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NEIL ABERCROMBIE
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DEPARTMENT OF HUMAN SERVICES
P. O. Box 339
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February 10, 2012

TO: The Honorable Josh Green, M.D., Chair
Senate Committee on Health

FROM: Patricia McManaman, Director

SUBJECT: **S.B. 2797 - RELATING TO PSYCHOTROPIC MEDICATIONS IN MEDICAID**

Hearing: Friday, February 10, 2012; 1:30 p.m.
Conference Room 229, State Capitol

PURPOSE: The purpose of this bill is to make permanent the successful changes to the psychotropic medication statute, Section 346-59.9, Hawaii Revised Statutes, as approved in Act 205, Hawaii Revised Statutes by removing the sunset date of June 30, 2012.

DEPARTMENT'S POSITION: The Department of Human Services (DHS) strongly supports this Administration bill. The Twenty-fifth Legislature in 2010 passed House Bill No. 2774 which was enacted as Act 205, Session Laws of Hawaii 2010.

Act 205 allowed the requirement for trials of generic anti-depressant and anti-anxiety medications to be explored before covering brand name medications for new prescriptions while maintaining the coverage of brand name anti-psychotic medications. DHS found that the implementation of the changes has been successful and has not received any member complaints.

This bill will preserve access to necessary medications while encouraging the use of comparatively effective anti-depressant and anti-anxiety generic medications thereby reducing Medicaid expenditures without impacting health outcomes.

Since Act 205 was passed, Zyprexa has become available as a generic; Seroquel is expected to become available as a generic this spring; and Geodon is expected to become available as a generic this winter.

Thank you for the opportunity to provide testimony on this bill.

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Hawaii Association of Health Plans

February 10, 2012

The Honorable Josh Green, M.D., Chair
The Honorable Clarence Nishihara, Vice Chair

Senate Committee on Health

Re: SB 2797 – Relating to Psychotropic Medications in Medicaid

Dear Chair Green, Vice Chair Nishihara, 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 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, 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 SB 2797.

Sincerely,

Richard Jackson
Chair, Public Policy Committee

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HMSA

Blue Cross
Blue Shield
of Hawaii

An Independent Licensee of the Blue Cross and Blue Shield Association

February 10, 2012

The Honorable Josh Green, M.D., Chair
The Honorable Clarence K. Nishihara, Vice Chair

Senate Committee on Health

Re: SB 2797 – Relating to Psychotropic Medications in Medicaid

Dear Chair Green, Vice Chair Nishihara and Members of the Committee:

The Hawaii Medical Service Association (HMSA) appreciates the opportunity to testify in support of SB 2797 which would make permanent the provisions of Act 205, SLH 2010, which gave the Department of Human Services (DHS) the ability to ensure psychotropic medications are being properly dispensed for QUEST members while responsibly controlling the cost of these medications. HMSA supports this measure.

SB 2792 will continue to ensure the appropriate use of psychotropic medications, and it provides access to prescriptions which are most appropriate for those in need of these medications. HMSA has experienced cost savings in health plans that require the use of comparatively effective but less expensive generic medications. We would request one change that would expand the scope of this statute to cover all psychotropic prescriptions, and not just prospective orders. Attached for your consideration is suggested additional draft language.

Thank you for the opportunity to testify in support of this legislation. Passage of SB 2797 and our suggested amendment will allow DHS and the QUEST plans to continue to provide a better quality of service to members in need of psychotropic medications.

Sincerely,

Jennifer Diesman
Vice President
Government Relations

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Proposed Amendment to SB 2797

Section 3. Section 346-59.9 is amended to read as follows:

"§346-59.9 Psychotropic medication. (a) This section shall apply only to the QUEST, QUEST Expanded Access, and fee-for-service programs administered by the department when the department or the department's contracted health plan is the primary insurer. When the department is the secondary insurer, the department and its contracted health plans shall be responsible only for the secondary insurer's share of any psychotropic medication covered by the primary insurer.

(b) The department and its contracted health plans shall not impose any restriction or limitation on the coverage for, or a recipient's access to, antipsychotic medication.

(c) The department and its contracted health plans shall not impose any restriction or limitation on the coverage for, or a recipient's access to, antidepressant medication other than:

(1) Requiring that an individual must have two failed attempts on a generic antidepressant medication to receive coverage for a new brand-name antidepressant prescription; and

(2) Requiring that if an individual does not have two failed attempts on a generic antidepressant medication, that individual shall receive coverage for a brand-name antidepressant medication with prior authorization by the contracted health plan; provided that while a prior authorization request for a brand-name antidepressant medication submitted by the prescriber is pending, a supply of the prescribed medication sufficient to last until the request is resolved shall be covered if requested by the prescriber.

For purposes of this subsection, a "failed attempt" means that the prescribed generic antidepressant medication up to the maximum FDA-approved dosage is not effective in treating the individual, or the individual's compliance is compromised due to the side effects caused by the medication.

(d) The department and its contracted health plans shall not impose any restriction or limitation on the coverage for, or a recipient's access to, anti-anxiety medication other than:

(1) Requiring that an individual must have two failed attempts on a generic anti-anxiety medication to receive coverage for a new brand-name anti-anxiety prescription; and

(2) Requiring that if an individual does not have two failed attempts on a generic anti-anxiety medication, that individual shall receive coverage for a brand-name anti-anxiety medication with prior authorization by the contracted health plan; provided that while a prior authorization request for a brand-name anti-anxiety medication submitted by the prescriber is pending, a supply of the prescribed medication sufficient to last until the request is resolved shall be covered if requested by the prescriber.

For purposes of this subsection, a "failed attempt" means that the prescribed generic anti-anxiety medication up to the maximum FDA-approved dosage is not effective in treating the individual, or the individual's compliance is compromised due to the side effects caused by the medication.

(e) [~~The department and its contracted health plans shall not require any individual stable on a brand-name antidepressant medication on or before July 1, 2010, to transfer to a different antidepressant medication, generic or brand-name, unless the individual's condition becomes unstable and requires the medication to be replaced.~~

~~(f) The department and its contracted health plans shall not require any individual stable on a brand-name anti-anxiety medication on or before July 1, 2010, to transfer to a different anti-anxiety medication, generic or brand-name, unless the individual's condition becomes unstable and requires the medication to be replaced.~~

~~(g)~~] (f)The department and its QUEST contracted health plans shall have the authority to investigate fraud, abuse, or misconduct.

~~(h)~~ (g)The department shall report to the legislature no later than twenty days before the convening of each regular session on:

(1) The number of brand-name and generic prescriptions written to which this section applies; and

(2) The amount expended on brand-name prescriptions and the amount expended on generic prescriptions written each fiscal year to which this section applies.

(i) All psychotropic medications covered by this section shall be prescribed by a psychiatrist, a physician, or an advanced practice registered nurse with prescriptive authority under chapter 457 and duly licensed in the State.

(j) As used in this section:

"Anti-anxiety medication" means those medications included in the United States Pharmacopeia's anxiolytic therapeutic category.

"Antidepressant medication" means those medications included in the United States Pharmacopeia's antidepressant therapeutic category.

"Antipsychotic medication" means those medications included in the United States Pharmacopeia's antipsychotic therapeutic category.

"Psychotropic medication" means only antipsychotic, antidepressant, or anti-anxiety medications approved by the United States Food and Drug Administration for the treatment of mental or emotional disorders."

LATE

February 10, 2012

To: Senator Josh Green, M.D, Chair, and Members
Senate Committee on Health
Twenty-Sixth Legislature, Regular Session 2012

From: Mike Pablin

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

I am a mental health consumer and have worked for the Adult Mental Health Division and the Department of Human Services' QUEST behavioral care carve-out.

I strongly support this measure and urge the Committee on Health to pass it out.

In good economic times or bad, effective treatment needs to be balanced with its costs. Further, this measure will expand the state's resources within the Medicaid program to serve more people.

Thank you for the opportunity to testify.

Testimony for HTH 2/15/2012 3:45:00 PM SB2797

Conference room: 229
Testifier position: Support
Testifier will be present: No
Submitted by: Sylvia Ching
Organization: Individual
E-mail: sching35@gmail.com
Submitted on: 2/13/2012

Comments: