# House Committee on Health & Human Services

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NAMI Kansas is the state organization of the National Alliance on Mental Illness, a grassroots organization whose members are individuals living with mental illnesses and their family members who provide care and support. NAMI Kansas provides programs of peer support and education by and for our members through a statewide network of local affiliates. We advocate for individuals who are living with mental illness to ensure their access to treatment and supportive services.

Our longstanding position has been to exempt psychiatric medications from requirements for prior authorization and any restricted drug formulary for participants in the Medicaid program. We also oppose the proposed changes to statute in SB 341 allowing step therapy. This is not a sound public policy option. *We urge you to reject SB 341.*

Claims that step therapy both lower costs and improve health outcomes are not consistently supported by data. Step therapy can delay or lower care quality since it requires patients to try one or several medications before being covered for the drug selected by their health care provider. Patients are required to fail numerous treatment options before getting access to the treatment option that was originally prescribed. While this protocol is used as a cost-saving measure, step therapy may lead to increased costs and the accumulation of unused medicines in home medicine cabinets and often sets the stage for forced "off-label" use of medications that may no longer be appropriate nor provide optimal efficacy for an individual's medical condition. In the long run, this policy can actually increase costs for the insurer because creating a delay in care can increase resistance to treatment or cause other health complications.

Any cost savings achieved from this proposed change to statute would surely be lost as individuals experience an increase in symptoms, emergency room visits and hospitalizations following a decline in their mental health—not to mention the costly effect of scarce prescriber time being spent on monitoring patients for failure. A 2010 study documented results that "mental health-specific inpatient and emergency room utilization and costs increased" from step therapy which "may have the unintended effect of reducing overall antidepressant use and increasing medical use and costs."[1] Another study found that "managed care policies among patients with psychiatric illness have even been found to shift costs in state budgets to jails."[2]

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A study of the policies adopted in the Georgia Medicaid program published in 2008[3] concluded that while prior authorization of "atypical antipsychotics was associated with significant prescription savings to the Georgia Medicaid program, among a vulnerable cohort of patients with schizophrenia, an increase in outpatient expenditures was associated with overall savings." While step therapy saved the state $19.62 per member per month in atypical antipsychotic expenditures, these savings were "accompanied by a $31.59 per member per month increase in expenditures for outpatient services." The authors challenge policymakers who are considering similar policies to "consider carefully the potential for unintended consequences of restricted access to antipsychotic medications." The Georgia Department of Human Resources also found in their review that there was no significant increase in cost from going to open access from a restricted formulary in their state hospital facilities.

A 2010 study concluded that "barriers to medication access may exacerbate the problem of poor adherence and may lead to declines in the health of these vulnerable patients, including higher risks of relapses, hospitalization, and suicide."[4]

In 2003, Maine instituted a prior authorization and step therapy policy for atypical antipsychotics. Persons affected by prior authorization requirements had a **29 percent greater risk of treatment discontinuity.** Due to negative outcomes from adopting this policy including an increase in hospitalizations, the policy was suspended. In an examination of programs in Maine and New Hampshire, a 2009 study found that "the small reduction in pharmacy spending … may have resulted from higher rates of medication discontinuation rather than switching. The findings indicate that the prior-authorization policy in Maine may have increased patient risk without appreciable cost savings to the state."[5]

In a review article on step therapy interventions, the author states that the adoption of step therapy "is quickly outpacing decision makers' understanding of the clinical, humanistic, and economic value of these programs. Such knowledge is needed to avoid potential unintended consequences such as medication noncompliance."[6]

Our members know from personal experience that the right medication or combination of medications for an individual can mean the difference between experiencing recovery and living successfully with a major mental illness versus experiencing devastating relapses. Unlike other illnesses, difficulties in accessing the most appropriate medications for mental illness result in emergency department visits, hospitalizations, homelessness, incarceration, and even death by suicide. The tragic consequences are all too vivid and immediate in the lives of our members and your constituents. Among individuals with bipolar disorder or schizophrenia, nearly one in ten dies by suicide.

The Kaiser Commission on Medicaid and the Uninsured has noted the distinct vulnerability of individuals with mental illness who are on Medicaid and **recommends exemptions from restrictions for all psychotherapeutic and anticonvulsive medications.**[7] Psychotropic medications—even those within the same class—have unique properties that result in different effects from one person to another. The National Institute on Mental Health (NIMH) notes that **individuals have unique responses to psychiatric medications and need more, not fewer, choices.**[8] NIMH concludes that "a medication that works well for one person with schizophrenia often doesn't work well for another. Genetic variations are thought to play a key role in this difference in response. While patients search for the right medications, their illnesses may worsen."

Preserving access to mental health medications is a critical component of assuring appropriate care for those who live with serious mental illness. Without such access, the results can be costly and devastating. A study by the American Psychiatric Association showed that over half of dual eligible Medicare Part D patients with mental illness had problems accessing needed medications. More than a fifth had medications terminated or interrupted and about one in five were switched to a different medication because the medication on which they were stable was no longer covered or approved. [9]

The consequences of actions to restrict access to psychiatric medications include the following:

- **More than one in five patients (21.7%) reported an increase in suicidal thoughts or behaviors.**

- **Nearly one in five (19.8%) required an emergency room visit and more than one in ten (11%) required hospitalization.**

- Clinicians and staff spent almost **twice as much time on drug plan administrative issues than on direct patient care due to features like preferred drug formulary lists or prior authorization requirements.**

NAMI believes that individuals with brain disorders must have access to treatments that have been recognized as effective by the FDA and/or NIH. NAMI supports exclusions for psychiatric medications from any restrictive measures in order to ensure that people with mental illness have open access to medications that maintain recovery. Due to the very nature of mental illnesses, a consumer's willingness to take one medication or another may not be predictable. For this reason, **open access is important in optimizing treatment adherence.**

While as a matter of policy, NAMI does not endorse any particular treatment or medication for brain disorders, our policy stipulates that decisions regarding specific medications prescribed to persons with severe mental illness should be based on the clinical judgments of treatment providers, not on economic factors.

We strongly oppose measures that limit the availability and right of individuals with brain disorders to receive treatment with "new generation" medications.

A ten state study of Medicaid prescription drug policies revealed that the use of preferred drug lists was associated with **5.4 time's higher odds of medication access problems.** Individuals facing access problems were **3.6 times more likely to suffer a significant adverse event** such as an emergency room visit, hospitalization, incarceration, or suicidal behavior. Prior authorization requirements were associated with **2.2 times greater likelihood of being reported homeless** and **3.1 times greater likelihood of being hospitalized.** PDLs were associated with **1.8 times higher rates of ER visits** and **2.3 times higher rates of hospitalizations.**

Harvard University Professor Stephen Soumerai, one of the leading researchers in this field, stated the following in a 2004 article: "Given the rapid increase in the use of [prior authorization] policies and other cost-control mechanisms in Medicaid, the relative lack of data on their risks and benefits is cause for concern. It is sobering to realize that if such policies were considered for a clinical study, the possible risks of reduced access to essential medications would likely result in a failure to obtain

human-subject approval from most institutional review boards."[10]

SB 341 is a blunt instrument which will put many patients at risk of not getting the treatment that they need.

Thank you for the opportunity to address these critical issues.

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[1] Mark, Tami L, Gibson Theresa M., McGuigan, Kimberly and Chu, Bong Chul, "The Effects of Antidepressant Step Therapy Protocols on Pharmaceutical and Medical Utilization and expenditures." *American Journal of Psychiatry,* 167:10, October 2010.

[2] Domino et al, *Health Serv Res,* 2007, 42(6 Pt 1):2342-5.

[3] Farley, Joel F. et al, "Retrospective Assessment of Medicaid Step-Therapy Prior Authorization Policy for Atypical Antipsychotic Medications," *Clinical Therapeutics,* Vol. 30, No. 8: 1524-1539, August 2008.

[4] Lu et al, "Unintended Impacts of a Medicaid Prior Authorization Policy on Access to Medications for Bipolar Illness." *Medical Care,* Volume 48, Number 1, January 2010

[5] Zhang et al, "Effects of Prior Authorization on Medication Discontinuation Among Medicaid Beneficiaries With Bipolar Disorder." *Psychiatric Services,* April 2009 Vol. 60 No. 4

[6] Motheral, Brenda, "Pharmaceutical Step-Therapy Interventions: A Critical Review of the Literature." *Journal of Managed Care Pharmacy,* Vol. 17, No. 2 March 2011.

[7] Kaiser Commission on Medicaid and the Uninsured, "Model Prescription Drug Prior Authorization Process for State Medicaid Programs," April 2003.

[8] National Institutes of Health, National Institute of Mental Health, *NIMH Perspective on Antipsychotic Reimbursement: Using Results From The CATIE Cost Effectiveness Study,* December 2006.

[9] West, Joyce C., Ph.D., M.P.P., et al, "Medication Access and Continuity: The Experiences of Dual-Eligible Psychiatric Patients During the First 4 Months of the Medicare Prescription Drug Benefit," *Am J Psychiatry; 164:789-796,* May 2007.

[10] Soumerai, Stephen, *Health Affairs,* 2004: 23:135-46.