

The Vermont Prescription Monitoring System (VPMS) is a statewide, electronic database of controlled substance prescriptions dispensed by Vermont-licensed pharmacies. The Drug Enforcement Agency (DEA) assigns drugs to different controlled substance schedules according to their potential for abuse or dependence. VPMS collects information on Schedule II-IV controlled substances. VPMS does not include prescriptions filled at out-of-state pharmacies that are not licensed in Vermont, methadone or buprenorphine dispensed by opioid treatment programs, or drugs administered directly to a patient in a medical setting.

This report examines the method of payment for prescriptions in the VPMS from 2016-2018. Prior to 2016, payment method was not included in VPMS data. Information on insurance copayments and deductibles is not included in VPMS.

VPMS assigns drugs to drug classes based on the U.S. Centers for Disease Control and Prevention's (CDC) treatment classes. The drug classes include opioid analgesics, Medication-Assisted Treatment (MAT) opioids, benzodiazepines, stimulants, and "other" (all schedule II-IV drugs that are not in the other categories).

Medicaid, Medicare, and private insurance account for the majority of prescription payments in the VPMS (nearly 90% from 2016-2018). This report focuses on these three payment types. "Other" payment types include worker's compensation, military/Veteran's Administration (VA), and private pay (such as cash, check, credit, or debit).

## Payment Method Trends (2016-2018)

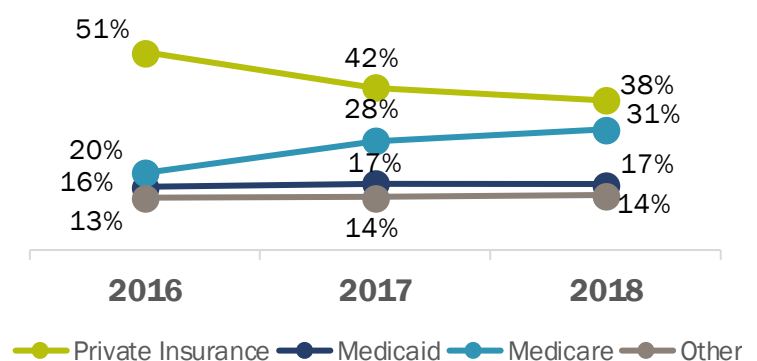
The percent of all prescriptions paid for by private insurance has decreased by 13% in the past three years. There has been a corresponding increase in the percent of prescriptions paid for by Medicare, which rose by 11%.

In 2018, Medicaid and Medicare paid for nearly half of opioid analgesic prescriptions in VPMS.

### KEY POINTS

- The percent of prescriptions paid for by private insurance has decreased in the past three years, with a corresponding increase in the percent of prescriptions paid for by Medicaid and Medicare.
- For most age categories, Medicaid and/or Medicare make up the majority of prescription payments.

**Primary Payment Types for Analgesic Opioid Prescriptions, 2016-2018**



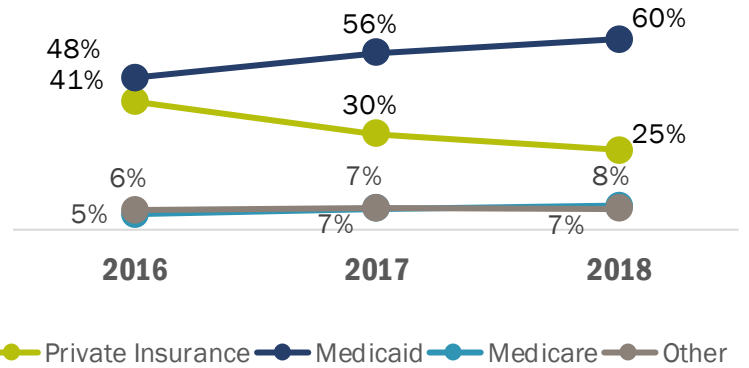
# VPMS: Payment Type Trends

MAT prescriptions doubled between 2016 and 2018 (90,429 vs 184,182) due to increased access to treatment for opioid use disorder and an increase in prescribers with waivers to prescribe buprenorphine. Medicaid and Medicare combined paid for 68% of MAT prescriptions in 2018.

MAT prescriptions paid for by private insurance decreased 16% and Medicaid paid for an additional 12% of prescriptions.

Medicaid policy may be driving some of the increase as there is a 14-day prescription limit. Other payers do not have a 14-day limit.

