

Annual Report PATIENT OUTCOMES ALASKA







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INTRODUCTION



This **2023 Patient Outcomes Report** for Alaska, 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.

During 2023, Ideal Option provided addiction treatment to over 1,490 people in Alaska and patient census was 685 by the end of 2023.

Key Take-Aways



Polysubstance (multiple drug) use remains prevalent.



Nearly two-thirds of new patients returning for a second visit remain in treatment for at least six months.



Lab results confirm materially reduced consumption of illicit substances as 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





Life Improves²





¹The reduction in positive tests for all patients during 2023 at the Maintenance B Stage of Care compared to at the Initiation Stage of Care ²2023 Ideal Option Self-Reported Patient Outcomes Survey

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 below illustrates the criteria opioid use disorder patients achieve to graduate from one Stage of Care to the next. This evidence-based treatment approach leverages contingency management behavioral theory to optimize treatment 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

INITIATION

New patients, re-start patients, or patients not yet starting to feel stable stabilized on buprenorphine. on buprenorphine and

its Every



Patients who are have reduced their use of opioids.



STABILIZATION B

Patients who are stable on buprenorphine and have stopped use of opioids but may still be using other nonprescribed substances.

MAINTENANCE A

Patients who are completely stable on buprenorphine and abstinent from all nonprescribed substances.

L Visit Every

MAINTENANCE B

 (\checkmark)

No Stimulants*

Patients who have long-term stability on buprenorphine and are abstinent from all non-prescribed substances.

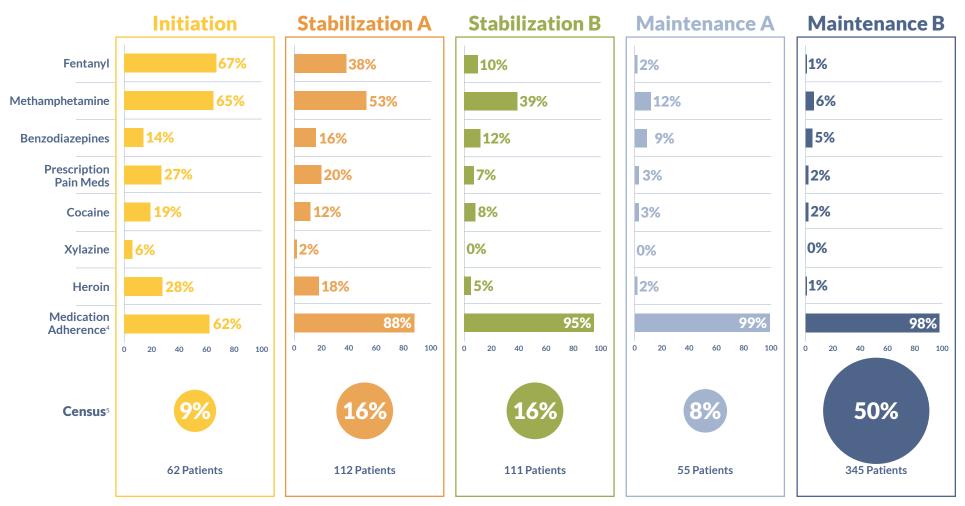




TREATMENT OUTCOMES

The chart below summarizes treatment outcomes by Stage of Care. As patients progress from one Stage of Care to the next, medication adherence increases, and positive rates for opioids, stimulants and sedatives decline sharply. The positive progression in treatment outcomes by Stage of Care is 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.

"The overall goal of treatment is to return people to productive functioning in their family, workplace, and community."³



Average Positive Rates by Stage of Care | Alaska

³ Centers for Disease Control and Prevention. (2021, September 2.). Treatment and Recovery. CDC. https://www.cdc.gov/drugoverdose/featured-topics/treatment-recovery.html ⁴ Medication adherence refers to the positive test result for norbuprenorphine, the metabolite of buprenorphine.
⁵ The Census by Stage of Care as of 12/31/2023 was 685 patients.

Initiation and Stabilization Stages (A & B)

As of December 2023, 42% of Ideal Option's Alaska patients were in pre-Maintenance Stages of Care (Initiation and Stabilization A and B). During the Initiation Stage, patients are seen more than once per week. Visit frequency progresses to once per week during Stabilization A and to every two weeks during Stabilization B.

The pre-Maintenance Stages are particularly challenging as patients confront physical, mental, and environmental challenges to both substance abstinence and medication adherence. Withdrawal is accompanied by extreme discomfort and cravings sometimes lasting for days, and medication adherence typically requires patients to properly follow a timeconsuming daily routine of sublingual ingestion of buprenorphine while resisting temptation to divert the medication to a ready market.

The Initiation Stage includes newly enrolling or reenrolling patients, and those who require frequent and intensive care. Stabilization A patients demonstrate increased medication adherence and reduced opioid use, and this improvement continues for Stabilization B patients who also demonstrate progress in reducing the use of other substances, particularly methamphetamine.

