Workers' Comp

Ask The Pharmacist: The Role of Topical Medications in Workers' Compensation

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3 MIN READ
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How can topical medications support pain management in workers' compensation while balancing cost?

Topical analgesics—medications applied directly to the skin—are commonly used to manage pain in workers' compensation claims involving injuries like sprains, strains or muscle aches. While these medications offer targeted relief and are often seen as safer alternatives to opioids, they also present rising cost concerns.

What Are Topical Medications?

These medications work by numbing the area or reducing inflammation. Two common types are non-steroidal anti-inflammatory medications (NSAIDs), such as diclofenac, and local anesthetics, such as lidocaine, which blocks pain signals.

The effectiveness of topical medications can vary. Absorption may differ based on the individual's skin type and the formulation of the product. It's also important that proper use and dosage be confirmed with a health care professional. While generally well tolerated, some users may experience skin irritation or other adverse reactions during use.

Why Consider Topicals?

Topical medications offer several advantages. They avoid invasive treatments and reduce systemic side effects of oral pain medications. Because they are applied directly to the injury site, they provide targeted relief. Many formulations are easy to apply, making them manageable for self-care, and they may be a lower-cost option when clinically appropriate products are selected. Importantly, topicals are often used in place of opioids,

offering a potentially safer form of pain control—though not without concerns, particularly when high-cost or unapproved products are used.

Cost Concerns in Workers' Compensation

Topical analgesics have become a significant cost driver in pharmacy spend for workers' compensation. According to the Workers Compensation Research Institute (WCRI), these products now account for approximately 22% of total medication payments. Dermatological agents and NSAIDs continue to be top cost drivers, and both the number of injured employees using topical medications and the associated costs have been increasing.

Top 3 Topicals by Cost

- Lidocaine – 30.5% Brand/Generic – Average AWP/Rx: $390
- Methyl Salicylate – 25.7% Brand/Generic – generic available – Average AWP/Rx: $1296
- Diclofenac Sodium – 17.8% Brand/Generic – generic available – Average AWP/Rx: $271

Private-Label Topical Analgesics (PLTAs)

PLTAs are especially problematic from a cost and clinical oversight standpoint. These high-cost compounds often lack U.S. Food and Drug Administration (FDA) approval for their combined formulations, even though they contain similar ingredients to less-expensive over-the-counter options. They can be significantly more expensive without offering superior benefits and may contain ingredient concentrations that exceed safety thresholds recommended by the FDA.

Examples of PLTAs include: Dendracin Neurodendraxin, Diclona, Frotek, Lenzapro Patch, LidoPro products, Lidothol, Lidozengel, Lidozenpatch, New Terocin, Nulido, Nuvira, Synoflex, Terocin, Triceptin, Trubrexa, Viva Patch, and Zylotrol.

What You Can Do

When evaluating topical medications in a claim:

- Assess true medical necessity
- Compare costs between prescription and over-the-counter options
- Confirm clinical appropriateness for the injury
- Utilize clinical decision support tools when available

Topical medications can play an important role in pain management, but when used inappropriately or without evidence-based oversight, they can drive up costs without improving outcomes. Understanding whether or not these treatments add value empowers you to make informed decisions that protect both claim outcomes and the injured employee's recovery.

This information is meant to serve as a general overview, and any specific questions should be fully reviewed with a health care professional such as the prescribing doctor or dispensing pharmacist.

Do you have a workers' compensation or auto-related pharmacy question? Send us an email at AskThePharmacist@enlyte.com.

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