



PMSI Contact
Shelia Chapman
Executive Director, Marketing
877.ASK.PMSI
shelia.chapman@pmsionline.com

PMSI RELEASES 2009 ANNUAL DRUG TRENDS REPORT

Report Reveals a 5.4% Increase in Workers' Compensation Pharmacy Spend in 2008

Tampa, Florida (April 20, 2009) – PMSI, one of the nation's largest providers of specialty products and services for the workers' compensation market, today announced the release of its *2009 Annual Drug Trends Report*. The report represents one of the most extensive analyses of workers' compensation pharmacy spending trends and is based on PMSI's nearly 8 million pharmacy transactions between 2006 and 2008.

"As one of the largest workers' compensation pharmacy benefits managers (PBMs), PMSI is uniquely positioned to gather, review and interpret trends in the industry," commented Jay Krueger, PMSI's Chief Strategy Officer. "This year's report illustrates the significant role that PBMs have in containing cost and improving the quality of life for injured workers."

The report reveals that workers' compensation pharmacy costs have continued to increase despite consistent overall decreases in injury rates over the past several years. With pharmacy costs now representing approximately 14% of total medical spend, continued pharmacy cost increases represent one of the largest issues in workers' compensation.

Significant findings in the report include:

- Workers' compensation pharmacy costs increased by 5.4% in 2008 versus 3.3% in 2007.
- Price contributed 4.2% to the total spend increase compared to 3.1% in 2007. The 2008 increase was due primarily to AWP increases and the reduced availability of generic versions of Oxycontin®.
- The top five most prescribed drug classes remained unchanged from 2007. Narcotic analgesics, anticonvulsants, non-steroidal anti-inflammatory drugs, skeletal muscle relaxants and antidepressants represented 70% of total pharmacy costs and 74% of total transactions in 2008.
- Age of claim continued to be a significant driver of pharmacy costs as injuries greater than 3 years accounted for more than 80% of workers' compensation pharmacy spending.
- Cymbalta, an antidepressant indicated for the treatment of chronic pain, ranked 10th in total drug costs in 2008 as opposed to 14th in 2007 and 17th in 2008. This is the first time an antidepressant ranked in the top 10 in total drug costs and is evidence of the expanded use of antidepressants in the workers' compensation setting.
- PMSI's Arkos Risk Management™ system reduced total medication costs for enrolled high-risk injured workers by an average of 18% and utilization by 51%.

"This year's report illustrates the importance of an effective pharmacy management program that is tailored to the specific nuances of the workers' compensation market," commented Dr. Maria Sciamé,

Director, Clinical Services, PMSI. “Given the complexity of workers’ compensation claims, payors should look for opportunities to partner with an experienced PBM such as PMSI to improve network penetration, increase generic substitution, maximize mail order utilization and engage clinical utilization management programs. Maximizing these opportunities will lead to better cost-containment and improved care for injured workers.”

For the complete 2009 Annual Drug Trends Report, visit www.pmsionline.com. To schedule an interview with Dr. Maria Sciame, contact Shelia Chapman at 813.627.2731 or Shelia.Chapman@pmsionline.com.

About PMSI

PMSI – Founded in 1976, today PMSI is one of the nation’s largest providers of specialty managed care services and products for the workers’ compensation market. PMSI provides an integrated portfolio of services in Pharmacy, Settlement Solutions, Medical Services and Equipment, and Clinical Services that promote quality care while helping clients contain costs and control utilization. The company is owned by H.I.G. Capital, a leading global private equity investment firm with more than \$7.5 billion of equity capital under management and a long tradition of partnering with leading companies in the workers’ compensation industry. For more information, please refer to the PMSI website at www.pmsionline.com.

###