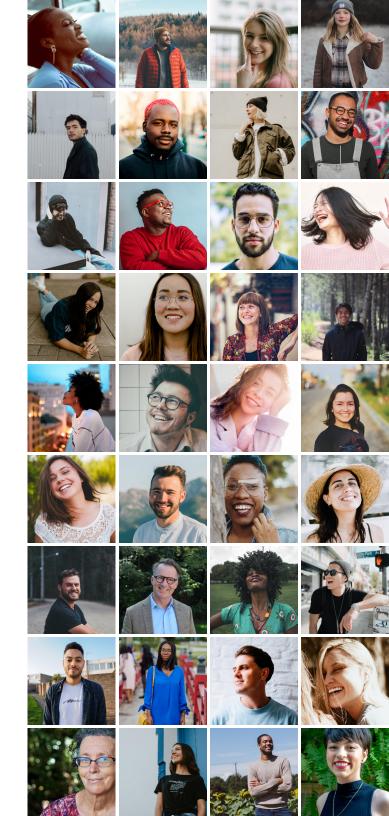


WASHINGTON STATE ANNUAL REPORT Patient Outcomes

Updated March 17th, 2023









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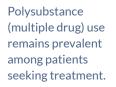
Introduction

This 3rd Annual Patient Outcomes Report for Washington State, published by Ideal Option, increases awareness about the effectiveness of office-based addiction treatment and demonstrates that:

- Specialized treatment yields verifiably positive recovery outcomes.
- Objective outcomes can be longitudinally measured over extended periods.

This report relies on toxicology results as a key indicator of treatment outcomes. In the outpatient treatment setting, objective and accurate test accountability is essential to the patient-provider therapeutic alliance and, together with medication and psycho-social support and guidance, is a key element of the treatment process. At Ideal Option, unexpected test results do not lead to treatment discontinuation or to a judgmental response. Return to use is recognized as a normal part of recovery and harm reduction is always the primary goal.







Lab results confirm Two thirds of new materially reduced patients returning consumption of for a second visit all types of illicit remain in treatment substances as after six months. patients progress in treatment.



After six months of treatment, patients report meaningful improvement in housing, employment, finances, physical and mental health, and relationships.



Treatment Works¹ **98%** less fentanyl use

88% less methamphetamine use

Life Improves²

94% **Reported improvement** in housing

89% **Reported improvement** in employment

¹The reduction in positive tests for all patients during 2022 at the Maintenance B Stage of Care compared to at the Initiation Stage of Care

²2022 Ideal Option Self-Reported Patient Outcomes Survey

Our Patients

2022 Active Patients by County



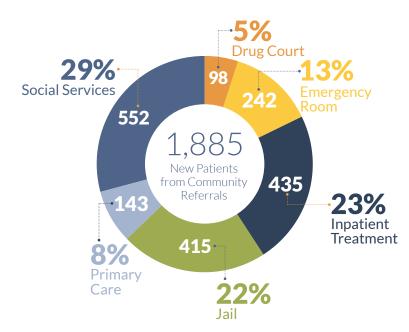


Community Referrals

Community partners who refer patients to Ideal Option include drug courts, county jails and law enforcement, social services agencies, primary and behavioral health care providers, inpatient treatment facilities, and hospital emergency rooms.

In Washington State, Ideal Option plays a key role in the Hub & Spoke Project as one of the eleven designated "hubs" that provide centralized medications for opioid use disorder services for patients referred by a large network of community providers. Of those referred through this Project, 693 new patients were enrolled into treatment by our care navigators in Skagit and Snohomish counties in 2022. The Hub & Spoke Project is funded by the State Opioid Response (SOR) grant, SAMHSA, Washington State, and Medicaid.

Ideal Option also provides treatment services to correctional facilities in Washington State, including Issaquah Jail, Snohomish County Jail, Whatcom County Jail, SCORE Jail, Okanogan County Jail, Benton County Jail, and Benton Franklin Juvenile Justice Center. In 2022, 3,063 justice-involved individuals were inducted onto medications for opioid use disorder inside one of these jails by Ideal Option, and 919 were scheduled at a local Ideal Option clinic to continue their treatment post release.



Geographical Reach

As of December 2022, Ideal Option served a patient census of 7,091 in 29 clinics across Washington State. The map displays patient census concentration by county of residence.



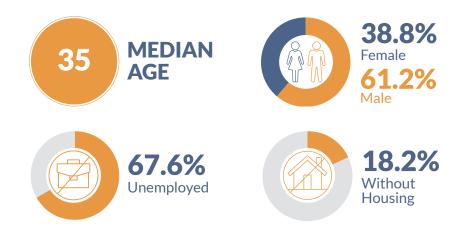


Our Patients



Patient Characteristics

The characteristics of our Washington patients, self-reported at enrollment, illustrate the devastating societal impact of substance use disorder. Individuals afflicted with the disease of addiction are more likely to experience homelessness, unemployment, drugrelated charges, and incarceration. Stability in recovery from addiction has been consistently shown to improve social determinants of health such as housing, employment, food security, education, and social inclusion.



67.5% Medicaid



Payor Coverage

Most patients seeking treatment for substance use disorder at Ideal Option rely on Medicaid coverage. The chart illustrates payor coverage for Washington patients who were seen during 2022 based on visit billing.

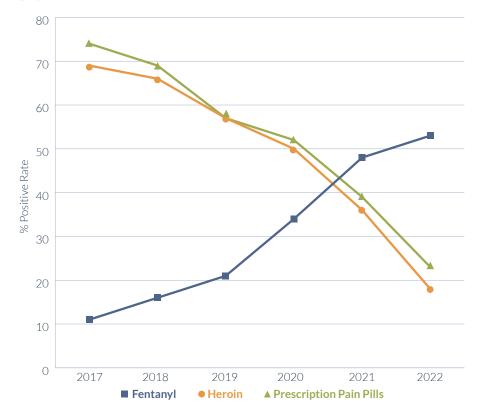


Polysubstance Use Trends

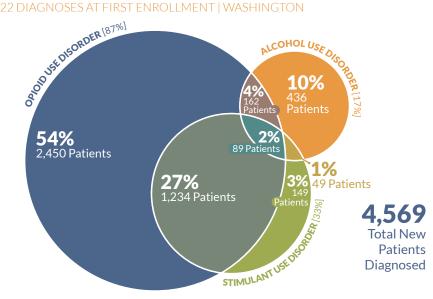
Test results at program enrollment reveal real-time societal substance use trends in Washington. Ideal Option data confirms the rapidly changing drug trafficking trends and the escalation in synthetic drug use cited in national and local reports. Street drugs increasingly contain a combination of substances, often including fentanyl, in a format masquerading as prescription tablets and capsules. The risk for overdose, addiction, and adverse health and societal outcomes is compounded by polysubstance use.

Opioid Use Trends

Over the past six years, fentanyl use has displaced consumption of heroin and prescription pain medications as illustrated by new patient test outcomes in the graph below.

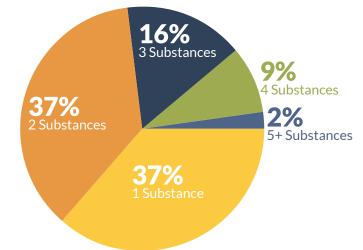


Treatment Diagnosis



Polysubstance Use

Most new patients test positive for multiple substances, not just one. Today's illicit drug market provides easy access to an expanding variety of inexpensive synthetics blended together in random combinations and potencies in counterfeit pills and powder. Patients are commonly unaware of some of the substances they have consumed.



Treatment Retention

"The chronic nature of the disease means that relapsing to drug abuse is not only possible but also likely, with symptom recurrence rates similar to those for other well characterized chronic medical illnesses—such as diabetes. hypertension, and asthma."³

Recovery from substance use disorder typically requires sustained treatment over many months.

- Return-to-use episodes are common in the treatment histories of patients who achieve long-term recovery.
- Retention is constrained by the voluntary nature of outpatient treatment.
- Readiness to change varies widely among individuals over time.

Despite these obstacles, the determination and resilience of Washington patients is reflected in outcomes since 2017:

- 85% of patients returned for a second visit.
- 69% of patients who returned for a second visit remained in treatment after 6 months, 61% remained after 9 months, and 55% remained after 12 months.

³National Institute on Drug Abuse. 2020, June 1. Community Reinforcement Approach Plus Vouchers (Alcohol, Cocaine, Opioids). Retrieved from https://nida.nih.gov/publications/principles-drug-addiction-treatmentresearch-based-guide-third-edition/evidence-based-approaches-to-drug-addiction-treatment/behavioraltherapies/community-reinforcement-approach-vouchers on 2022, February 28.





69% patients who returned for a second visit remained in treatment after 6 months

61% patients who returned

. . .

for a second visit remained in treatment after 9 months

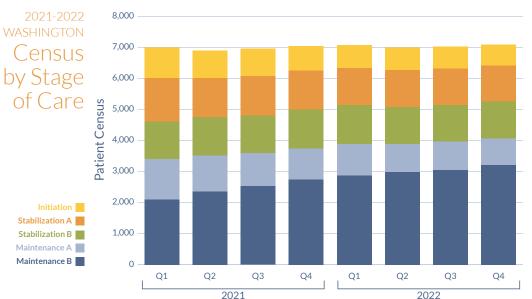
55% patients who returned for a second visit remained in treatment after 12 months

Stages of Care

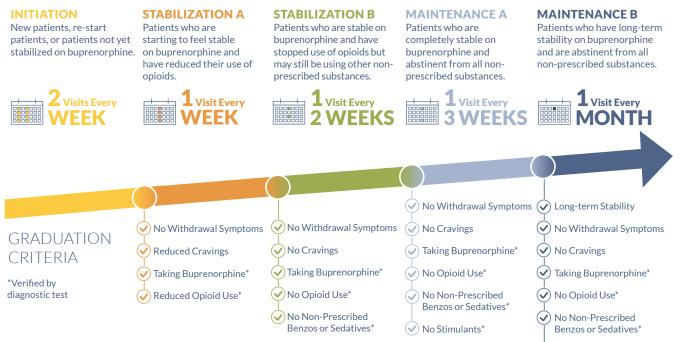
How the Program Works

Ideal Option providers strive to guide patients through a stage-based protocol toward long-term, sustainable recovery. The chart to the right illustrates the criteria opioid use disorder patients achieve to graduate from one Stage of Care to the next. This evidencetreatment approach based leverages management behavioral contingency theory to optimize patient outcomes, and it helps to achieve clinical consistency while enabling providers to customize care and acknowledge and celebrate key milestones toward long-term recovery.

Note: Patients with isolated methamphetamine or alcohol use disorder will follow specialized protocols



STAGES OF CARE

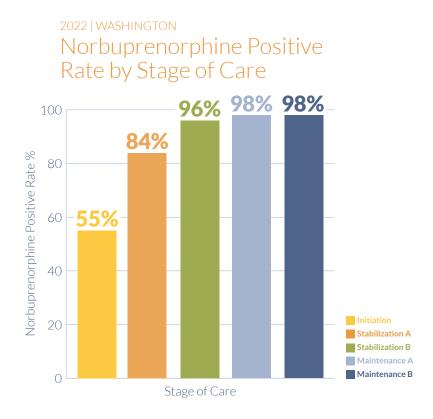


The accompanying chart illustrates active census stratification by Stage of Care for each calendar quarter during 2021 and 2022.

No Stimulants*

- The cumulative annual growth rate of patients in the Maintenance Stages of Care (both A and B) was 20% over the two year period, increasing from 40% to 57% of total census.
- The Maintenance Stages of Care typically indicate long-term recovery and are correlated with outstanding outcomes (see Treatment Outcomes).

Medication Adherence



"If you look at people who remain on [buprenorphine] treatment, you would have no idea they had an opioid addiction in the past. My patients are able to regain custody of their children, run their own businesses. It's truly remarkable."⁴

- PAYEL JHOOM ROY, MD, MSC Assistant Professor of Medicine, Clinical Director of the Addiction Medicine Consult Service, University of Pittsburgh

Medication Adherence Improves with Stage of Care

Studies have repeatedly demonstrated that buprenorphine adherence correlates with recovery from opioid use disorder, and this is confirmed by Ideal Option patient outcomes.

- Adherence often requires patients to properly follow a time-consuming daily routine for sublingual ingestion of buprenorphine and resist temptation to divert the medication.
- Despite these obstacles, 98% of Ideal Option patients in the Maintenance A and B Stages of Care are adherent to buprenorphine as shown by definitive testing results for the drug's metabolite, norbuprenorphine.

Medication Adherence Correlates with Improved Outcomes

Medication adherence rates improved with Stage of Care progression as verified by positive norbuprenorphine test results.

- Initiation Stage data primarily includes newly enrolling or re-enrolling patients, but also includes patients who require more frequent care.
- 39% of new patients tested positive for norbuprenorphine at enrollment, potentially indicating previously prescribed or dosed buprenorphine by another provider or institution (e.g., jail, hospital) or ingestion of illicitly acquired buprenorphine.
- Patient adherence to medication improved to 84% at the Stabilization Stages, and to 98% at the Maintenance Stage of Care.
- Medication adherence, which is assisted by test result accountability, correlates with improved outcomes, as described in Treatment Outcomes.

⁴ Colarossi J, (2019, July 11). No rx required? Faster access to opioid-based medications could save lives. The Brink. https://www.bu.edu/articles/2019/buprenorphine-without-prescription/

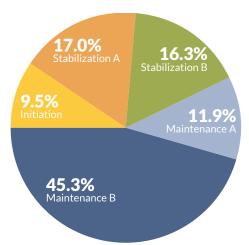
Treatment Outcomes

Fentanyl, Heroin, and Other Opioids

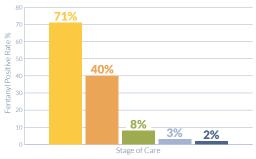
Positive testing rates for fentanyl, heroin, and other opioids decline sharply as patients progress in Stage of Care, as reflected in the charts below. These outcomes are attributable to a combination of medication adherence and a therapeutic alliance with patients that includes psycho-social support and guidance, test result accountability, contingency management, and positive reinforcement.

Patient Census by Stage of Care

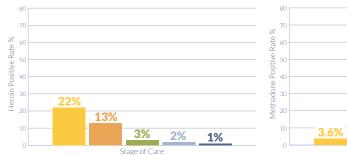
As of December 2022, 57% of the Ideal Option patient census had progressed to the Maintenance Stages of Care which correlates with outstanding outcomes and long-term recovery as reflected in the Treatment Outcomes below.



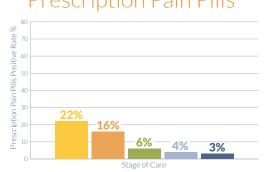
2022 | WASHINGTO Fentanyl



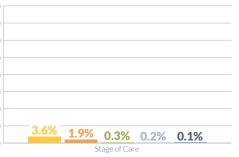
2022 | WASHINGTO

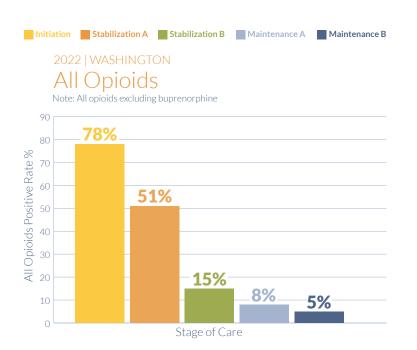


Prescription Pain Pills



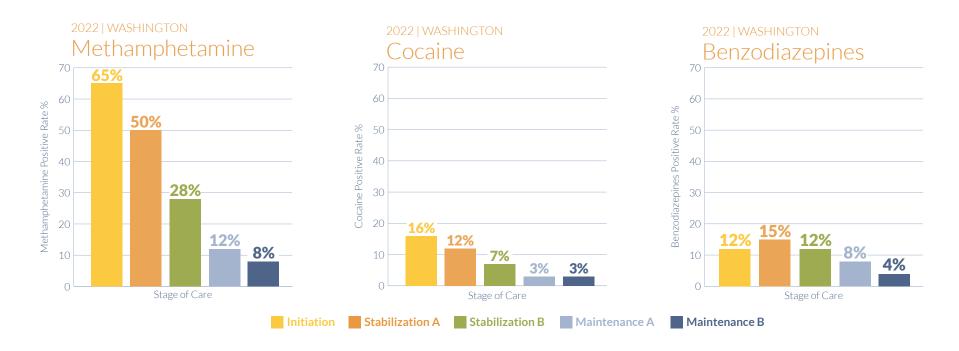
2022 | WASHINGTON Methadone





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Treatment Outcomes

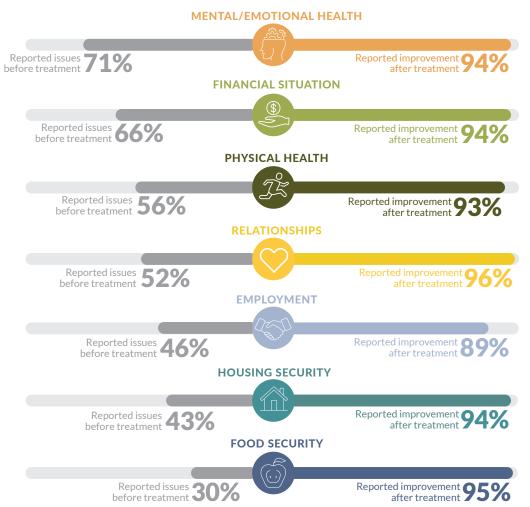


Stimulants and Sedatives

Widespread use of stimulants and sedatives continued in 2022. No FDA approved medication currently exists for treating stimulant or sedative use disorders. However, as reflected in the accompanying charts, Ideal Option patients have shown significant use reductions in these substances with stage of care progression. Ideal Option attributes these positive outcomes to its therapeutic alliance with patients which includes psycho-social support and guidance, test result accountability, contingency management, and positive reinforcement. Methamphetamine is readily available, very inexpensive, and likely the most widely consumed illicit drug in the U.S. Cocaine, while more expensive, remains available in many markets. Both methamphetamine and cocaine are often contaminated with other substances, including fentanyl. Benzodiazepines, also known as sedatives or tranquilizers, are commonly prescribed for anxiety and related conditions, but they can lead to acute physical and mental dependency. Benzodiazepines are often misused and prone to street diversion. The drug supply now includes illicitly manufactured benzodiazepines, typically with extremely high potency, which are sometimes contaminated with other substances, including fentanyl. When consumed in combination with other substances, particularly opioids, benzodiazepines increase the probability of overdose.

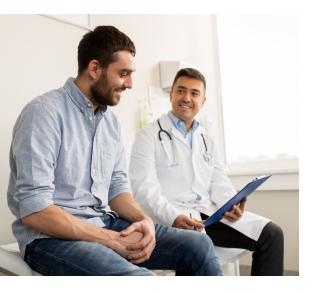
Social Determinants of Health Outcomes

Ideal Option's mission is to help people recover in their lives. Self-reported survey outcomes, while subjective, are helpful in revealing progress in quality of life among the patient population. In 2022, 2,153 patients participated anonymously in a survey offered to over 15,000 patients who had received treatment for six months or more. Ideal Option patients treated for similar durations generally demonstrate high medication adherence and low illicit substance use. The encouraging finding is that objective toxicology outcomes demonstrating patient recovery also correspond to self-reported advancement in social determinants of health, as summarized below.





About Ideal Option



Ideal Option was founded in 2012 and has treated more than 65,000 patients. The Company:

Operates over 80 specialized outpatient treatment clinics in 10 states.

Employs over 650 personnel, almost half of whom are healthcare professionals, including addiction medicine providers, medical assistants, nurse care managers, and behavioral health counselors.

Is a member of the American Society of Addiction Medicine (ASAM) and its providers regularly complete ASAM trainings and reference current guidelines to deliver evidence-based treatment.



Employs a highly qualified staff of laboratory managers, quality specialists, analysts, and ASCP registered clinical scientists who operate two high-complexity CAP-accredited toxicology and medical labs, and three CLIA-certified moderatecomplexity labs to rapidly supply comprehensive and accurate clinical information to providers. Ideal Option's goal is to deliver cost-effective, outcomes-based addiction treatment that improves patients' lives while materially reducing the financial and social burden associated with untreated, or ineffectively treated, substance use disorder. As part of its mission, the Company:

- Diagnoses and treats Hepatitis C, sexually transmitted infections and other communicable diseases, and provides reporting to public health agencies.
- Facilitates patient access to food, housing, employment, transportation, and other resources by partnering with communitybased organizations, government agencies, law enforcement, and leaders at the local, state, and national level.