

PROTECT ACCESS TO PSYCHIATRIC MEDICATIONS

REDUCE MENTAL HEALTH CARE COSTS

According to the National Institute of Mental Health, individuals have unique responses to psychiatric medications and need more, not fewer, choices. Noting the vulnerability of individuals with mental illness who are on Medicaid, the Kaiser Commission on Medicaid and the Uninsured recommends exemptions from restrictions for all psychotherapeutic and anticonvulsive medications. CT currently protects open access to psychiatric medication by exempting psychiatric drugs from the state's Preferred Drug List (PDL), and providing Medicare Part D wraparound coverage for those dually eligible for Medicaid and Medicare, or on ConnPACE. It is critical that the state continues these protections to ensure that patient treatment is not compromised and health care costs to the state don't skyrocket as a result.

Access is Vital for the Patient and the State's Economy

Psychiatric drugs are among Medicaid's most costly and commonly prescribed drugs, and are thus targets for cost-containment policies. But many studies have shown that attempts to cut costs at the pharmacy level will reduce appropriate care, adversely affect health status, and cause shifts to more costly types of care.

- The National Bureau of Economic Research indicates that the utilization of newer and more costly drugs reduces non-drug medical expenditures 7.2 times more than it increases drug expenditures
- Of 579 psychiatric patients experiencing access barriers or discontinuity of medications, 19.8% visited Emergency Rooms; 11% required psychiatric in-hospitalization care; and 3.1% became homeless as compared to those without access barriers
- According to the American Psychiatric Association, atypical (and more costly) antipsychotics should be considered as first-line medications for patients in the acute phase of schizophrenia. Costs associated with non-adherent patient with schizophrenia are 160% higher than those able to take the medications prescribed.

Cost-containment Strategies used to discourage use of high cost psychiatric medications

- **Preferred Drug Lists (PDL)** means that only certain drugs will be covered by insurance, often resulting in medication disruption, crisis care, and administrative burdens for physicians:
 - Patients may be required to seek "**Prior Authorization**" from their physicians for medications not on the formulary, thus endangering the patient and increasing physician administrative burden. Often times, patients aren't even aware of the PA until they're at the pharmacy.
 - In some cases, patients must undergo a "**fail-first**" policy forcing them to fail on a lower-cost treatment, even when not clinically indicated, before a more expensive agent is approved.
- **Capping coverage for Medicare Part D co-pays** could mean co-pays of up to \$20 per month. The RAND study found that cost-sharing caused a 41% reduction in medical visits for low-income adults and concludes that co-payments harm the health of low-income adults.
- The American Journal of Psychiatry shows that patients with medication access problems required nearly twice as much administrative time per hour as patients without access problems.