

## Senate Committee on Public Health & Welfare

February 13, 2017

Presented by: Rick Cagan Executive Director

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.

We urge your support of SB 82 as a positive set of patient protections for individuals insured in the private market.

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.

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.

We believe that the transparency requirements in the bill related to granting exceptions to step therapy will be of value to both health care providers and patients.

This bill will not infringe on the ability of health plans to adopt step therapy or place any limitations on how step therapy is structured in those plans. The bill does not create new clinical guidelines and will not prevent the use of prior authorization. This bill will also not prevent requirements by health plans for patients to use equivalent generic versions of prescribed medications.

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## **Background on Concerns About Step Therapy**

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.

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."

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."<sup>2</sup>

The National Institute on Mental Health (NIMH) notes that **individuals have unique responses to psychiatric medications and need more, not fewer, choices.**<sup>3</sup> 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. <sup>4</sup>

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.

Given the ongoing concerns about the use of step therapy and given its widespread use in public and private health plans, the patient protections captured in SB 82 are in the best interests of Kansans.

Thank you for the opportunity to address these critical issues.

<sup>&</sup>lt;sup>1</sup> 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.

<sup>&</sup>lt;sup>2</sup> Motheral, Brenda, "Pharmaceutical Step-Therapy Interventions: A Critical Review of the Literature." *Journal of Managed Care Pharmacy*, Vol. 17, No. 2 March 2011.

<sup>&</sup>lt;sup>3</sup> National Institutes of Health, National Institute of Mental Health, *NIMH Perspective on Antipsychotic Reimbursement: Using Results From The CATIE Cost Effectiveness Study*, December 2006.

<sup>&</sup>lt;sup>4</sup> 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.