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Friday, February 10, 2012

To: The Honorable Joshua B. Green, M.D.
Chair, Senate Committee on Health

From: 'Ohana Health Plan

Re: Senate Bill 2797-Relating to Psychotropic Medications in Medicaid

Hearing: Friday, February 10, 2012, 2:45 p.m.
Hawai'i State Capitol, Room 229

Ohana Health Plan is managed by a local team of experienced health care professionals who embrace cultural diversity, advocate preventative care and facilitate communications between members and providers. Our philosophy is to place members and their families at the center of the health care continuum.

'Ohana Health Plan is offered by WellCare Health Insurance of Arizona, Inc. WellCare provides managed care services exclusively for government-sponsored health care programs serving approximately 2.4 million Medicaid and Medicare members nationwide. 'Ohana has been able to take WellCare's national experience and that of our local team to develop an 'Ohana care model that addresses local members' health care, long-term care and care coordination needs.

We appreciate this opportunity to testify in support of Senate Bill 2797-Relating to Psychotropic Medications in Medicaid. The purpose this measure is to make permanent previous changes to the psychotropic medication statute that ensure access to medically necessary psychotropic medications while allowing cost-effective strategies.

Enactment of Act 205 (2010) enabled the five contracted QUEST and QUEST Expanded Access (QExA) plans (HMSA, Kaiser, AlohaCare, Evercare and 'Ohana Health Plan) to begin imposing some oversight on psychotropic medication under the QUEST program by allowing health plans to require prior authorization review for brand name anti-depressants after a prescriber first tries two generic anti-depressant medications.

When the Legislature changed the law in 2005 to allow QUEST recipients unrestricted access to psychotropic medication they effectively took away a portion of the overall purpose of managed health care, which is to both promote improved patient care, as well as to manage health care costs. Appropriate medical care ultimately controls health care costs by decreasing the use of hospital and institutional services. There is no evidence that unrestricted access to psychotropic medications leads to improved outcomes and growing concerns that this policy may increase adverse effects and use of institutional services such as emergency rooms.

Prescription drug costs are one of the highest cost drivers in health care, and psychotropic medications are especially costly because brand products are heavily promoted by pharmaceutical manufacturers. Forcing managed health care plans contracted with the State to accept unrestricted access for psychotropic medication, without clinical evidence of effectiveness contributes to the growing financial woes of our State.

Anti-depressant studies by the National Institutes of Mental Health, show no difference in the efficacy and quality of brand name versus generic prescription, yet in Hawai'i brand name anti-depressants are widely used. Allowing QUEST and QExA plans to begin a two failed-attempt policy for anti-depressants are a small step in the right direction. Act 205 included a sunset provision in order to give the Department and the Legislature the opportunity to revert back to the old policy should it be found that this policy change was problematic.

The Department has found and reported, as required by Act 205, that since implementation of the revisions to the statute that it has been successful in achieving the desired outcomes, and that they have received no member complaints.

Thank you for this opportunity to submit testimony in support of Senate Bill 2797-Relating to Psychotropic Medications in Medicaid.

Testimony for HTH 2/10/2012 2:45:00 PM SB2797

Conference room: 229

Testifier position: Support

Testifier will be present: No

Submitted by: Brenda Kosky

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Submitted on: 2/5/2012

Comments: