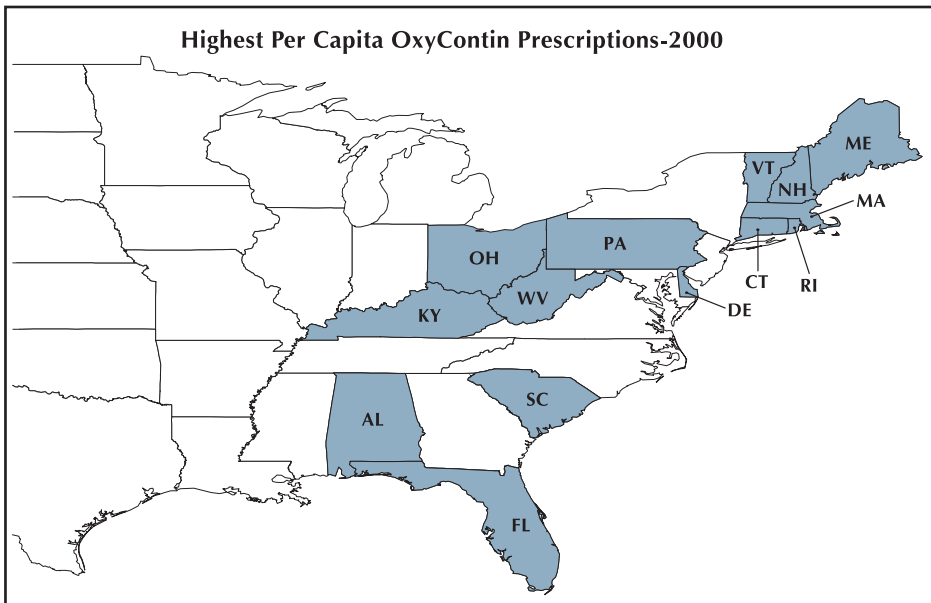


## The Appalachian (Drug) Trail

### *OxyContin Abuse Highest in Eastern U.S.*



OxyContin was introduced as a longer lasting dosage of oxycodone in 1995, prescribed for the treatment of moderate to severe pain. Law enforcement personnel, pharmacists, and drug abuse treatment centers report the abuse of OxyContin is particularly high in the eastern portion of the U.S., but the problem is spreading nationwide.

Since 1996, the Drug Abuse Warning Network (DAWN) reports an increase in the number of oxycodone-related emergency room visits. As the chart on page 8 shows, the number of emergency room episodes leaped 600% from 1996 to 2002, increasing from 3,190 in 1996 to 22,397 in 2002.

## This Little Piggy Went to Market...and Spent \$27.3 Billion!

*Whee...whee...whee...all the way to the Rock and Roll Hall of Fame*

Congress hogged more of our tax dollars for pork-barrel projects in fiscal 2005 than in any other year—a whopping \$27.3 billion. That’s \$33.03 of special interest spending for every man, woman and child in the U.S., according to Citizens Against Government Waste. CAGW is a non-profit, non-partisan organization founded in 1984, whose mission is to eliminate waste, mismanagement and inefficiency in the federal government.

“Despite a record \$427 billion deficit predicted for fiscal 2005,

members of Congress are engaging in the worst form of blatant self-interest; larding the budget with pork for home districts and states,” CAGW President Tom Schatz stated.

As defined by the CAGW, pork barrel projects are those that get federal funding by circumventing established budgetary procedures. To qualify as “pork” and be included in CAGW’s annual *Congressional Pig Book*, the project must meet at least one of CAGW’s seven criteria (most

*Continued on page 7*

Since pharmaceuticals containing oxycodone are controlled substances requiring a prescription, a variety of illegal techniques are used to obtain the drug. In many cases, physicians and pharmacists create phoney

*Continued on page 8*

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## Education Spending ROI

*Return on Investment for Your Education Dollars is Marginal*

During the last election cycle, public education was a hot topic. Most federal, state, and local officials recognize there is room for improvement in the education system. How to help alleviate the problems... that's where the arguments begin. Do we need better trained educators? How about more focused students, and greater involvement from parents? Or does the system simply need more money?

A recent study released by the Nelson A. Rockefeller Institute of Government shows that whatever the problem with public education, its not caused by any unwillingness to throw money at it. Between 1997 and 2002, state and local governments increased public education spending for K-12 by 39%. Even after adjusting for inflation and growth in pupil enrollment, real spending was up nationwide almost 17%.

The map shows the per-pupil education spending increases for each state and the District of Columbia from 1997 to 2002. Highlighted states increased spending at a rate higher than the national average of 16.8%. The District of Columbia had the greatest growth in inflation-adjusted per-pupil spending at 46%, but every state, even those with strict tax and spending limits, increased per-pupil spending.

K-12 education is one of the most important purposes of state and local government, and is the area over which many citizens have the greatest direct control through school district voting. Voters clearly have been willing to support increases in

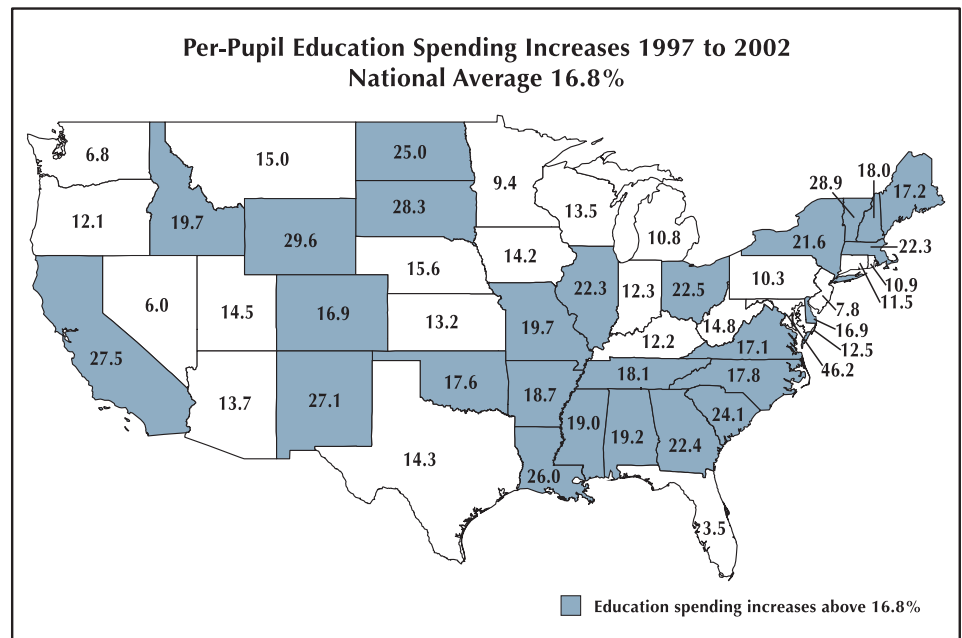
education spending, despite the widely perceived anti-tax and anti-spending sentiment in this country.

So, what did we get for our money? The Rockefeller study did not attempt to measure the education return on investment; however, by cross-referencing spending with the National Assessment of Education Progress (NAEP) reading scores, some correlation was uncovered between education spending and performance. (Reading scores were chosen because there is no skill more fundamental to life-long learning.)

The table on page 3 from the *Wall Street Journal* ranks each state in order of their real K-12 per-pupil spending increases from 1997 to 2002. Next to each state is listed whether performance on the NAEP reading tests rose, fell, or remained the same from 1998 to 2003 – the period when the spending benefits should have kicked in.

From the table, it would seem that increases in education spending tend to have a more significant effect on 4<sup>th</sup> grade reading scores than 8<sup>th</sup> grade scores. Fifteen of 50 states, plus the District of Columbia, showed improvement in 4<sup>th</sup> grade reading scores from 1998 to 2003. Of the 16 with improved scores, 12 increased per-pupil education spending more than the national average (16.8%) during the period. However, only seven states increased 8<sup>th</sup> grade reading scores from 1998 to 2003. Moreover, only one of these seven states increased spending less than the national average and still managed to raise 8<sup>th</sup> grade scores, Kentucky.

A closer look at the table shows only five states in the U.S. improved both 4<sup>th</sup> and 8<sup>th</sup> grade reading scores since 1998 (Wyoming, South Carolina, Massachusetts, Missouri, and Delaware). Each state that improved both scores increased per-pupil



### Education Dollars at Work

spending from 1997 to 2002 more than 16.8%.

Seven states exhibited declining 8<sup>th</sup> grade scores despite increases in per-pupil education spending. Three of these states' (Maine, Oklahoma, and New Mexico) scores decreased even though per-pupil spending increased more than 17.2% over the period.

Oklahoma is the only state to decline in both 4<sup>th</sup> and 8<sup>th</sup> grade reading scores over the period, despite spending increases.

Although a handful of states are experiencing some increased performance on testing, the vast majority are simply maintaining the status quo. Is there any other part of American life that would receive tens of billions more dollars if it kept showing little or no return on investment? □

State	Increase in Per Pupil Spending (1997-2002)	Improvement in 4 <sup>th</sup> Grade Reading Scores Since 1998	Improvement in 8 <sup>th</sup> Grade Reading Scores Since 1998
District of Columbia	46.2%	Improved	Flat
Wyoming	29.6%	Improved	Improved
Vermont	28.9%	N/A	N/A
South Dakota	28.3%	N/A	N/A
California	27.5%	Flat	Flat
New Mexico	27.1%	Flat	Declined
Louisiana	26.0%	Improved	Flat
North Dakota	25.0%	N/A	N/A
South Carolina	24.1%	Improved	Improved
Ohio	22.5%	N/A	N/A
Georgia	22.4%	Improved	Flat
Massachusetts	22.3%	Improved	Improved
Illinois	22.3%	N/A	N/A
New York	21.6%	Improved	Flat
Missouri	19.7%	Improved	Improved
Idaho	19.7%	N/A	N/A
Alabama	19.2%	Flat	Flat
Mississippi	19.0%	Flat	Flat
Arkansas	18.7%	Improved	Flat
Tennessee	18.1%	Flat	Flat
New Hampshire	18.0%	Flat	N/A
North Carolina	17.8%	Improved	Flat
Oklahoma	17.6%	Declined	Declined
Maine	17.2%	Flat	Declined
Virginia	17.1%	Improved	Flat
Colorado	16.9%	Flat	Improved
Delaware	16.9%	Improved	Improved
Nebraska	15.6%	N/A	N/A
Montana	15.0%	Flat	Flat
West Virginia	14.8%	Flat	Flat
Utah	14.5%	Flat	Flat
Texas	14.3%	Flat	Flat
Iowa	14.2%	Flat	N/A
Arizona	13.7%	Flat	Declined
Wisconsin	13.5%	Flat	Flat
Kansas	13.2%	Flat	Flat
Maryland	12.5%	Improved	Flat
Indiana	12.3%	N/A	N/A
Kentucky	12.2%	Flat	Improved
Oregon	12.1%	Improved	Flat
Hawaii	12.1%	Improved	Flat
Connecticut	11.5%	Flat	Declined
Rhode Island	10.9%	Flat	Declined
Michigan	10.8%	Flat	N/A
Pennsylvania	10.3%	N/A	N/A
Minnesota	9.4%	Flat	Flat
New Jersey	7.8%	N/A	N/A
Washington	6.8%	Flat	Flat
Nevada	6.0%	Flat	Declined
Alaska	4.1%	Flat	N/A
Florida	3.5%	Improved	Flat

Source: Rockfeller Institute; National Assessment of Education Progress

## Just Another Manic Monday

*Percent of Nonfatal Occupational Injuries and Illnesses Highest on Monday*

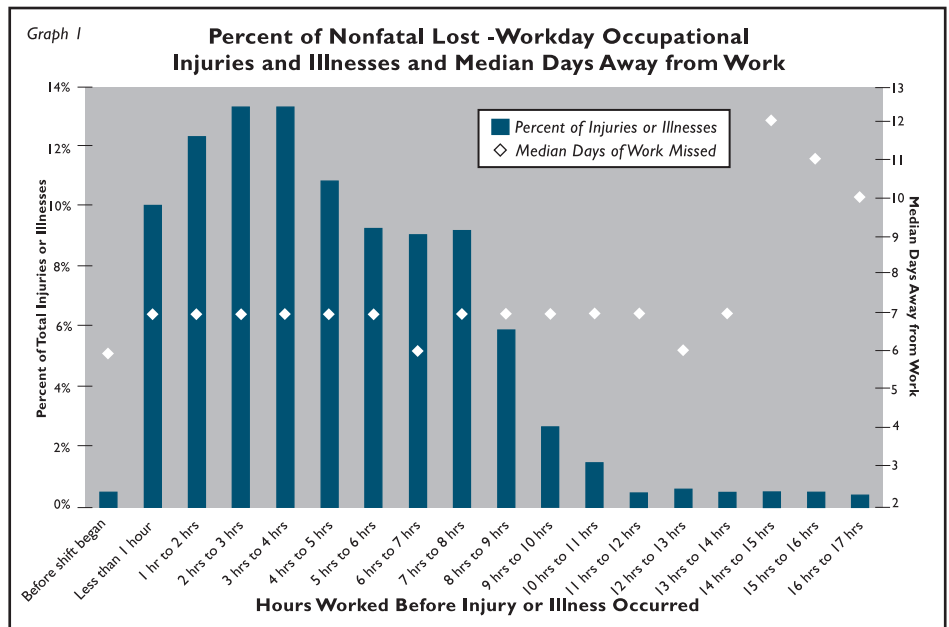
My grandfather always said, “Don’t buy anything built on a Monday.” Forty years of experience as a foreman for a press and shear manufacturer taught him that on Monday morning, people are still in a haze from their weekend and they are more careless. He said it takes workers a little time to warm back up to “the daily grind.” According to the first ever time-of-injury data released by the Bureau of Labor Statistics (BLS), he may have been on to something.

A 2002 rules change by the Occupational Safety and Health Administration (OSHA) requires employers to provide additional information on workplace injury and illness, including the time and day of week a worker is injured or becomes ill. In addition, OSHA mandates that employers document how many hours into a shift the individual had worked before the injury or illness occurred.

The BLS report shows about half of the 1.1 million lost work-time injuries and illnesses reported in 2002 occurred during the first 4 hours on the job. Another large cluster of injuries and illnesses – more than one-third of the total – occurred between 4 and 8 hours on the job. The remainder was distributed over shifts longer than 8 hours. (Graph 1)

The median days away from work following an injury or illness was generally 7 days for people working up to 14 hours. There is a noticeable increase in the median days among workers who had been on the job more than 14 hours when the event occurred. (Graph 1)

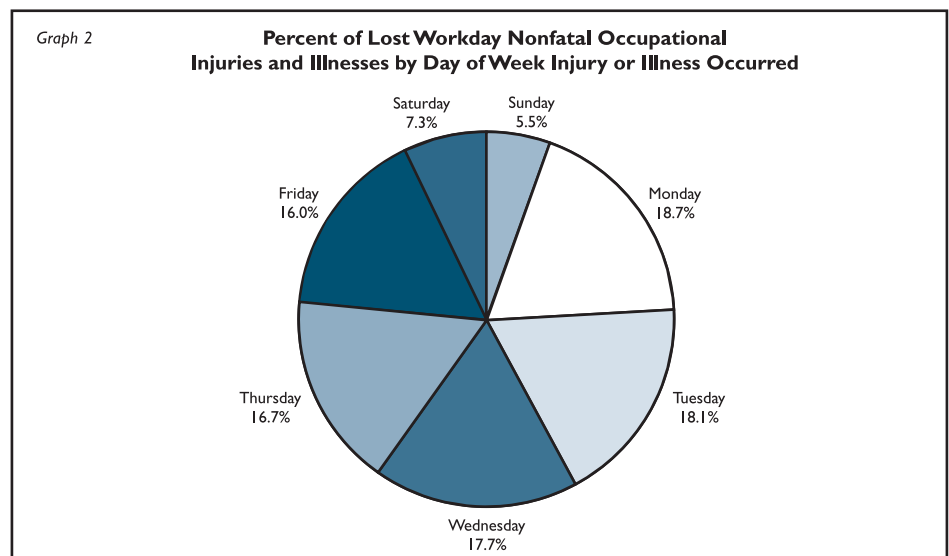
Ten occupations accounted for



one-third of all cases involving missed workdays. For these occupations, the median days away from work increased – although not consistently – as the number of hours worked before an incident increased. Eight of these occupations had significant increases in median days away from work as they approached 10 hours on the job. Sales oriented

occupations had the largest increase in median days missed after 11 hours on the job (180 days). Assemblers had the largest increase of missed workdays after 12 hours (82 days) and cooks after 13 hours (216 days).

And the day on which most injuries or illnesses occur...you guessed it, Monday. (Graph 2)

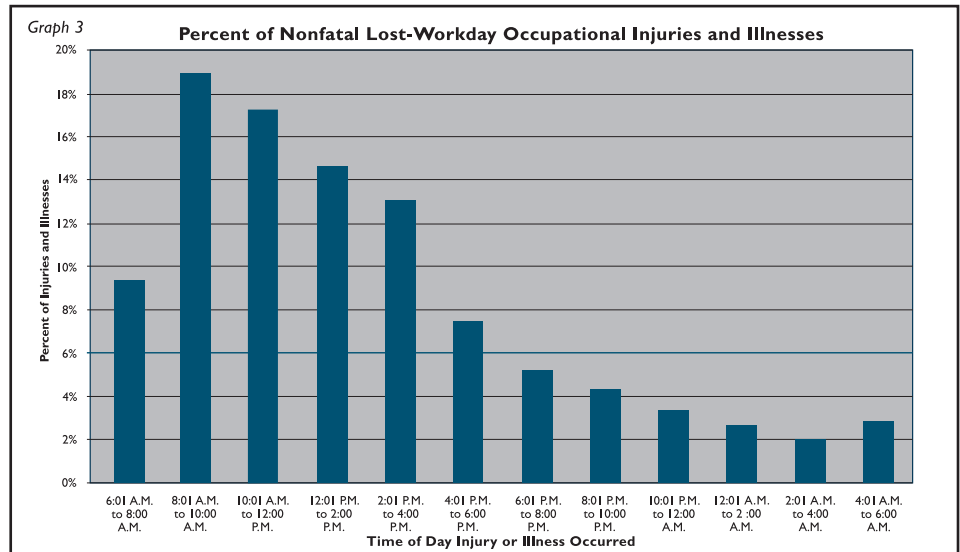


Occupations with a greater proportion of incidents on Mondays included carpenters (23%), construction laborers (22.2%), truck drivers (20.8%), and non-construction laborers (19.8%).

Cases involving cooks and sales workers are more likely on Thursday and Friday. The percentage of injuries and illnesses occurring those two days was 37% for cooks and 35% for workers in sales occupations. The late-week skew for cooks could be explained by a weekend influx of restaurant patrons increasing the activity and the likelihood of injury. As for salespersons, maybe they are more prone to illness as they drive to their local golf course.

The data show that most injuries occur during the first 8 hours on the job, nothing shocking there. However, what is telling is the time of day injuries or illnesses are likely to occur. In Graph 3, the percentage of lost-workday injuries and illnesses are calculated by time of day the injury or illness occurred. Over 36% of all injuries and illnesses occur from 8:01 A.M. to 12:00 P.M. The period from 8:01 A.M. to 10:00 A.M. is the most likely time for a lost-workday injury or illness.

Was Granddaddy correct? It sure sounds like it... ☐



### NO PARKING ZONE!

The United Auto Workers (UAW) have backed off its edict forbidding Marines who drive “foreign” cars or display pro-President Bush stickers from using one of its parking lots in Detroit. For over 10 years, the UAW allowed reservists with the 1<sup>st</sup> Battalion 24<sup>th</sup> Marines to park in the union’s lots while the reservists underwent weekend training. However, the union recently changed its mind and began discriminating against some of America’s finest.

According to the UAW, some Marines should show more *semper fi* (always faithful) to their fellow Americans by not driving foreign cars and trucks. The UAW has an extensive history of prohibiting foreign-made cars from its lots. The subject is more sensitive than ever as Big Three automakers continue to lose market share, driving down union membership.

The pro-Bush stickers are another sore spot after last year’s election. UAW president Ron Gettelfinger supported John Kerry in the last election, accusing the President of ignoring calls for labor law reform. In addition, Gettelfinger blamed Bush for failing to combat unfair labor practices in China – a growing threat for U.S. manufacturers.

Lt.Colonel Joe Rutledge, commanding officer of the 1<sup>st</sup> Battalion 24<sup>th</sup> Marines that were using the lots, had this to say about the unions’ actions, “You either support the Marines or you don’t.”

The commander continued, “We’re appreciative of what they’ve done (allowing the Marines to park there for 10 years), but you don’t come into my office and say, ‘OK, we’re not going to support some Marines.’ I don’t know what a foreign car is today anyway. BMWs are made in South Carolina.”

Following the public’s outcry and some primetime news coverage, it took the UAW about a day to change its mind. In a formal statement from Gettelfinger to the Marines, he reversed his decision not to allow foreign-made cars or ones with pro-Bush stickers on the UAW parking lot. Gettelfinger was quick to point out his own service as a Marine reservist, and regretted this controversy overshadowed the UAW’s support for American troops.

Offend the U.S. Marines and increase union membership? Yeah, that’ll work. ☐

## Just Say No!

### Workers' Compensation: OxyContin Use Under Scrutiny

Use of the prescription pain medicine OxyContin in treating on-the-job injuries is coming under scrutiny as policymakers and insurers weigh the drug's benefits against its potential misuse. A recent study from the National Council on Compensation Insurance (NCCI) says the powerful narcotic is one of the most widely used drugs for treating pain and is prescribed in 70% of all Permanent Partial Disability (PPD) claims.

The Food and Drug Administration (FDA) first approved OxyContin in 1995. Since its introduction, it has proven to be highly effective in treating acute and long-term chronic pain. The drug differs from other pain-relief prescription drugs in that it is released into a person's system over a 12-hour period and does not contain other agents such as aspirin or acetaminophen that can be toxic to the liver or kidneys. Without these toxicity problems, there are fewer restrictions on the amount of OxyContin a patient can take in one day, which increases the probability of overdoses and abuse.

Prescriptions for OxyContin reached 5.8 million in 2000, an increase of 1,833% over 1996 levels. Over the same period, prescriptions dispensed for all other common narcotics such as codeine, hydrocodone, morphine, and hydro-morphine rose only 23%. According to NCCI, OxyContin now ranks as the highest-selling prescription drug, accounting for over \$1.6 billion in total sales in 2002.

Other sources have also reported high prescription rates of OxyContin for workers' comp patients. The California Workers' Comp Institute

found the drug ranked number one in the state's pharmaceutical costs, representing nearly 10% of California's total drug expenses in 2001. In addition, a Hartford Financial Services Group study found that OxyContin was the most widely prescribed drug over the period 1999 to 2002.

Table 1 compares the distribution of workers' comp claims by type of injury to the distribution of claims for which OxyContin was prescribed. It shows the distribution of OxyContin claims roughly approximates the distribution by type of injury. For example, 48.6% of all workers' comp claims were for strains and 46.6% of workers' comp claims treated with OxyContin were for strains.

An analysis of workers' comp claims by affected body part paints a different picture (Table 2). Claims for lower back injuries represent 22% of all claims, but account for over one-third of claims for which OxyContin was prescribed.

The NCCI report says that the use of OxyContin affects both indirect and direct costs for workers' comp. Abuse of the drug can lead to delays in workers returning to their workplace, or result in added cost for substance abuse treatment. To combat this problem, the National Association of Independent Insurers (NAII) is launching a campaign to persuade state legislatures to enact laws naming OxyContin as a "last resort" medication. The legislation would also allow carriers to track patients taking the drug to prevent "doctor shopping", in which multiple doctors are used to obtain the same drug.

Several state legislatures are implementing new methods to control the drug's use. Virginia has begun tracking OxyContin prescriptions and West Virginia has started investigating doctors to monitor their prescription rates. West Virginia is also proposing other legislative reforms to monitor doctors, pharmacies and claimants. □

**Table 1 Total WC Claims and Claims Involving OxyContin (by Injury)**

Nature of Injury	% of Total WC Claims*	% of WC Claims with OxyContin
Strain	48.6%	46.6%
Contusion/concussion	10.1%	8.6%
Fracture/crushing/dislocation	11.8%	7.3%
Rupture/puncture/laceration	9.1%	5.3%
Sprain	N/A	4.7%
Inflammation/infection	2.1%	N/A
All others	18.3%	27.6%

\*Based on NCCI detailed claims statistics 1992-2000

**Table 2 Total WC Claims and Claims Involving OxyContin (by Body Part)**

Body Part	% of Total WC Claims*	% of WC Claims with OxyContin
Lower back	22.1%	34.3%
Hands/fingers/wrists	13.2%	N/A
Multiple body parts	8.1%	9.3%
Knees	8.3%	6.9%
Disc	N/A	3.9%
Shoulder	18.0%	3.8%
All other body parts	30.3%	41.8%

\*Based on NCCI detailed claims statistics 1992-2000

## Little Piggy – *continued from page 1*

satisfy at least two):

- Requested by only one chamber of Congress;
- Not specifically authorized;
- Not competitively awarded;
- Not requested by the President;
- Greatly exceeds the President's budget request or the previous year's funding;
- Not the subject of congressional hearings; or
- Serves only a local or special interest.

The \$27.3 billion figure for 2005 represents a 19% increase over last year's pork barrel spending. With increasing frequency in the last ten years, Congressional leaders have been bringing home the taxpayers' bacon to their individual states to win favor with their constituents and support their reelection.

### Which three states were the heaviest pork consumers per capita in 2005?

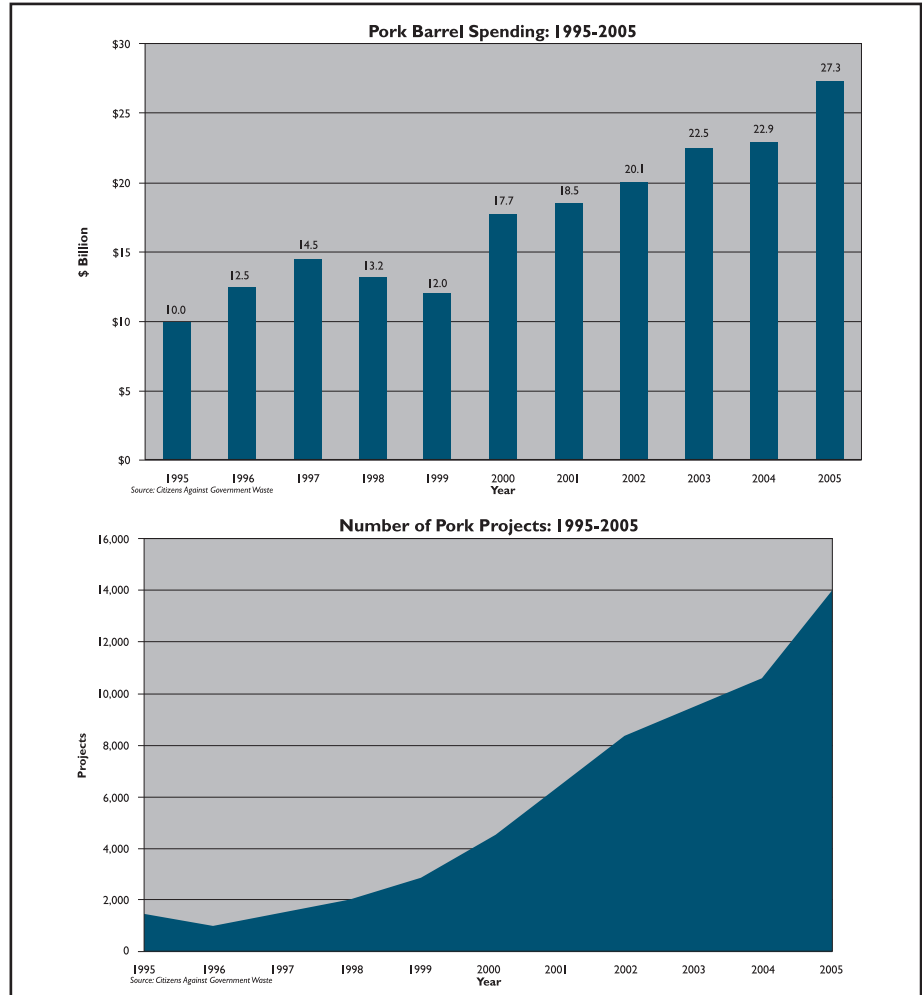
Alaska was by far the biggest glutton averaging a staggering \$984.85 per person. The District of Columbia (\$464.61) and Hawaii (\$454.47) were the next greediest pigs to feed from the federal trough.

### Which three states had the lowest per capita lard-laced spending in 2005?

Texas (\$2.90), California (\$6.62), and Georgia (\$14.80) all held the line on making a silk purse out of a sow's ear.

### What were a few of the juiciest examples of the 13,997 pork projects in 2005?

- \$3.6 million for the Appalachian Fruit Laboratory (West Virginia)
- \$268,000 for livestock waste research (Iowa)
- \$3 million for the Cal Ripken, Sr.



- Foundation (Maryland)
- \$7.9 million for the National Weather Service archives, access and assessment account (Kentucky)
- \$27.2 million for Alaska Land Mobile Radio
- \$4.2 million for the Academic Center for Aging Aircraft (Texas & Ohio)
- \$2 million for the government to buy back the presidential yacht USS Sequoia, sold in 1977 by President Jimmy Carter to demonstrate frugality
- \$1.5 million for the Alaska Wind Energy Project
- \$200 million for the Commodity Import Program for Egypt, which provides loans to Egyptian

- importers of U.S. goods
- \$10 million for the International Fund for Ireland in support of the Anglo-Irish Accord
- \$950,000 for the Please Touch Museum in Philadelphia
- \$1.25 million for the American Film Institute's Screen Education Program
- \$350,000 for the Rock and Roll Hall of Fame in Cleveland
- \$3 million for the House of Representatives staff fitness facility

**Will Congress ever stop funneling our tax dollars into such asi-swine projects? Yes, when pigs fly! ☐**

**Time Wounds All Heels**  
*Mediation? Who needs it!*

Remember 1991! Jay Leno succeeded Johnny Carson, Motorola introduced a new cell phone that weighed “only” one-half pound, Elizabeth Taylor married hubby number 8, the Dow Jones Industrial Average peaked at 3,169, and the Teamsters union struck Diamond Walnut in Stockton, CA.

Today, Jay’s still on top, cell phones with cameras and MP3 players weigh half as much, Mr. Elizabeth Taylor is history, and the Dow is above 10,000.

Oh yeah...the Teamsters settled their strike with Diamond Walnut.

Over 600 workers went on strike at the Diamond processing plant in Stockton in September 1991. A new five-year contract was approved by a 3-to-1 vote in March 2005. A Teamsters spokesperson said he “was always optimistic that the day would come, and there’s going to be peace.” The settlement allows workers who went on strike to return to work with full seniority and benefits.

The spokesperson declined comment on whether the Teamsters union was going to change the horse heads on its familiar logo to cicadas. □

**Appalachian** – *continued from page 1*

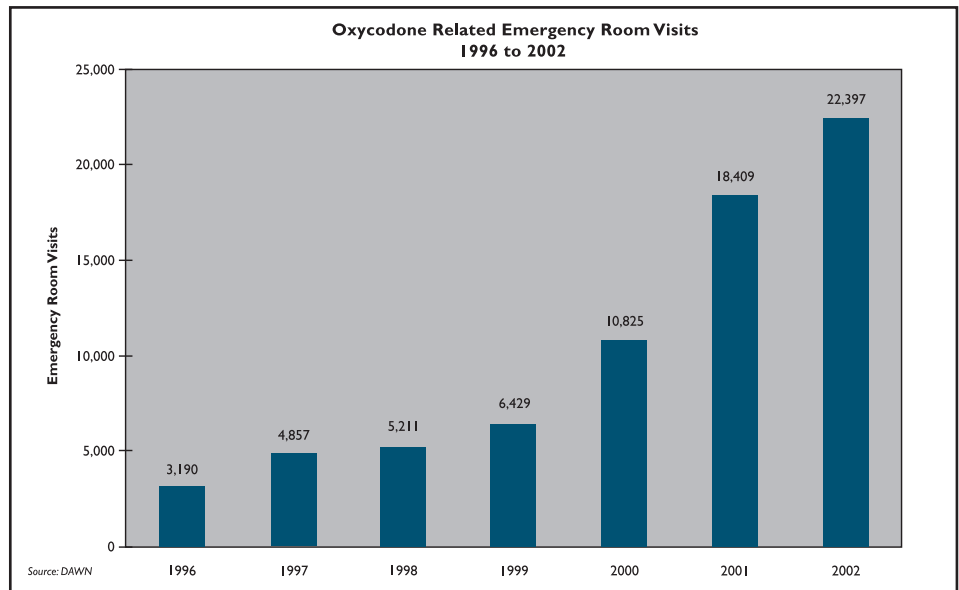
prescriptions to obtain the drug for personal use or to provide others with a supply for distribution.

Another popular way to obtain the drug is through “doctor shopping.” People with real or fake ailments visit numerous doctors in an attempt to obtain multiple prescriptions.

Law enforcement authorities are also reporting a rise in burglaries, thefts, and robberies of pharmacies and homes targeted for their supplies of OxyContin. Data from the Drug Enforcement Administration (DEA) reports the theft of OxyContin

dosage units increased almost 80% from 260,688 in 2000 to 464,312 in 2003.

According to the DEA, the areas most affected by OxyContin abuse are southern Maine; Philadelphia and southwestern Pennsylvania; southwestern Virginia; eastern Kentucky, Cincinnati, New Orleans and Phoenix. Many of these cities and regions are located in the states with the highest level of OxyContin prescriptions per capita, which begs the question of whether legitimate use is a precursor to abuse of the drug. □



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