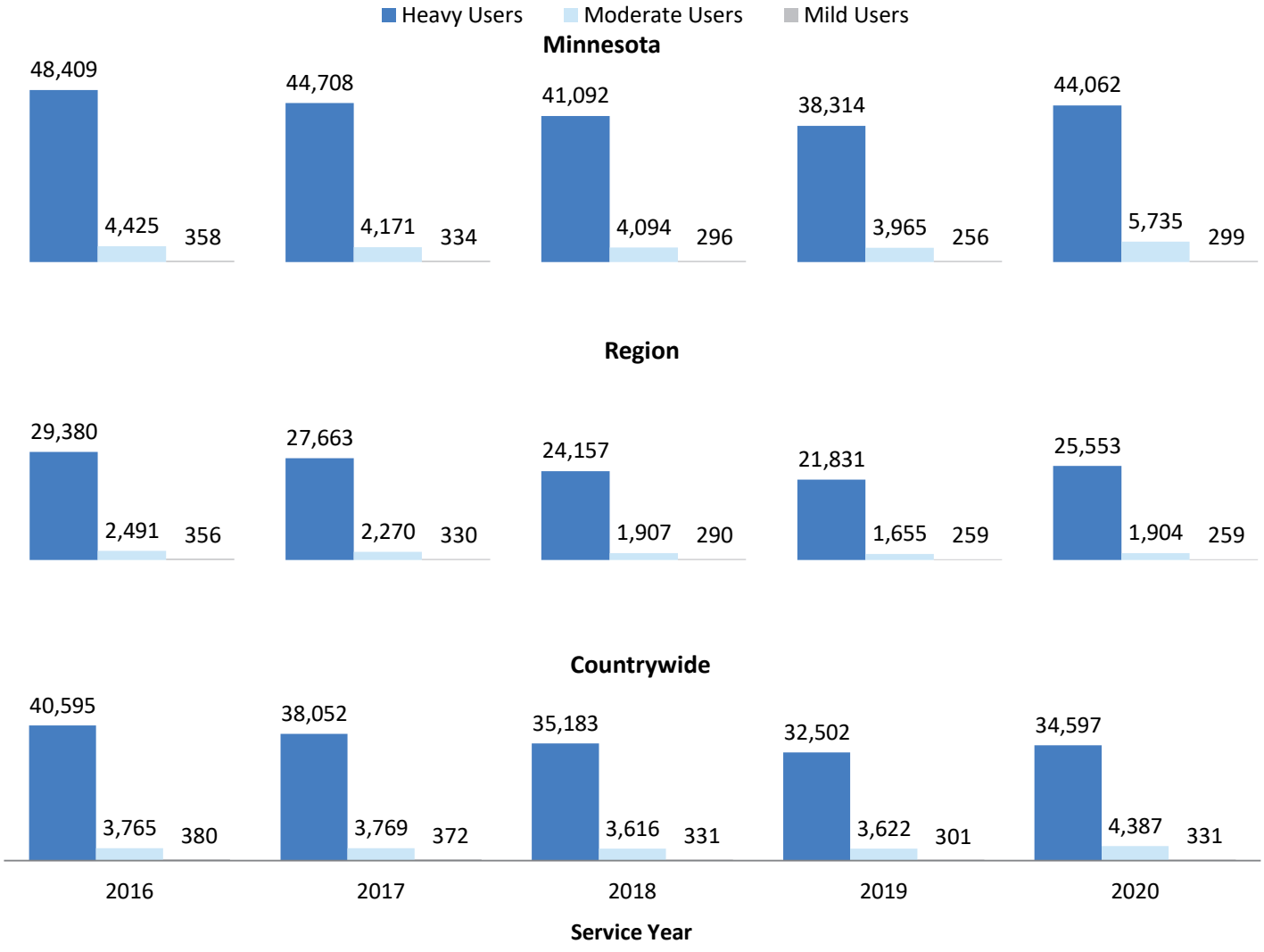


According to the "CDC Guideline for Prescribing Opioids for Chronic Pain,"[10] clinicians "should avoid increasing dosage to ≥90 MME/day or carefully justify a decision to titrate dosage to ≥90 MME/day." A claimant who consumes 90 MME per day for each day of the year would have a yearly MME consumption of 32,850. In SY 2020, average heavy users in Minnesota were prescribed approximately 134% of the MME of such a claimant.

Chart 19 shows the distribution of average MME consumption within each usage classification for the latest five service years for Minnesota, the region, and countrywide.

Chart 19

Average Yearly MME per Opioid Claim by Service Year and Classification

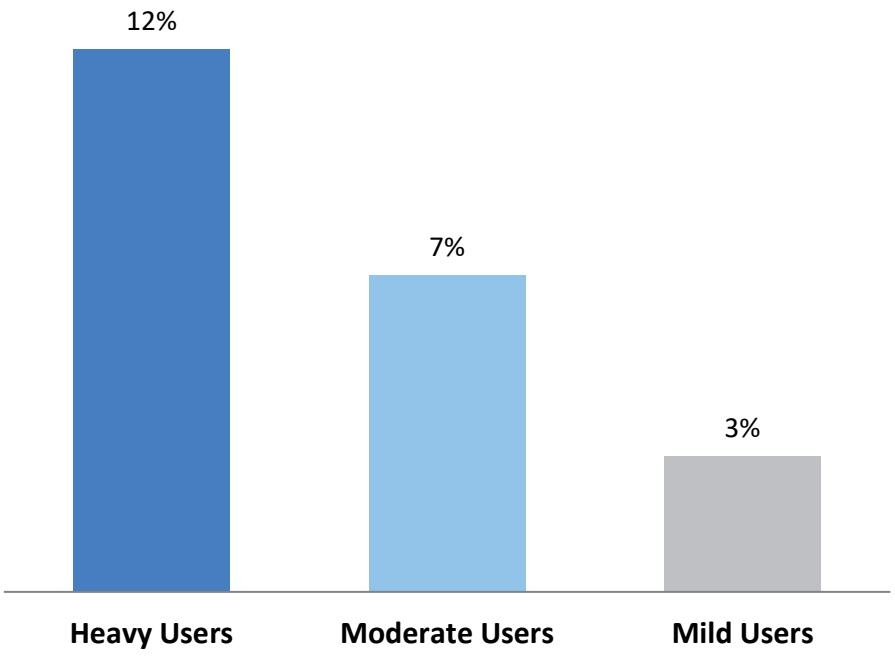


[10] www.cdc.gov/drugoverdose/pdf/guidelines_at-a-glance-a.pdf

Heavy users are also more likely to be concurrently prescribed benzos—nearly one in five countrywide are also prescribed benzos. Chart 20 shows how often heavy users are prescribed benzos compared to mild and moderate users in Minnesota.

Chart 20

Share of Claims Prescribed Both Opioids and Benzos by Classification in Minnesota



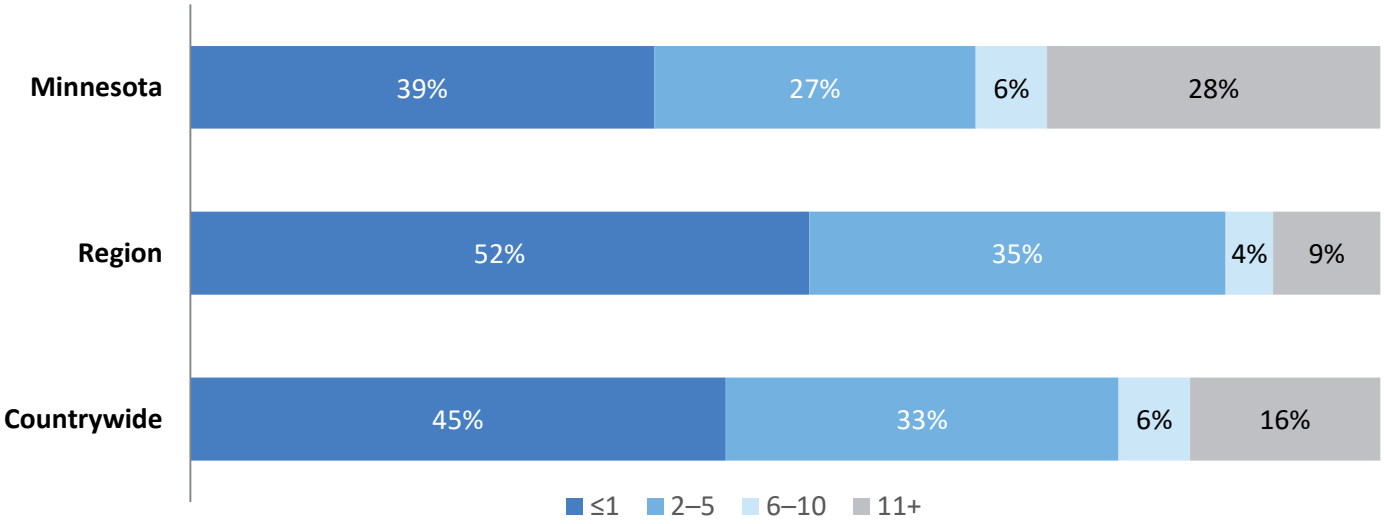
Claim Distribution by Claim Maturity

Workers compensation insurance is considered to have a long tail of liability, meaning that injured workers continue to receive medical benefits over a long period of time, sometimes 30 years or more. Observing opioid claims by claim maturity provides insight into the long-lasting usage of opioid prescriptions and their prevalence among injured workers at various stages of their disability.

Chart 21 shows the distribution of opioid claims by claim maturity for Minnesota, the region, and countrywide, where maturity is measured by the number of years from the date of injury.

Chart 21

Opioid Claim Distribution by Claim Maturity in Years



The decrease in the number of opioid prescriptions is significant for opioid claims at all years of maturity. Chart 22 shows the change in MME per opioid claim between SYs 2016 and 2020.

Chart 22

Change in MME per Opioid Claim by Maturity

Maturity	SY 2020 MME Share	Change in MME from SY 2016 to SY 2020
Minnesota		
1 Year	2%	-43%
2 to 5 Years	5%	-57%
6 to 10 Years	10%	-40%
Over 10 Years	83%	-24%
Region		
1 Year	8%	-30%
2 to 5 Years	16%	-51%
6 to 10 Years	17%	-35%
Over 10 Years	59%	-35%
Countrywide		
1 Year	4%	-27%
2 to 5 Years	14%	-43%
6 to 10 Years	15%	-36%
Over 10 Years	67%	-30%

Diagnosis Group and Body System Opioid Claim Experience

Charts 23 and 24 display the top 10 body systems and diagnosis groups, respectively, for claims with opioid experience. A body system and diagnosis group are identified for each claim based on an ICD-10 (International Classification of Diseases) code. The ICD-10 code indicates the condition for which the care is provided. NCCI assigns an ICD-10 code to each workers compensation claim based on the severity of the ICD-10 codes reported on bills by medical providers for services provided to the injured worker.

The top 10 body systems and diagnosis groups are ranked by total claim payments for Minnesota. This method of ranking shows which body systems and diagnosis groups have the highest percentage share of payments. Payments are based on claims with dates of injury between January 1, 2019, and December 31, 2019, and include all reported services provided for those claims through December 31, 2020. As these claims mature, the mix of ICD-10 codes may change, thus impacting the percentage share of payments for a specific code over time. This mix may also affect how costs per code in Minnesota compare to countrywide costs. The state, region, and countrywide average payments per claim are also displayed for each body system and diagnosis group.

Chart 23

Top Body Systems by Amount Paid for Opioid Claims With Dates of Injury in 2019

Body System	Paid Share	Average Amount Paid Per Claim		
		Minnesota	Region	Countrywide
Shoulder	23.4%	$25,533	$35,855	$29,423
Leg	10.7%	$51,533	$49,207	$46,980
Knee	9.7%	$19,127	$25,309	$22,155
Hand/wrist	9.6%	$12,701	$15,841	$14,070
Lumbar spine	9.3%	$16,036	$26,669	$21,989
Ankle/foot	6.8%	$20,559	$24,470	$22,192
Arm	4.2%	$20,963	$31,909	$28,552
Neck	3.8%	$23,567	$38,142	$30,174
Head	3.2%	$44,130	$36,050	$37,119
Abdomen	2.7%	$14,668	$14,947	$13,956

Chart 24

Top Diagnosis Groups by Amount Paid for Opioid Claims With Dates of Injury in 2019

Diagnosis Group	Paid Share	Average Amount Paid Per Claim		
		Minnesota	Region	Countrywide
Rotator cuff tear	11.3%	$29,809	$42,658	$35,532
Tibia/fibula fracture	4.7%	$55,133	$64,121	$65,157
Minor shoulder injury	4.3%	$16,467	$26,416	$20,418
Hand/wrist fracture	3.8%	$15,028	$18,162	$16,750
Knee internal derangement - meniscus injury	3.4%	$14,656	$20,200	$17,154
Lumbosacral intervertebral disc disorders	2.6%	$31,315	$43,611	$38,532
Hip/pelvis fracture/major trauma	2.5%	$81,824	$81,127	$79,385
Femur fracture	2.4%	$176,431	$119,412	$108,452
Ankle fracture	2.4%	$28,685	$34,204	$32,755
Traumatic brain injury	2.3%	$216,341	$122,216	$139,830

Glossary

Benzodiazepines (Benzos): A class of drugs that produce central nervous system depression and are most commonly used to treat insomnia and anxiety.

Controlled Substance: Drugs that are regulated by the Controlled Substance Act (CSA) of 1970. Each controlled substance is contained in one of five schedules based on its medical use(s) and its potential for abuse and addiction.

