



HAWAII DISABILITY RIGHTS CENTER

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THE SENATE THE TWENTY-SIXTH LEGISLATURE REGULAR SESSION OF 2012

Committee on Ways and Means Testimony on S.B.2797, SD1 Relating to Psychotropic Medications in Medicaid

**Friday, February 24, 2012, 9:00 A.M.
Conference Room 211**

Chair Ige and Members of the Committee:

The Hawaii Disability Rights Center offers the following comments on this bill.

The current law was very carefully negotiated two years ago, largely through the leadership of Senator Chun- Oakland, in consultation with a group of stakeholders. We were a major part of that discussion. The agreement was to allow open access for antipsychotic medications and to provide that generic drugs could first be required for anti depressant and anti anxiety medications. There was also a provision that any individual who was stable on a brand name anti depressant or anti anxiety medication at the time the act took effect could remain on that medication so long as they were stable. There was a two year sunset provision that was inserted.

The purpose of this Administration bill is to remove the sunset so that the law does not become repealed. We have no objection to that. However, at the Senate hearing on this bill before the Health Committee we were concerned that amendments were proposed by HMSA, without consultation with any of the stakeholders, including the administration. Their proposal was to delete the requirement that individuals could remain on their current medication if they were stable. As drafted, their amendments are potentially very dangerous as they would allow the Medicaid health plans to destabilize all the individuals with mental illness who were receiving brand name anti depressant or anti anxiety medication prior to July 1, 2010. As all the parties have agreed in all the years that this issue has been debated, if an individual is stable on their mental health medication, the last thing that should be done is an attempt to change that in any way.



Fortunately the Committee on Health did not incorporate these amendments and we urge the Committee on Ways and to means to reject any similar proposals that might be offered by HMSA or any other entity on this measure. If substantive changes are going to be made to this Act, we believe that they should be in a separate bill so that they can be properly heard and aired, as are all proposals that come before this legislature. Adopting amendments in this fashion is not a proper way to enact public policy.

Thank you for the opportunity to offer comments on this measure.



February 24, 2012

The Honorable David Ige, Chair
The Honorable Michelle N. Kidani, Vice Chair

Senate Committee on Ways & Means

Re: SB 2797 SD1 – Relating to Psychotropic Medications in Medicaid

Dear Chair Ige, Vice Chair Kidani, and Members of the Committee:

My name is Richard Jackson and I am chair of the Public Policy Committee of the Hawaii Association of Health Plans (“HAHP”). HAHP is a non-profit organization consisting of eight (8) member organizations: AlohaCare, HMAA, HMSA, HWMG, Kaiser Permanente, MDX Hawai’i, UHA, and UnitedHealthcare. Our mission is to promote initiatives aimed at improving the overall health of Hawaii. HAHP is also active participants in the legislative process. Before providing any testimony, all HAHP member organizations must be in unanimous agreement of the statement or position.

We appreciate the opportunity to provide testimony in support of SB 2797 SD1 which would make permanent the changes of Act 205, SLH 2010, which ensures that QUEST members have access to psychotropic medications at a reasonable cost. HAHP supports this measure and its intent.

The result of Act 205 has been beneficial for both patients and health plans – patients receive the medications that they need, but are able to utilize a generic equivalent or comparatively effective generic medication if available. We believe that by passing SB 2797 SD1, QUEST plans will be able to offer members who take psychotropic medications a greater quality of service. It will also ensure that patients have access to the medications they need in order to best manage their conditions.

Thank you for allowing us to testify in support of this measure today.

Sincerely,

Richard Jackson
Chair, Public Policy Committee



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Friday, February 24, 2012

To: The Honorable David Y. Ige
Chair, Senate Committee on Ways and Means

From: 'Ohana Health Plan

Re: Senate Bill 2797, Senate Draft 1-Relating to Psychotropic Medications in Medicaid

Hearing: Friday, February 24, 2012, 9:00 a.m.
Hawai'i State Capitol, Room 211

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 2.6 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, Senate Draft 1-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, Senate Draft 1-Relating to Psychotropic Medications in Medicaid.

To: Hawai'i Senate Ways and Means Committee

Re: SB2797 SD1

Aloha Chair, Vice-Chair, and members of the Committee,

My name is Scott Wall and speaking on behalf of the mental health consumers of United Self Help we support the concept and intent of this bill. We understand that health care cost is perhaps the greatest threat to the wellbeing of our country today.

The health care system is of vital importance to mental health consumers. We are more than glad to do our part in keeping down health care cost to preserve our system of treatment. There is only one problem in SB2797 and that was the intended amendment offered at the last minute by HMSA.

That would be the requirement that all patients must switch to the generic equivalent of their medication. I believe that all of us are willing to switch if that is possible.

Unfortunately our bodies might not be. I don't know why it is but no two individual's chemistry is exactly the same, perhaps its nature, perhaps it's God. Most of us will be able to switch and by most I mean in excess of %95 of us, I'm sure.

Statistically some of us however will not be able to make the switch without suffering undue pain and or psychological stress. We want to help but I believe that the ultimate decision of what medication is appropriate must follow from the consultation of a patient and their doctor, the wishes of a health plan notwithstanding. I also believe that that caveat should be written into the law.

Mahalo,

Robert Scott Wall for United Self Help

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