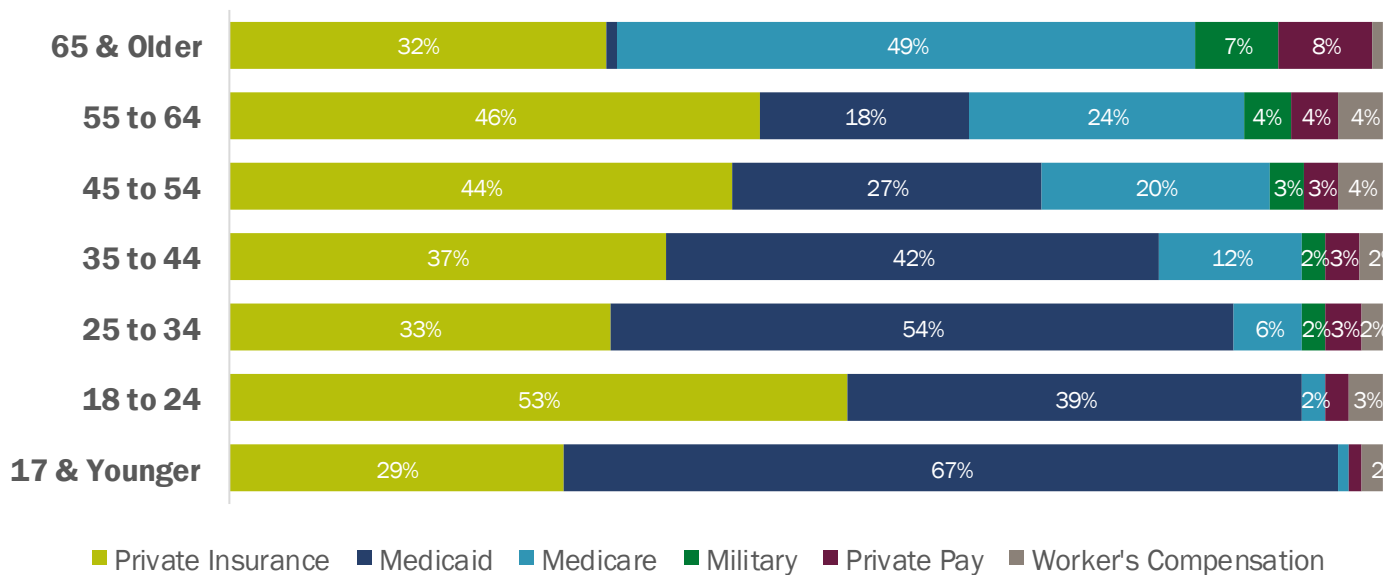
### Primary Payment Types for MAT Prescriptions, 2016-2018



## Payment Method and Age

For most age categories, private insurance and Medicaid make up the majority of prescription payments. In the youngest age category, the majority of prescriptions in 2018 were paid by Medicaid (67% of prescriptions for those 17 and younger), while Medicare paid for about half of prescriptions received by those 65 and older (49%).

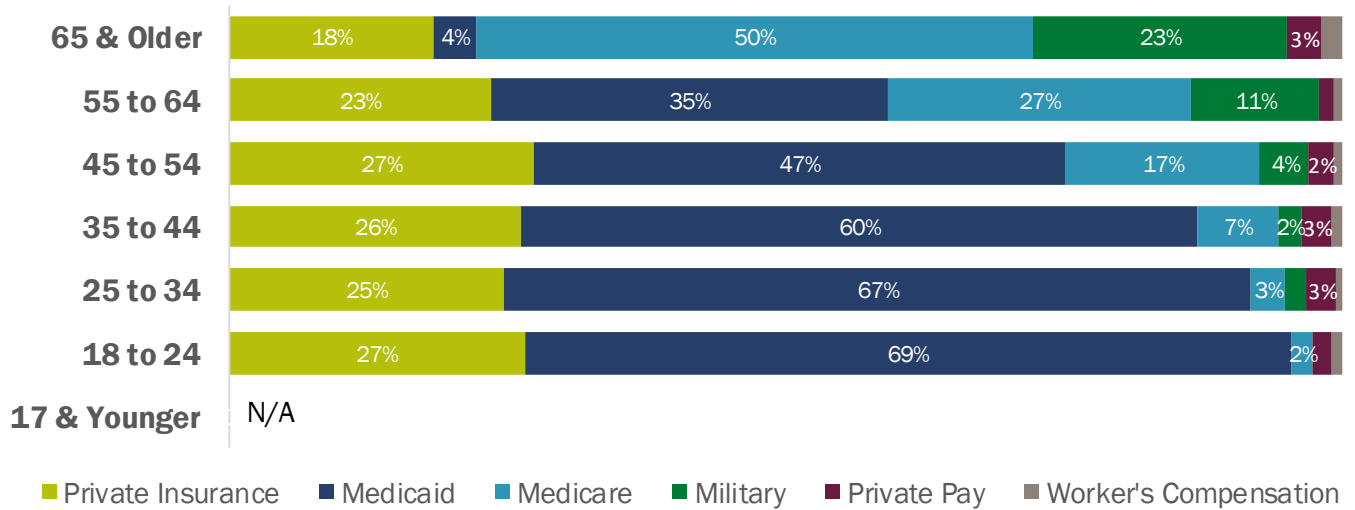
### Primary Payment Types for All Prescriptions by Age Category, 2018



# VPMS: Payment Type Trends

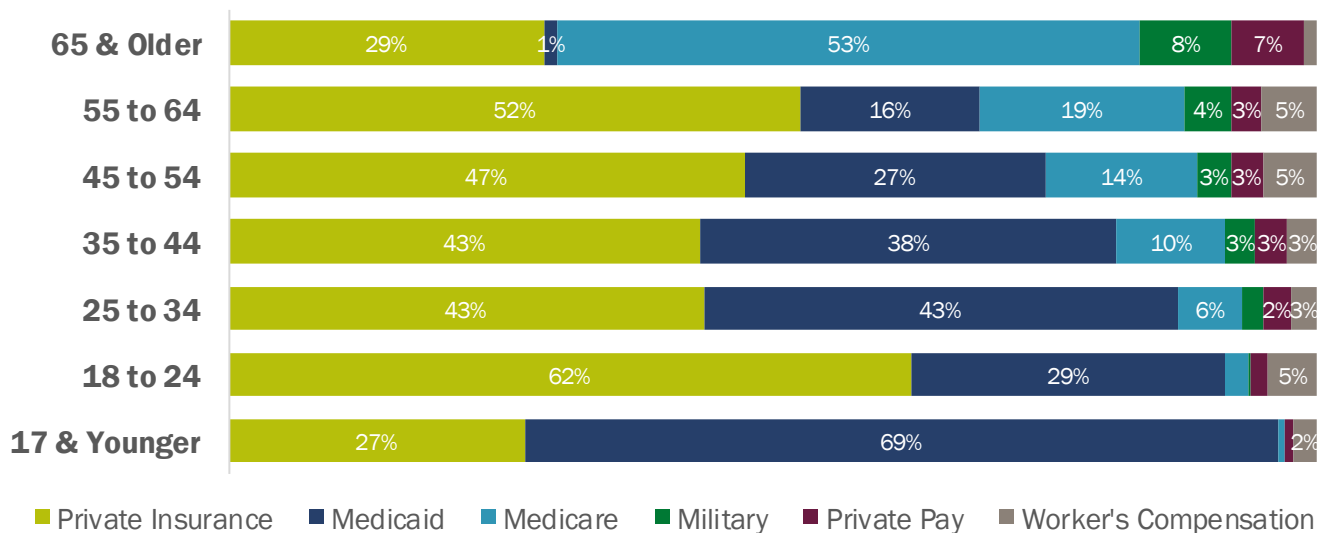
The next two charts show the distribution of payment methods for MAT and stimulant prescriptions. Among other drug classes (analgesic opioids, benzodiazepines, and other), the percentages of payment methods are very similar to one another and so are not examined in detail. For individuals 65 and older, the military and Veterans Affairs (VA) paid for 23% of MAT prescriptions in 2018, while private insurance paid for only 18% of MAT prescriptions. There were no MAT prescriptions for individuals 17 and younger with available payment information in 2018.

### Primary Payment Types for MAT Prescriptions by Age Category, 2018



Among recipients 17 and younger who received a stimulant prescription, Medicaid made up 69% of the prescription payments, while private insurance was used for only 27%. For stimulant recipients aged 18 to 24, however, private insurance paid for 62% of these prescriptions.

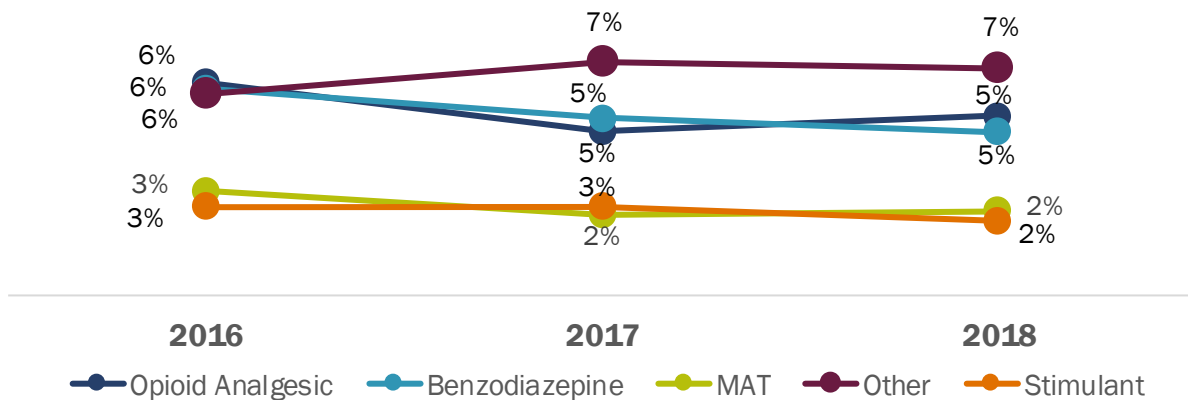
### Primary Payment Types for Stimulant Prescriptions by Age Category, 2018



## Private Pay Trends and Multiple Payment Methods

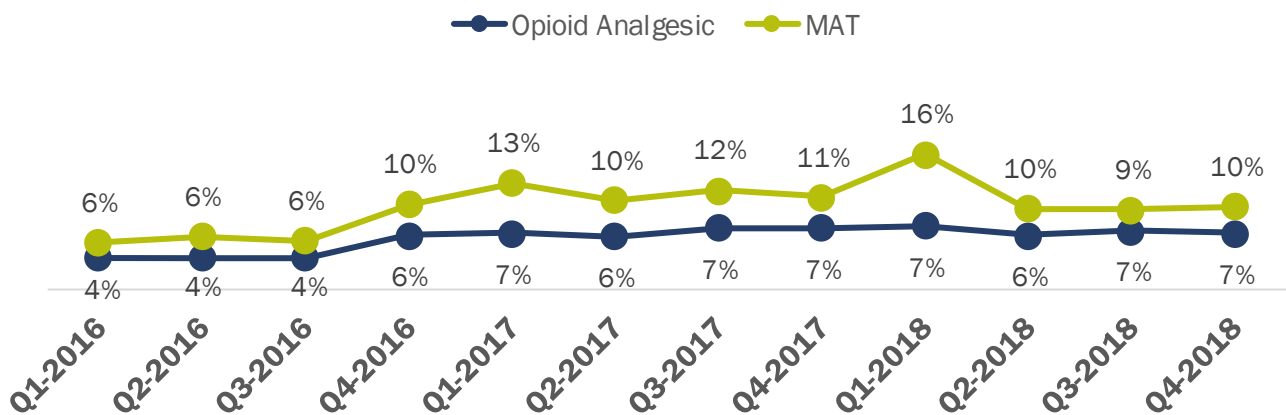
Private pay (cash, check, credit, or debit) makes up a small percentage of payments for each drug class. The largest percentage is among the “other” category of controlled substances which includes sedatives, barbiturates, hormones, muscle relaxants and non-amphetamine stimulants. This is followed by opioid analgesics and benzodiazepines.

**Private Pay by Drug Class, 2016-2018**



Some recipients use multiple payment methods to pay for prescriptions. The following chart shows the percentage of recipients who paid for the same type of prescription with different payment methods within the same quarter and year. The percentage of recipients using multiple payment methods within a quarter and year is relatively stable for most drug classes. From 2016-2018, 2% to 6% of stimulant, benzodiazepine, and other drug recipients used multiple payment methods. However, the percentage of MAT recipients who use multiple payment methods has fluctuated, particularly during 2018 (from 16% in Quarter 1 to 10% in Quarter 4).

**MAT and Opioid Analgesic Recipients Using Multiple Payment Methods by Quarter and Year**



Q1: January-March Q2: April-June Q3: July-September Q4: October-December

## Key Takeaways

Results of this analysis indicate that the way individuals pay for controlled substance prescriptions has changed over time and varies by the type of drug and the age of the recipient.

State and federally funded insurance programs, Medicaid and Medicare, have increasingly paid for Vermont controlled substance prescriptions while private insurance payment for these prescriptions has decreased.

**Trends in payment type vary by type of drug and the age category of the recipient.**

Additional information on VPMS is available at: <https://www.healthvermont.gov/alcohol-drugs/professionals/vermont-prescription-monitoring-system-vpms>

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