Maintenance Stages (A & B)

As of December 2023, 58% of Ideal Option's Alaska patients were in the Maintenance A and B Stages of Care. Patients are seen every three weeks during Maintenance A and every four weeks during Maintenance B.

Over 98% of opioid use disorder 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. Buprenorphine adherence correlates with recovery from opioid use disorder as shown by the near elimination of fentanyl, heroin, and pain medication positive test results in the Maintenance Stages. Further, Maintenance Stage patients demonstrate significant reductions in the use of stimulants and sedatives even though no FDA approved medication currently exists for treating addiction to those substances. 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.

Hepatitis C Treatment Outcomes

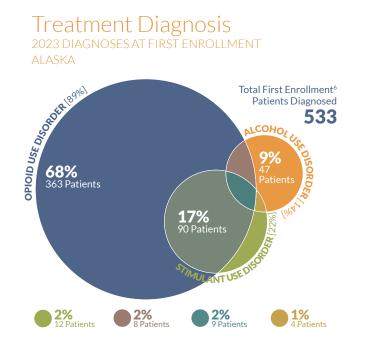
Ideal Option screens for, identifies, and treats patients with Hepatitis C. When it is not treated, chronic Hepatitis C can cause serious health problems, including liver cancer, cirrhosis, and death. Fortunately, people diagnosed and treated with directacting antiviral medications can be cured, as is evidenced by Ideal Option's 2023 Hep C treatment outcomes.

Ideal Option Alaska Patient Hep C Treatment Outcomes	JanDec. 2023*
Patients Tested	130
Hep C Positive	70
Eligible for Treatment	44
Prescriptions	39
Confirmed Cures	12

*The Hep C treatment process spans many months and requires completion of state-required forms, medication approval, an 8-12 week medication regimen, and a 12-week waiting period after the completion of the medication to validate a cure. 2023 cured patients include some who may have begun treatment in 2022, and some patients who began treatment in 2023 are expected to have cure validated in 2024.

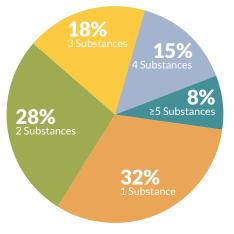
Treatment Outcomes by Stage of Care | Alaska

Patient Census & Outcomes	Initiation	Stabilization A	Stabilization B	Maintenance A	Maintenance B
Fentanyl	67.0%	37.9%	9.9%	2.3%	1.5%
Methamphetamine	64.9%	53.4%	38.6%	12.2%	6.2%
Benzodiazepines	13.5%	15.8%	11.5%	9.1%	5.0%
Prescription Pain Meds	26.6%	19.6%	7.2%	2.8%	2.0%
Cocaine	19.3%	11.7%	7.9%	3.0%	1.9%
Xylazine	6.1%	1.8%	0.3%	0.0%	0.2%
Heroin	28.5%	18.4%	5.5%	1.8%	1.2%
Norbuprenorphine	61.7%	88.4%	95.1%	99.1%	98.3%
% of Total Census	9.1%	16.4%	16.2%	8.0%	50.4%

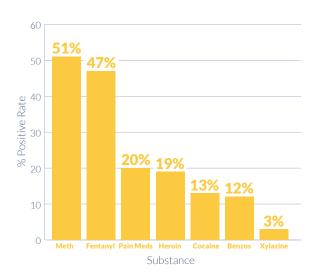


Polysubstance Use

2023 POSITIVE RATES AT ENROLLMENT⁷ ALASKA



Substance Use 2023 Positive rates at enrollment⁷ Alaska



Polysubstance Use at Enrollment

Test results at program enrollment reveal real-time societal substance use trends. Ideal Option data confirms the rapidly changing drug trafficking trends and the escalation in synthetic drug use cited in national and local reports. Most enrolling patients test positive for multiple substances, not just one, and they are commonly unaware of some of the substances they have consumed.

Fentanyl use has displaced consumption of heroin and prescription pain medications. In 2023, street drugs increasingly contained an **expanding variety of inexpensive synthetics**, often including fentanyl and fentanyl analogues, blended in random combinations and potencies in counterfeit pills and powder. Widespread use of stimulants and sedatives continued in 2023. **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 can lead to respiratory depression and death.

Xylazine, a powerful animal tranquilizer that is currently not a controlled substance, is increasingly prevalent in the street supply as an **additive to fentanyl pills and powder**. Like benzodiazepines, xylazine increases the likelihood of respiratory depression and death when consumed in combination with fentanyl. Further, severe skin lesions, including necrosis leading to amputation, are potential horrific side effects of xylazine.

⁶Diagnosis at first-time patient enrollment.

⁷An enrollment occurs when a first-time patient begins treatment at Ideal Option and when a patient returns to Ideal Option for treatment following a lapse of 42 days or more.

"With effective treatment, recovery is possible for everyone. There is strength in getting help."⁸

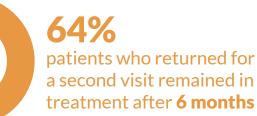
Recovery from substance use disorder typically requires sustained treatment over many months.

- 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 patients is reflected in outcomes since 2017:

- 84% of patients returned for a second visit.
- Of patients who returned for a second visit, 64% continued to attend treatment visits after at least six months, 57% continued after at least nine months, and 51% continued after at least 12 months.

⁸Centers for Disease Control and Prevention. (2023, September 11). Recovery from Substance Use Disorder. CDC. https://www.cdc.gov/drugoverdose/featured-topics/recovery-SUD.html





patients who returned for a second visit remained in treatment after **9 months**



51% patients who

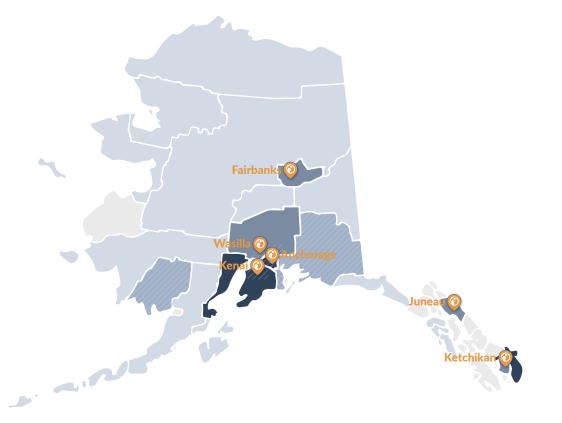
patients who returned for a second visit remained in treatment after **12 months**



OUR PATIENTS

2023 Active Patients by County





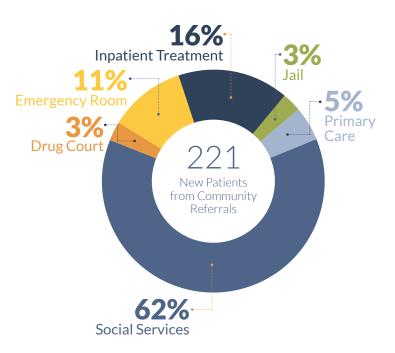
Geographical Reach

As of December 2023, Ideal Option served a patient census of 685 in six clinics located across Alaska. The map displays patient census concentration by county of residence.



Community Referrals

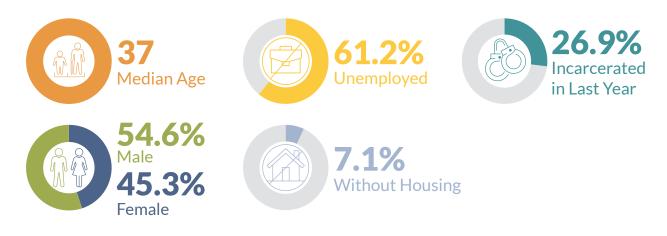
New patients find Ideal Option in a variety of ways – through online search, social media, friends and family, and via referrals from community partners. To build relationships with community stakeholders and encourage patient referrals, Ideal Option conducts outreach in every community in which our clinics are located. 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.



OUR PATIENTS

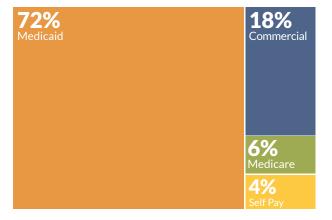
Patient Characteristics

The characteristics of our Alaska 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, drug-related 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.



Payor Coverage

Most patients seeking treatment for substance use disorder at Ideal Option rely on Medicaid coverage. The chart illustrates payor coverage for Alaska patients who were seen during 2023 based on visit billing.





OUR PATIENTS

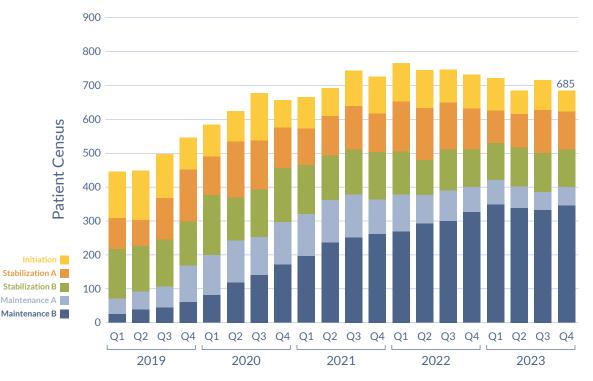
"Addiction is a disease that for many involves long-term follow-up and repeated care to be effective and prevent relapse. When people make a recovery plan that includes medication for opioid use disorder, their chances of success increase. Medications can help normalize brain chemistry, relieve cravings, and in some cases prevent withdrawal symptoms." ⁹

⁹Centers for Disease Control and Prevention. (2020). Treatment and Recovery Fact Sheet. CDC. https://www.cdc.gov/rxawareness/pdf/Treatment-and-Recovery-Fact-Sheet.pdf

Ideal Option's Alaska patient census increased at a cumulative annual growth rate of 25% between 2019 and 2023. In 2020, Congress enacted a provision for continuous Medicaid enrollment in response to the COVID pandemic. The unwinding of this provision during 2023 caused many people to lose Medicaid coverage. Ideal Option's Alaska patient census was 685 patients by the end of 2023.

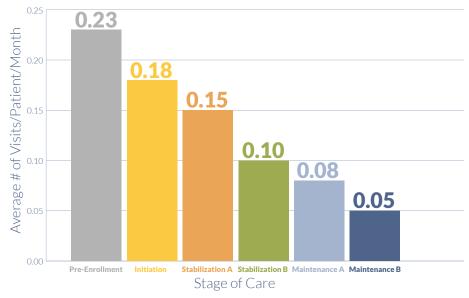
- The accompanying chart illustrates census stratification by Stage of Care for each calendar quarter during the five year period.
- The cumulative annual growth rate of patients in the Maintenance Stages of Care (both A and B) was 48% over the five year period, increasing from 16% to 58% of total census.
- The Maintenance Stages of Care typically indicate long-term recovery and are correlated with outstanding outcomes (see Treatment Outcomes).

2019-2023 | ALASKA Census by Stage of Care





Emergency Department Visits by WA Medicaid Patients Decline by Stage of Care



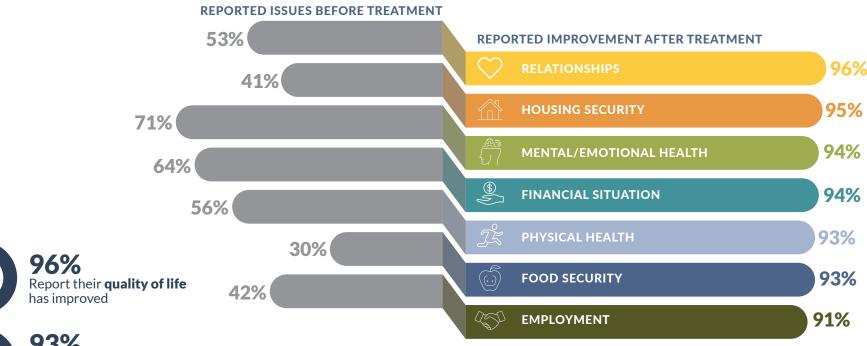
Ideal Option's Washington Medicaid patients demonstrated a material decrease in emergency department utilization during 2023, as measured by data from Collective Medical.¹⁰ In the future, Ideal Option plans to expand the analysis of emergency department visits to Alaska patients and expects similar utilization outcomes by Stage of Care.

Emergency department visits **declined immediately after patients began treatment**, and utilization waned even more sharply as patients progressed in recovery. Pre-enrollment, almost one of four patients made a monthly visit to the emergency department. In contrast, only one of 20 Maintenance B patients visited the emergency department per month. This represents a significant savings in medical cost, particularly considering patients with an OUD diagnosis have a 32.5% greater cost per emergency department visit.^{II}

¹⁰ Collective Medical. http://collectivemedical.com/
¹¹ Goldman, M. (2023, January 24). How opioid misuse is costing health systems. Axios Vitals.



2023 Patient Survey Results



93% Report no visits to the ER for drug-related medical care since starting treatment

96% Report no drug-related arrests or charges since



starting treatment

Report they feel confident in their ability to **remain in recovery** long-term Ideal Option's mission is to help people recover in their lives. Selfreported survey outcomes, while subjective, are helpful in revealing progress in quality of life among the patient population. In 2023, 1,808 patients participated anonymously in a survey sent to over 17,000 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. Ideal Option was founded in 2012 and has treated more than 75,000 patients. The Company:



Operates over 85 specialized outpatient treatment clinics in nine states.



Employs over 650 personnel, almost half of whom are healthcare professionals, including addiction medicine providers, medical assistants, nurse care managers, peer outreach specialists, 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.
- Å

Employs a highly qualified staff of laboratory managers, quality specialists, analysts, and ASCP registered clinical scientists who operate two highcomplexity and three moderate complexity laboratories, each of which are CLIA certified and accredited by The Joint Commission, to rapidly supply comprehensive and accurate clinical information to providers.



Is accredited by The Joint Commission and has been awarded The Gold Seal of Approval[®]. 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.

Fac em

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.

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.