Current Procedure Terminology (CPT): A numeric coding system maintained by the American Medical Association (AMA). The CPT coding system consists of five-digit codes that are primarily used to identify medical services and procedures performed by physicians and other healthcare professionals.

Drugs: Includes any data reported by a National Drug Code (NDC). Also included are data for revenue codes, the Healthcare Common Procedure Coding System (HCPCS), and other state-specific codes that represent drugs.

Healthcare Common Procedure Coding System (HCPCS): Alphanumeric codes that include mostly nonphysician items or services such as medical supplies, ambulatory services, prostheses, etc. These are items and services not covered by Current Procedure Terminology (CPT) procedures.

Medical Data Call: Captures transaction-level detail for medical billings that were processed on or after July 1, 2010. All medical transactions with the jurisdiction state in any applicable Medical Data Call state are reportable. This includes all workers compensation claims, including medical-only claims.

National Drug Code (NDC): A universal product identifier for human drugs in the United States. Each NDC code uniquely identifies a drug product based on key characteristics, such as the labeler (manufacturer/distributor), active ingredients, strength, dosage form, and package form.

Opioids: A class of drugs used to treat moderate to severe pain, particularly chronic intractable pain.

Prescription: NCCI defines a "prescription" to be synonymous with a transaction. Therefore, a refill on a prescribed drug is considered a separate prescription.

(Paid) Procedure Code: A code from the jurisdiction-approved code table that identifies the procedure associated with the reimbursement. Examples include CPT code or revenue code.

Revenue Code: A numeric coding system used in hospital billings that provides broad classifications of the types of services provided. Some examples are emergency room, operating room, recovery room, room and board, and supplies.

Service Year: A loss accounting definition where experience is summarized by the calendar year in which a medical service was provided.

Transaction: A line item on a medical bill.

Units: The number of units of service performed or the quantity of drugs dispensed. For Paid Procedure Codes related to medications, the quantity/units depend on the type of drug:

- For tablets, capsules, suppositories, nonfilled syringes, etc., it represents the actual number of the drug provided. For example, a bottle of 30 pills would have 30 units.
- For liquids, suspensions, solutions, creams, ointments, bulk powders, etc., dispensed in standard packages, the units are specified by the procedure code. For example, a cream is dispensed in a standard tube, which is defined as a single unit.
- For liquids, suspensions, solutions, creams, ointments, bulk powders, etc., that are not dispensed in standard packages, the number of units is the amount provided in its standard unit of measurement (e.g., milliliters, grams, ounces). For example, codeine cough syrup dispensed by a pharmacist into a four-ounce bottle would be reported as four units.

Appendix

The data contained in this report represents medical transactions for SY 2020 (medical services delivered from January 1, 2020, to December 31, 2020), except where otherwise noted. WC insurance carriers must report paid medical transactions if, over the most recent three years, they write at least 1% of the market share in any one state for which NCCI collects medical data. Medical data for Minnesota is collected by NCCI on behalf of the Minnesota Workers' Compensation Insurers Association. Once a carrier meets the eligibility criteria, it is required to report for all applicable states in which it writes WC insurance. All carriers within an insurance group are required to report.

No data adjustments have been made for the reporting of COVID-19-related claims. For more information on impacts of COVID-19 on medical losses, please see the Medical Indicators & Trends dashboard[11] on **ncci.com**.

The data is reported under the jurisdiction state—the state under whose workers compensation act the claimant's benefits are being paid. Medical transactions must continue to be reported until the transactions no longer occur (i.e., the claim is closed) or 30 years from the accident date. Nearly 30 data elements are reported.

Wherever possible, standard industry codes are used because they:

- Provide a clear definition of the data
- Increase efficiency of computer systems
- Improve the accuracy and quality of the data

Carriers differ in their handling of medical data reporting. Some carriers retain all medical claims handling internally and submit the data themselves. Others use business partners for various aspects of medical claim handling, such as third party administrators and medical bill review vendors. It's possible for a carrier to authorize its vendor to report the data on its behalf. Some carriers may use a combination of direct reporting and vendors. Although data may have been provided by an authorized vendor on behalf of a carrier, the quality, timeliness, and completeness of the data is the responsibility of the carrier.

Before a medical data provider can send files, each submitter's electronic data file must pass certification testing. This ensures that all connections, data files, and systems are functioning and processing correctly. Each medical data provider within a reporting group is required to pass certification testing. If a medical data provider reports data for more than one reporting group, that data must be certified for each group.

For more information about the Medical Data Call, please refer to the ***Medical Data Call Reporting Guidebook*** on **ncci.com**.

[11] www.ncci.com/Articles/Pages/Insights-Medical-Indicators-Trends-Dashboard.aspx