

Statement of Senator Chuck Grassley
Senate Finance Committee
“Prescription Drug Abuse: How are Medicare and Medicaid Adapting to the Challenge?”
March 22, 2012

Thank you, Mr. Chairman, for holding this important hearing today. I appreciate your leadership on this issue. The Office of National Drug Control Policy describes prescription drug abuse as the nation’s fastest-growing problem, while the Centers for Disease Control and Prevention has classified prescription drug abuse as an epidemic.

According to the most recent National survey on Drug Use and Health, a survey conducted by the Department of Health and Human Services, roughly two and a half million people aged 12 and older used prescription drugs non-medically for the first time in 2010.

This averages to about 6,000 people per day abusing prescription drugs for the first time.

For Iowans, prescription drugs account for the fastest growing form of substance abuse.

Overdose deaths in Iowa from the non-medical use of hydrocodone and oxycodone pills have increased 1,233% since 2000.

Over prescription of these types of drugs strains the financial viability of the Medicaid and Medicare systems and threatens the health and wellbeing of the American people.

As health care payers, Medicare and Medicaid have a significant role to play in guiding solutions to this growing problem.

To highlight how much of an impact prescription drug abuse has on Medicaid; I want to tell you about an on-going investigation of mine.

In 2010, I sent a letter to all 50 state Medicaid Directors asking them for their top ten prescribers of the top eight most over prescribed drugs on the market.

Many states provided the data I requested, and the statistics were alarming.

For example, in Maine, the top prescriber of OxyContin wrote 1,867 prescriptions in 2009, nearly double the number of prescriptions than the second top prescriber.

This same provider also wrote 1,723 prescriptions for Roxicodone, nearly three times the number two top prescriber.

In January, I followed up on this information and wrote again to all 50 states, requesting updated data and asking the states what, if any, action they took with the top prescribers, and what systems they had in place to prevent excessive prescribing from taking place.

I also asked what, if any, training or guidance CMS has offered the states in preventing prescription drug abuse from occurring.

While the responses from the states are still being received, many states are still reporting a selection of top ten providers that are prescribing at rates double or triple that of their peers.

While some of these outliers are legitimate providers working in high-volume practices, such as mental hospitals, many cannot be explained away.

For example, the top prescriber of antipsychotics in Nevada wrote nearly 6,800 prescriptions for the drugs over 2010 and 2011 – more than ten times some of the other top prescribers identified.

For context, no individual prescriber in Colorado wrote more than 2,000 prescriptions for the same drugs over the same period. This single doctor in Nevada accounted for \$2.75 million in payments from the Medicaid system.

As a result of my request, South Carolina has investigated 34 of the 83 providers who appeared on those lists for possible Medicaid abuses.

South Carolina's investigation resulted in repayments of nearly \$1.9 million that more than 30 of the health care providers inappropriately billed to the state Medicaid agency.

Texas has opened investigations into dozens of the prescribers identified in the list, making several referrals for criminal prosecutions and the state licensing board.

California, Wisconsin, Tennessee, Nevada, New Hampshire, Minnesota, Kansas, Iowa, and Hawaii have taken similar actions against prescribing outliers in their Medicaid program.

The steps taken by these states highlight the aggressive role that each and every state should be taking in monitoring and investigating prescription drug practices in the Medicaid program.

Furthermore, states have overwhelmingly confirmed that CMS has been an absent partner in helping to lower prescription drug abuse in Medicaid.

I look forward to hearing from our witnesses today about what steps physicians, hospitals, states, and the federal government could be taking to curb the abuse of prescription drugs.

Not only should we put an end to the lives lost over prescription drug abuse in the Medicare and Medicaid system, we should be working collaboratively to find meaningful solutions. The cost of doing nothing is too high already.