



State of Ohio  
**Office of the Inspector General**

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THOMAS P. CHARLES, Inspector General

## **REPORT OF INVESTIGATION**

**FILE ID NUMBER:** 2007251

**AGENCY:** Ohio Bureau of Workers' Compensation

**BASIS FOR INVESTIGATION:** Inspector General Initiative

**ALLEGATIONS:** Improper Management of Pharmacy Benefit Program

**CASE OPENED:** August 27, 2007

**INVESTIGATION INITIATED:** December 23, 2008

**DATE OF REPORT:** October 28, 2009

**EXECUTIVE SUMMARY**  
**File ID No. 2007251**

In December 2008, the Ohio Inspector General's Office ("OIG") initiated an investigation to determine what, if any, corrective measures had been taken by the Ohio Bureau of Workers' Compensation ("BWC") as a result of their own May 2007 Internal Audit report which outlined various internal control weaknesses on the part of BWC management and its Pharmacy Benefit Manager ("PBM") vendor, ACS State Healthcare, LLC ("ACS"). After conducting a preliminary investigation, we learned that BWC had taken action to remedy most of the critical issues outlined in the report.

However, we identified two areas of concern relating to the management of BWC's Pharmacy benefit program that warranted further investigation: BWC's failure to pursue available drug manufacturer rebates, and the agency's delay in terminating payments for three costly medications.

Between July 2002 and June 2005, ACS provided its services with no direct costs to BWC in exchange for the right to pursue and retain rebates it recovered from drug manufacturers. In the PBM contract that went into effect July 1, 2005, BWC began paying the vendor on a fee-for-service basis. BWC retained the rights to pursue and recover rebates.

Our investigation revealed that BWC management initially intended to pursue these rebates in 2005. However, due to the belief that there was little opportunity to recover any significant savings from rebates, it was not until December 2008 that BWC began pursuing these available rebates. In December 2008, BWC contracted with a rebate administrator vendor who has collected approximately \$3 million in drug manufacturer rebates. The agency intends to pursue recovery of these rebates in the future. Nonetheless, our investigation revealed that between July 2005 and September 2008, BWC missed opportunities to recover over \$14.5 million in rebates offered by drug manufacturers.

While conducting our investigation of BWC's failure to pursue rebates, we also discovered that BWC took over eight months to implement policies to limit payments for three costly drugs. In 2006, BWC became aware that those drugs were being prescribed and dispensed to injured workers for treatment of conditions other than those recognized by the United States Food and Drug Administration. In December 2007, BWC had completed an internal review of these payments and approved a policy that would substantially restrict payments for these medications. We determined that BWC could have fully implemented these changes by April 1, 2008, but did not do so until September 1, 2008. During this five-month period, BWC paid over \$5.5 million for those medications.

We found several issues that contributed to BWC's missed opportunities to recover rebates and the delays in implementing these specific drug payment policies. Prior to the May 2007 Internal Audit report, the department that oversaw pharmacy payments was understaffed and did not have the means to manage all of its responsibilities. Since that report was published, BWC has taken action to correct this staffing issue. Initially, staff from other areas within the Medical Services Division was dedicated temporarily to assist the division with monitoring the PBM and day-to-day operations of the program. BWC has since hired a full-time Pharmacy Department Director and Pharmacy Program Manager, and placed the department under the control of its recently hired Medical Director. Additionally, we found evidence of wrongdoing on the part of an employee within the division who was utilizing his BWC email account and computer resources for personal business.

As a result of this investigation, we have made two recommendations. We ask BWC to respond within sixty days with a plan for how these recommendations can be implemented.

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## **I. BASIS FOR INVESTIGATION**

On December 23, 2008, our office initiated an investigation of the Ohio Bureau of Workers' Compensation ("BWC") Pharmacy Benefit program after learning of a May 2007 report issued by the BWC Internal Audit Division (Exhibit A). The focus of the audit was BWC's contracted Pharmacy Benefit Manager ("PBM"), ACS State Healthcare, LLC ("ACS"). The audit revealed weaknesses in ACS's internal controls, as well as areas in which ACS was not in compliance with its contract.

During our investigation, we discovered two other issues that warranted investigation. The first of these issues involved drug manufacturer rebates. BWC could have pursued these rebates, but, elected not to recover them for the period of time between July 1, 2005 and September 2008. The second issue involved the agency's delays in implementing policies that would have substantially restricted payments for several costly drugs that were being dispensed to injured workers and billed to BWC to treat medical conditions other than for which the drugs were approved by the United States Food and Drug Administration ("FDA").

## **II. ACTION TAKEN IN FURTHERANCE OF INVESTIGATION**

Our office conducted interviews of current and former BWC staff, BWC vendors and subject matter experts. We subpoenaed records from BWC's PBM. We also recovered and reviewed documents relating to BWC audits, policy development, policy implementation, BWC staff emails and BWC electronic payment data.

Our office received assistance from the BWC Medical Services Division and the BWC Special Investigations Department throughout the investigation.

### **III. DISCUSSION**

#### **Background Information**

In Ohio, workers' compensation insurance is a State of Ohio administered program. This program was enacted in 1912<sup>1</sup> to protect Ohio employers and employees from the adverse effects of on-the-job injuries. The program is administered by the BWC, which collects premiums from employers and pays medical costs for, and benefits to, injured workers. Ohio maintains the largest state funded workers' compensation insurance program in the country and is the second largest provider of workers' compensation insurance. Over the last three fiscal years, BWC has paid, on average, about \$824 million annually in injured worker medical costs. This includes approximately \$122 million in annual payments for prescription drugs.

In 2002, ACS became the PBM vendor for BWC; ACS was awarded a second contract in 2005. BWC and ACS have extended the 2005 contract through October 31, 2009. PBM services include point-of-sale processing of electronic billing transactions from pharmacies; screening those bills for the drugs' relatedness and prior authorization, and facilitating payments to pharmacies.

Between July 2002 and June 2005, ACS did not charge BWC. In lieu of a typical fee-for-service arrangement, ACS retained the right to pursue and collect available rebates from pharmaceutical companies. In the second contract that became effective in July 2005, BWC paid ACS \$1.25 per prescription billed to BWC, pursuant to a fee-for-service provision in the contract. This contract also contained an agreement that ACS would not pursue rebates from drug manufacturers, and that BWC would retain the right to any available rebates reimbursed under its program.

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<sup>1</sup>Ohio Constitution, Article II §35, Workers' Compensation, 1912.

## **Rebates**

Drug manufacturers began paying rebates to state Medicaid programs after the United States Congress passed the Omnibus Reconciliation Act of 1990. This legislation required drug manufacturers to enter into agreements to pay rebates to each state's Medicaid program in exchange for having their products on the states' lists of covered drugs. By the end of the decade, private insurers and health maintenance organizations were negotiating similar agreements with drug manufacturers to lower their drug-related expenses.

Manufacturer rebates related to the Medicaid programs are dictated by the federal and state governments. Each manufacturer who wants to have its product included within a state's list of covered drugs must agree to pay rebates to the state and federal governments. Various factors contribute to the amount of rebates paid to private insurers and health maintenance organizations. These factors include: the inclusion of a manufacturer's drug in the plan's formulary,<sup>2</sup> the relative competition of other products within a specific therapeutic drug classification, and the volume of the particular product a plan purchases for its subscribers. Manufacturer rebates are "time sensitive," in that a plan sponsor or program must submit drug payment information to the drug manufacturers on a quarterly basis in order to receive the rebates.

Insurance carriers, as well as federal and state government systems (*i.e.* Medicaid), utilize several methods to recover rebates. Some use a PBM to negotiate agreements with manufacturers and to recover the rebates. Others use a separate vendor known as a "rebate administrator." PBMs and rebate administrators typically charge their clients a contingency fee that reflects a percentage of the rebates they are able to recover. However, in BWC's most recent PBM contract, ACS was prohibited from pursuing these rebates, while BWC retained the right to recover the rebates from drug manufacturers.

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<sup>2</sup>A formulary is a list of prescription medications selected for coverage by an insurance plan or program.

## **Policy**

BWC utilizes two committees to evaluate its Pharmacy Benefit Program and to provide advice to the Administrator about making changes to the program. The Ohio Revised Code<sup>3</sup> and the Ohio Administrative Code<sup>4</sup> authorize the Administrator of BWC to create the Health Care Provider Quality Assurance Advisory Committee (“HCPQAAC”). This committee is responsible for advising the BWC Chief of Medical Services and the Administrator on a variety of medical issues that impact care for injured workers. The committee is made up of outside health care professionals appointed by the Administrator, and it has the authority to create sub-committees.

The Pharmacy and Therapeutics (“P&T”) Committee is a sub-committee of the HCPQAAC. The P&T Committee is comprised of seven outside practicing physicians and seven outside registered pharmacists. The purpose of the P&T Committee is to provide recommendations to the BWC Administrator and the Chairperson of the HCPQAAC.

BWC does not maintain any written procedures that outline how the agency makes changes to its drug reimbursement policies; however, it does follow certain practices when making these changes. Historically, BWC’s Pharmacy Consultant or Medical Director proposed changes to its policies to the P&T Committee, and then to the HCPQAAC. If adopted by both committees, and approved by the Administrator, BWC then works with its PBM to develop the necessary system changes and to devise communications that are sent to injured workers, pharmacies, and prescribing physicians affected by the policy change thirty days before the changes took effect.

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<sup>3</sup>O.R.C. §4121.121 (B) (17) authorizes the Administrator of BWC to appoint panels and committees to review medical coverage or necessity issues and to advise the Administrator on those issues.

<sup>4</sup>OAC rule 4123-6-22 authorizes the Administrator to create the Health Care Quality Assurance Advisory Committee to assess a variety of medical issues involving BWC and to provide the Administrator with recommendations. OAC rule 4126-6-21 (Q) directs the BWC to retain the services of a pharmacist for the purpose of reviewing drug bills and authorizes BWC to consult with a pharmacy and therapeutics sub-committee.

### **BWC Pharmacy Department**

Prior to 2005, and until approximately December 2006, the BWC Pharmacy Department consisted primarily of one full-time employee, Lance Vinci, R.Ph., Pharmacy Consultant. Vinci was primarily responsible for performing clinical assessments of drugs being dispensed to BWC injured workers and served as the primary point of contact between agency employees and the PBM. Management responsibility of the Pharmacy Benefit Program shifted between various directors within the Medical Services & Compliance Division during the past four years.

In December 2006, BWC assigned an additional staff member to assist with tasks associated with monitoring ACS and assisting the department with collecting information and data to better manage the program. In 2008, BWC management took additional steps to address the department's staffing inadequacies. In March 2008, BWC hired a full-time Pharmacy Director, who resigned after approximately one month of service. BWC then embarked on an extended recruitment process to fill the position.

In May 2009, BWC retained a full-time Pharmacy Director to oversee the program. BWC assigned Vinci and an administrative employee to the Pharmacy Director. Currently, the Pharmacy Director reports to the BWC Medical Director, who, in turn, reports to the Chief of the Medical Services & Compliance Division. The division is under the supervision of the BWC Chief Operating Officer.

### **Mercer**

In February 2008, Mercer, an independent consulting firm, was retained by BWC to review operational, financial and clinical aspects of BWC's Pharmacy Program and develop potential options for the program's enhancement. Mercer included observations about BWC's Pharmacy Program in its June 2008 report (Exhibit B).

***Allegation 1: The Ohio Bureau of Workers' Compensation failed to pursue drug manufacturer rebate opportunities that would have reduced the program's overall medical costs.***

In the May 2007 BWC Internal Audit Division Pharmacy Benefits Manager Audit report (Exhibit A), BWC internal auditors noted that, due to restrictions in the contract, BWC was not benefiting from drug manufacturer rebates. The report recommended that BWC address cost saving opportunities in the future. BWC Medical Services & Compliance Division management responded to the report and indicated that "BWC management does not necessarily agree that there are significant opportunities for savings, but has decided to hire a consultant to review the issues identified."

We learned that when the July 2005 PBM contract with ACS went into effect, BWC intended to pursue and collect rebates. We found emails indicating that as early as 2005, BWC management intended to pursue those rebates, and they planned to develop a request for proposal which would result in a contract for a rebate administrator.

Our investigation revealed that BWC management prioritized other cost saving initiatives over the pursuit of rebates. In October 2005, BWC implemented a new fee schedule for prescriptions, known as a "MAC," or "Maximum Allowable Cost,"<sup>5</sup> which would further encourage the use of lower-cost generic drugs. Manufacturers of name brand drugs pay higher rates of rebates than those manufacturers who produce generic drugs. Both of the two former Chiefs of BWC's Medical Services told us that they believed BWC's shift towards maximizing the use of generic medications over more costly name brand drugs would reduce the rebates BWC could recover. The managers were of the opinion that the administrative costs, including the resources they would have to dedicate to pursuing available rebates, would outweigh the potential cost savings.

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<sup>5</sup> MAC or Maximum Allowable Cost, is a price list that sets a maximum reimbursement rate for a class of drugs, regardless of whether the drug is a generic or name brand.

The managers also pointed out that their PBM, ACS, informed them prior to the expiration of the 2002 contract, that ACS would no longer be able to provide its services in exchange for rebates because BWC was planning to implement changes that would maximize generic drug utilization (Exhibit C). They also said that in April 2007, Vinci had advised them that rebate revenues would be very minimal. For all of these reasons, the managers elected to put an emphasis on MAC pricing rather than on rebate recovery.

Mercer's June 2008 report also made reference to manufacturer rebates. The report said "...workers' compensation programs have unique attributes that result in few, if any, rebates available from drug manufacturers...." However, Mercer reported that the topic of rebates in workers' compensation programs was "evolving," and recommended that BWC attempt to address rebates in the future. Mercer outlined several options regarding rebates the agency could consider.

During our interview with Vinci, he estimated that while generic drugs account for almost seventy percent (70%) of the prescriptions filled for injured workers, generic drug expenditures only account for thirty percent (30%) of BWC's drug expenditures, with name brand drugs accounting for the balance (or seventy percent of expenditures).

On July 29, 2005, Vinci sent an email to his managers recommending that "...BWC should pursue a contract with a rebate administrator, who in conjunction with BWC, should develop a formulary or preferred drug list which includes at least 2 preferred drugs in every classification...."

On August 11, 2005, Vinci again recommended to managers in an email that BWC should contract with a rebate administrator. Vinci wrote "...BWC should take advantage of manufacturer rebates while they are still available. This should be done through a contract with an established rebate administrator that has existing rebate agreements with drug manufacturers

with a focus on agreements with manufacturers of the drugs that account for the majority of BWC's drug expenditures.... ”

In a November 2, 2005, email to BWC's former Administrator, Vinci outlined eight recommendations regarding BWC's drug expenditures. The email once more included a recommendation that BWC contract with a rebate administrator. On November 16, 2007, Vinci forwarded those same recommendations to the division chief.

In December 2008, the BWC Medical Director began researching opportunities for the agency to recover drug manufacturer rebates. BWC subsequently contracted with a rebate administrator vendor on a short-term, contingency fee basis for the purpose of pursuing rebates relating to drug purchases from the fourth quarter 2008 and first quarter 2009. As a result of this initiative, BWC has recovered almost \$3 million in rebates.<sup>6</sup> Additionally, on September 14, 2009, BWC and the Ohio Department of Administrative Services issued a formal “Request for Proposal” to retain a rebate administrator vendor on an extended-term basis.<sup>7</sup>

We contacted the State of Washington, Department of Labor & Industries (“L&I”) who administers a similar state funded workers’ compensation program. During our interview of the L&I Pharmacy Program Manager, we learned that the State of Washington has been recovering rebates relating to their workers’ compensation drug expenditures since 2004. Washington contracts with a PBM to recover rebates for L&I and other state benefit plans, including Washington’s Medicaid and state employee prescription drug benefit programs.

We also contacted representatives of a rebate administrator vendor and requested that they provide us with an informal estimate of the amount of rebates BWC could have received had BWC retained that same vendor to pursue rebates on BWC’s behalf. We provided the vendor

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<sup>6</sup>BWC’s rebate administrator, Script Care, charged BWC a contingency fee of 20% to recover rebates for the fourth quarter of 2008 and 10% for the first quarter of 2009.

<sup>7</sup>Department of Administrative Services Request for Proposal “BID Number: CSP902910” – Ohio Bureau of Workers’ Compensation Rebate Administrator.

with summarized BWC drug payment data that we obtained from BWC for the time period of July 2005 to September 2008. During this time period, BWC reimbursed pharmacies over \$432 million for drugs dispensed to injured workers. The vendor compared BWC's drug expenditure data with rebate information the vendor has accumulated for clients for the period. The vendor estimated that BWC would have been eligible to receive about \$14.5 million in rebates from drug manufacturers had BWC retained this company as a rebate administrator for the specified time period.

Consequently, based on the fact that BWC's recently hired Medical Director was able to retain a rebate administrator to develop a process to recover rebates within three months of his employment, and, based on the estimates we collected, we believe BWC's failure to pursue rebates since July 2005 resulted in the lost opportunity to recover approximately \$14.5 million. Rather than only using MAC pricing, BWC could have reaped even greater cost savings from rebate recovery.

**Accordingly, we find reasonable cause to believe that BWC's failure to take steps prior to December 2008 to recover drug manufacturer rebates constituted an act of omission.**

*Allegation 2: BWC continued to pay for expensive drugs for almost nine months after formally deciding to discontinue reimbursements for these drugs.*

During the course of our investigation, we learned that on September 1, 2008, BWC implemented policies to substantially limit payments for three expensive medications (Exhibit D). BWC's analysis of the drugs revealed that the three drugs in question were being used to treat a variety of conditions other than those for which they were designed by the manufacturers and approved by the FDA. Our review of records revealed that the policy on reimbursement for drug payments had been approved for implementation almost nine months earlier.

The three drugs identified in the policy were:

Lidoderm®<sup>8</sup> - “BWC will only consider reimbursement for this drug when a diagnosis of post-herpetic neuralgia is recognized as an allowed condition in the injured worker’s claim.”

Actiq® and Fentora®<sup>9</sup> - “BWC will only consider reimbursement for [these] drug[s] when a diagnosis of neoplasm or malignancy is recognized as an allowed condition in the injured worker’s claim.”

During several P&T Committee meetings in 2006, the group discussed BWC data that suggested the use of these three drugs for non-approved conditions was on the rise. On November 13, 2007, BWC’s P&T Committee reviewed additional BWC utilization data presented by BWC’s Pharmacy Consultant and BWC’s former Medical Director. The data indicated that injured workers were still receiving the drugs for conditions other than those for which the drugs were approved. BWC’s Pharmacy Consultant noted that of the 5,200 injured workers who used Lidoderm®, none were being treated for the condition (post-herpetic neuralgia) the drug was developed to treat. Further, of the 148 injured workers who were receiving Actiq® or Fentora®, none were being treated for the condition (neoplasm) the drug was approved to treat. The committee voted to limit BWC’s reimbursement for the three drugs to situations where the injured workers were prescribed the drugs for FDA approved patient treatments.

The HCPQAAC reviewed and adopted the recommendations from the P&T Committee at its December 6, 2007, meeting. The committee recommended BWC limit payment for these three medications to injured workers being treated for the FDA approved conditions, effective January 2008.

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<sup>8</sup> Lidoderm® is a product developed and marketed by Endo Pharmaceuticals. The active ingredient, lidocaine, is delivered through a patch that is applied to the surface of the skin in the affected area. The FDA approved Lidoderm to treat post-herpetic neuralgia (shingles).

<sup>9</sup>Actiq® and Fentora® are opioid medications developed and marketed by Cephalon, Inc. They are approved by the FDA to treat “breakthrough” pain associated with neoplasms (cancer).

BWC managers acknowledged during our interviews that they recognized in mid-2007 that limiting reimbursements on these drugs could produce significant savings, and stated that they attempted to make these changes a priority. However, after receiving approval to limit reimbursements for these drugs, it took approximately nine months for BWC to implement the changes.

During our investigation we found that BWC does not have any written procedures on how to develop and implement changes to drug coverage. We learned that there were several steps that needed to be completed before these changes could take effect. Those steps included identifying injured workers who were receiving the drugs and the physicians prescribing them. BWC also needed to supply notice to the injured workers, the physicians and the pharmacies dispensing those drugs that BWC was going to discontinue paying for the drugs. Finally, ACS and BWC needed to develop programming changes to ACS' automated system that would limit billings and payments for the three drugs.

While the HCPQAA Committee recommended that the restrictions on these three drugs take effect January 1, 2008, we learned that BWC management initially delayed the implementation until April 1, 2008, to afford ACS an opportunity to develop the necessary edits to their system, and BWC the time to provide notice to affected injured workers and providers. Our review of emails and records (Exhibit E) revealed that ACS developed the necessary programming changes and that BWC approved the programming changes on February 25, 2008. Implementation was again delayed to June 1, 2008, then to July 1, 2008, and finally to September 1, 2008.

During our contacts with the State of Washington, we found that Washington had placed similar limitations on the same three medications. However, they began limiting these payments in February 2002, nearly five years before BWC started the process to restrict these payments. Washington also utilizes a group similar to the BWC HCPQAAC to review medical policy and drug utilization trends and make recommendations to management on changes. According to the

Washington management representative we contacted, these recommendations are almost always implemented within 60 days of the group's decision.

While we recognize that between December 2007 and September 2008, BWC was attempting to fill voids in key management positions, including the Medical Director and Pharmacy Department Director positions, and was dedicating resources to resolving other issues in its pharmacy benefit program, we believe that this policy could and should have been fully implemented by April 1, 2008. A lack of written procedures, as well as a lack of management oversight of the program, contributed significantly to the unnecessary delays in implementing these policies. An analysis of BWC's payment data revealed that between April 1, 2008 (the date the agency initially intended to implement these changes), and September 1, 2008 (the date the changes became effective), the agency spent over \$5.5 million for the three medications.

**Accordingly, we find reasonable cause to believe that an omission occurred when BWC management failed to implement these policies in a timely manner, which resulted in the agency incurring over \$5.5 million in unnecessary expenditures for these drugs.**

#### **IV. OTHER MATTERS**

**Management** – The May 2007 Internal Audit report also contained an opinion that "...the Pharmacy Benefit Manager Program is inadequately monitored by BWC management." And, the report indicated "[t]here are opportunities for improved customer service and cost savings that should be evaluated by BWC management."

As we noted previously, prior to September 2008, responsibility for BWC's Pharmacy Benefit Program changed hands between departments within the division. Until May 2007, BWC relied primarily upon one Pharmacy Consultant to manage the clinical aspects of the program, and management staff with little or no medical backgrounds, to monitor the activities of the PBM, and to develop and implement policies. Mercer noted in its June 2008 report that during interviews with BWC staff, "it was challenging to identify the collective BWC resources that are

accountable for the success of the pharmacy program as a whole.” Mercer also noted that the “pharmacy program management is segmented between different areas,” which “limits the strategic planning and execution of new cost and program management programs.” Mercer recommended that BWC consider a study of the organization’s management and add additional personnel to the department in order to make it more effective. Since June 2007, BWC has taken a number of steps to address management and staffing weaknesses that were adversely impacting the effectiveness of their Pharmacy Benefit Program. These steps included the contracting of Mercer to perform a comprehensive review of the Pharmacy Benefit program, the assignment of responsibility for the program to BWC’s Medical Director, and the hiring of a full-time Pharmacy Director and Pharmacy Program Manager.

**Personal Use of State Resources** – While reviewing emails and electronic records, we observed that BWC’s Pharmacy Consultant, Lance Vinci, was using his BWC email account to correspond with individuals outside the agency for non-business purposes. We also found evidence that he used his BWC computer and network drives to create, modify and store a variety of personal files, including files relating to his activities as a youth league coach, family photos and files relating to his wife’s real estate appraisal business.

**Accordingly, we find reasonable cause to believe that Lance Vinci committed a wrongful act by utilizing his BWC email account and computer resources for personal use.**

## **V. CONCLUSION**

Our investigation revealed that over a more than three-year period, BWC management failed to take steps to recover almost \$14.5 million in available drug manufacturer rebates. Although BWC initiated a program in late 2008 to start recovering rebates, additional and significant amounts of cost savings could have been gained had BWC explored and pursued a rebate recovery program in 2005. However, we also found that current BWC management has initiated steps to take advantage of current and future rebate opportunities.

We also found that BWC management failed to implement specific policies that would have prevented the expenditure of over \$5.5 million for drugs that were being prescribed to injured workers for conditions other than those approved by the FDA. In addition, BWC has failed to put into place procedures and workflows that outline the necessary steps for implementing changes in its drug reimbursement policies.

This investigation revealed that from at least 2005 through 2007, the management of BWC's Pharmacy Benefit Program was inadequate. The department that was responsible for managing the program of complex prescription drug and medical issues was grossly understaffed. In 2008, BWC management began taking steps to address these staffing issues.

Lastly, our investigation found that BWC's Pharmacy Consultant, Lance Vinci, R.Ph., utilized his state email account and BWC computer for personal use, including assisting his spouse in the operation of her business.

## **VI. RECOMMENDATIONS**

Based upon the results of our investigation, we are making the following recommendations and request that BWC respond to this office within sixty days with a plan on how these recommendations will be implemented:

1. BWC should prepare written procedures and workflows outlining the steps necessary to develop and implement changes in pharmacy benefits.
2. BWC should further review Lance Vinci's personal use of his BWC email and computer. After that review, the agency should take such administrative action it deems appropriate.