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P. O. Box 339
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February 4, 2010

MEMORANDUM

TO: Honorable Suzanne Chun Oakland, Chair
Senate Committee on Human Services

Honorable David Y. Ige, Chair
Senate Committee on Health

FROM: Lillian B. Koller, Director

SUBJECT: **S.B. 2719 – RELATING TO PSYCHOTROPIC MEDICATION**

Hearing: Thursday, February 4, 2009, 2:45 P.M.
Conference Room 016, State Capitol

PURPOSE: The purpose of this bill is to allow the Department of Human Services to improve the safety and cost-effectiveness of psychotropic medication use.

DEPARTMENT'S POSITION: The Department of Human Services (DHS) strongly supports this Administration-sponsored bill that will allow DHS to improve the safety and cost-effectiveness of psychotropic medication use among its Medicaid population by preventing unintended and inappropriate psychotropic polypharmacy (which means taking multiple psychotropic medications at the same time), increasing access to prescription medications, and promote the efficient use of limited resources by controlling rising prescription drug expenditures without negative impact on health outcomes.

Evidence demonstrates that more health care may not necessarily be better, and that effectiveness and efficiency are not mutually exclusive. Health policy leaders understand that it is important to pay for services that improve health outcomes and avoid paying for ineffective, potentially harmful, or wasteful services.

Prescription drugs are the fastest growing health care cost, with psychotropic medications as the leading drug expenditure in the Medicaid program. Patients with behavioral health disorders are a particularly vulnerable population and often require prescription drugs to treat their conditions. These patients deserve to have access to effective medications, and they would also benefit from the necessary management to ensure health and safety.

Systematic reviews completed by federal evidence-based practice centers on atypical antipsychotics for schizophrenia and bipolar disorder and on second-generation antidepressants for depression and anxiety, overall, found comparable effectiveness among drugs within a class.

Generic medications are becoming increasingly available. The currently available generic atypical antipsychotics are risperidone (Risperdol) and clozapine (Clozaril); olanzapine (Zyprexa), quetiapine (Seroquel), and ziprasidone (Geodon) have tentative approval for generic products. The second generation antidepressants fluoxetine (Prozac), sertraline (Zoloft), paroxetine (Paxil), citalopram (Celexa), venlavaxine (Effexor), fluvoxamine (Luvox), bupropion (Wellbutrin), mirtazapine (Remeron), and nefazadone (Serzone) are available as generics.

The United States Food and Drug Administration requires that generic medications demonstrate bioequivalence with the brand name product in order to receive approval.

Psychotropic medications are being inappropriately prescribed. A recent study in the Journal of the American Medical Association found that antidepressants

are not effective for mild depression, and a Food and Drug Administration advisory panel criticized the overprescribing of antipsychotics for children. Antipsychotic medications can have severe physical side effects, causing drastic weight gain and metabolic changes resulting in lifelong problems.

It is also important for patient safety to prevent psychotropic polypharmacy and prescribing at doses in excess of those approved. Outpatients may see different providers and unknowingly receive multiple psychotropic prescriptions. Studies have found that more than half of nursing home residents receiving antipsychotics were given doses that exceeded recommended maximum levels, received duplicative therapy, or had conditions, like memory problems or depression, for which such drugs are considered inappropriate.

The available evidence for psychotropic medications demonstrates the comparative effectiveness of drugs within a class and the safety problems associated with their overprescribing. Unlimited and unmanaged prescribing places this vulnerable population at further risk and is wasteful.

The amendments proposed in this Act are intended to continue to provide access to medically necessary psychotropic medications while improving safety and cost-effectiveness.

The Department fully supports this measure and is expecting a conservative estimated savings of $430,000 per year post implementation.

Thank you for this opportunity to provide written testimony.

MHA Mental Health America of Hawai`i

. . . HELPING HAWAI`I LIVE LIFE WELL

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TO: Sens. Suzanne Chun Oakland, Chair, Senate Human Services Committee, and Sen. David Ige, Chair, Health Committee
RE: **SB 2719, Relating to Psychotropic Medication** **IN OPPOSITION**
Hearing February 4, 2010, 2:45 pm, rm 16
DT: February 3, 2010

Dear Senators Chun Oakland and Ige and members of the Committees:

I am Marya Grambs, writing on behalf Mental Health America of Hawaii, of which I am Executive Director. I am writing in opposition to SB2719, Relating to Psychotropic Medication.

Yes, it is true, psychotropic drugs for mental health conditions need to be prescribed very carefully. In fact, the very slight differences between generics and brand name, and between different drugs in the same class, can cause enormous differences in efficacy and side effects when used to treat mental illness.

Most seriously mentally ill people need more than one medication to control all the symptoms and to address the side effects. We respectfully disagree with the bill's argument that polypharmacology is often inappropriate and dangerous. It is our experience that it is quite often necessary.

Moreover, the older atypical antispychotics, while they may have similar efficacy, in many individuals have more serious side effects.

Re use of antidepressants, there is evidence that they are not effective for mild depression, but there continues to be strong evidence that they are effective for moderate to severe depression. They are life saving.

It is important for Hawai`i to maintain our policy of Open Access to Mental Health Medications. The stability of our many citizens with mental health problems depends on it.

Thank you for your consideration of this testimony, and I hope join me in opposing this measure.

Marya Grambs
Executive Director

HMSA

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February 4, 2010

The Honorable Suzanne Chun Oakland, Chair
The Honorable David Ige, Chair
Senate Committees on Human Services and Health

Re: SB 2719 – Relating to Psychotropic Medication

Dear Chair Chun Oakland, Chair Ige and Members of the Committees:

The Hawaii Medical Service Association (HMSA) appreciates the opportunity to testify on SB 2719 which would give the Department of Human Services (DHS) the ability to ensure psychotropic medications are being properly dispensed for QUEST members. HMSA supports this measure.

As you are aware, recently DHS stated that due to budgetary shortfalls, they will withhold payments to contracted QUEST plans, beginning in April and extending through June. While we understand the budgetary restrictions the State is facing, DHS' decision significantly impacts a health plan's ability to pay for services. This has caused great concern, not only for the QUEST plans, but for our members and participating providers as well.

This measure has the potential to take a small step towards containing prescription drug costs in the QUEST population. The current benefit structure under which QUEST is operating is unsustainable and while QUEST plans never deny appropriate coverage to members, there needs to be mechanisms in place to ensure that prescription medications are being dispensed properly. Especially when the medications are as powerful as the psychotropic medications referred to in this measure. Information on these medications changes frequently but DHS is unable to react to new recommendations or treatment guidelines to ensure members are being appropriately treated.

We support SB 2719 as a means to ensure individuals who should not be using psychotropic medications are not and to provide access to prescriptions which are most appropriate for those in need of these medications. We would request one change regarding the "grandfathering" in of current QUEST members on psychotropic medications. While the intent is to not cause disruption to individuals being prescribed these medications, we believe giving DHS the ability to examine the usage of the current population would be worthwhile. We understand that disruption of medication to vulnerable populations can be catastrophic which is why be believe that the "grandfathered" population needs a window of six months to determine appropriateness of current prescriptive medications. This can be accomplished through the addition of the words "for six months" on page 4, line 15. This section would then read as follows:

> "**§346-59.9 Psychotropic medication.** (a) The department shall not impose any restriction or limitation on the coverage for, or a recipient's access to, psychotropic medication[; provided that the psychotropic medication

shall be prescribed by a psychiatrist, physician, or an advanced practice registered nurse with prescriptive authority under chapter 457, duly licensed in the State.] in the QUEST, QUEST Expanded Access, and fee-for-service medicaid programs as follows:
(1) The continued use of a currently prescribed generic or brand name antipsychotic medication for six months to allow for transition and to avoid disrupting stabilization of the recipient; and
(2) Any new generic psychotropic medication.

HMSA has experienced cost savings in other health plans in relation to the provision of comparatively effective and less expensive generic medications. We believe that increased usage of generic medications, when appropriate, can accomplish the same for QUEST. We understand the concern that the mental health community has when there is a perception that mental health services are being restricted. This is not one of those cases. We truly believe that the passage of SB 2719 will allow DHS and the QUEST plans to provide a better quality of service to members in need of psychotropic medications.

Additionally, we do not support striking the reporting requirements that DHS must currently comply with. We believe that the information regarding cost and utilization of these medications is important data which should be collected and reported on.

Thank you for the opportunity to testify today.

Sincerely,

Jennifer Diesman
Vice President
Government Relations

HAWAII DISABILITY RIGHTS CENTER

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THE SENATE
THE TWENTY-FIFTH LEGISLATURE
REGULAR SESSION OF 2010

Committee on Human Services
Committee on Health

Testimony in Opposition To S.B. 2719 Relating to Psychotropic Medication

Thursday, February 4, 2010, 2:45 P.M.
Conference Room 016

Chair Chun-Oakland, Chair Ige, and Members of the Committees:

I am Louis Erteschik, Staff Attorney at the Hawaii Disability Rights Center, and am testifying in opposition to this bill.

We are dismayed to be revisiting an issue that has been settled in Hawaii since 2005. During that legislative session we submitted testimony in support of the measure which became ACT 239. That provision was known as "open access for mental health medication."

We supported that bill because it was and is vital that mental health patients receive appropriate medications, prescribed by their physicians, in order to achieve stable, mental health. We were concerned with decisions being made at that time by the Department of Human Services which utilized the Medicaid Pharmacy and Therapeutics (P&T) Ad Hoc Advisory committee to recommend to the Director of the Department of Human Services those drugs which should be placed on the Preferred Drug List. The effect of that was to limit access to medications used to treat mental illness.

It is well documented in the medical literature that the pharmacological approach to treating mental illness is far different from that used to treat a physical ailment. Given the intricacies of individual human brain chemistry, it requires pinpoint precision to

achieve a fine balance so that the delicate desired outcome of mental stability can be achieved. It is not the same as prescribing a standard antibiotic for the treatment of a common infection. For that reason, the legislature in 2005 recognized this and provided Medicaid coverage for psychotropic mediations which were prescribed in accordance with the terms of the law.

While we understand that the Director of Human Services may be concerned about cost implications, attempting to control costs in this fashion merely conjures up the old expression "penny wise and pound foolish". For those individuals who fail to achieve mental stability as a result of being forced to "play Russian roulette" and experiment with potentially inappropriate medications, the cost is enormous. Further, if they decompensate and/or engage in anti social behavior as a result, the cost to society is staggering. At the individual level, these are the people who then may require incarceration, hospitalization, or institutionalization. In the aggregate, society's failure to appropriately address their needs places this enormous cost upon all the taxpayers. In light of our state's historical failure to properly address and treat the needs of individuals with mental illness, it is all the more essential that the mistakes of the past not be repeated.

We would acknowledge the validity of some of the concerns raised in Section 1 of this Bill. We agree that the cost of prescription drugs has skyrocketed and that the use of generic equivalents should be encouraged. We also agree with the concerns raised in the discussion on polypharmacy and we note our general, long standing concern that there may be an overreliance on medication by psychiatrists as a means to control behavior that could be changed in other, less intrusive, ways. We also have observed many instances of side effects from psychotropic medications, such as tardive dyskinesia, that can be disabling or life threatening. For those reasons, we agree that there needs to be some control over their usage. However, we feel that the best way to accomplish that is still to allow the individual physician to use their best judgment as to the medical and psychological needs of their patient. We are very opposed to returning to the days of "pre-authorization" wherein a third party would second guess medical decisions made by physicians for the sake of cost control. That is what this bill would do and that is why we are opposed to it.

This Administration proposal represents a step back in the progress we have made in Hawaii to provide treatment for mental illnesses. For these reasons, we urge the Legislature to reject this bill and continue to require the Department of Human Services to provide open access to the medications required to enable individuals with mental illness to receive the appropriate and necessary treatment to which they are entitled.

Thank you for the opportunity to provide testimony in opposition to this bill.

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February 4, 2010

To: The Honorable Suzanne N.J. Chun Oakland
Chair, Senate Committee on Human Services

The Honorable David Y. Ige
Chair, Senate Committee on Health

From: 'Ohana Health Plan

Re: Senate Bill 2719-Relating to Psychotropic Medication

Hearing: Thursday, February 4, 2010, 2:45 p.m.
Hawai'i State Capitol, Room 016

'Ohana Health Plan is a health plan offered by WellCare Health Insurance of Arizona, Inc. WellCare is a leading provider of managed care services dedicated to government-sponsored health care programs, focusing on Medicaid and Medicare. We operate a variety of health plans for families, children, the aged, blind or disabled as well as prescription drug plans and private fee-for-service plans. Our local team of over 140 Hawai'i residents have been serving approximately 22,500 low-income, aged, blind, and disabled clients through the QUEST Expanded Access (QExA) program since February 1, 2009.

We appreciate this opportunity to submit our comments in support of Senate Bill 2719-Relating to Psychotropic Medication.

The purpose of this bill is improve patient care by taking steps to prevent unintended and inappropriate psychotropic polypharmacy and to further promote the practice of "generics first". Under current law, patients in the Medicaid program have access to any and all brands of psychotropic medication, despite the availability of comparable and less expensive generic drugs. Allowing the use of comparable generics within the same drug class will help to further curb the rising cost of healthcare, particularly in the QUEST and QUEST Expanded Access (QExA) programs.

Clinical studies show that generic prescription drugs are just as safe and effective as brand name prescription drugs, often at a substantially lower price., Hawai'i already has a "generics first" statute but the law currently exempts this class of medication. Psychotropic medication is costly and must be taken on a regular basis. Adoption of this bill would help the State in better maintaining the cost of prescription drugs within the QUEST and QExA programs, while still maintaining the necessary safeguards to ensure patient safety and proper treatment.

The legislation also promotes greater care coordination and patient management to prevent over prescribing. Without care management techniques in place, patients are susceptible to receiving multiple psychotropic prescriptions from different providers leading to drug-induced problems. Current unlimited and unmanaged prescribing places QUEST and QExA members at added risk, and this wasteful approach is thoughtfully reconsidered by Senate Bill 2719.

We respectfully request passage of this bill. Thank you for the opportunity to submit testimony in support of Senate Bill 2719.