

## MEDICAID MENTAL HEALTH MEDICATIONS REPORT 3-25-15

**Senate Sub for HB 2149:** Amended by Senate Public Health and Welfare March 17 to include new language designed to replace SB 123. Senate debated and amended the bill March 23. Bill passed Senate 40-0 March 24. Advocates knew that there would have to be another proposal brought forward in order to preserve the \$6.5 million fiscal note, which is included in both the Senate and House budget bills.

***Section 3: includes the provisions of SB 181, which had already passed the Senate:***

### **Access to New Prescription-only Drugs under the Kansas Medicaid Program**

The Secretary of Health and Environment (Secretary) would be allowed to implement prior authorization of any new prescription-only drugs until such drugs are reviewed by the Board at its next scheduled meeting. During the period before the new drugs are reviewed by the Board, the drugs would be approved for use as indicated in package insert guidelines approved by the federal Food and Drug Administration and clinically reputable compendia, as approved by the Secretary in rules and regulations.

Under existing law, the Secretary is prohibited from restricting patient access to prescription-only drugs through a program of prior authorization or a restrictive formulary, except by rules and regulations. The current requirement that these proposed rules and regulations be submitted to the Board for written comment would be eliminated.

### **Board Meeting Requirements**

The Board would be required to meet at least quarterly. The meetings would be open to the public and provide an opportunity for public comments. The Board would be required to post notice of its meetings at least 14 business days before the scheduled meetings.

***Section 4: includes new proposal for managing mental health medications in Medicaid (replacing SB 123)***

### **Prior Authorizations or Other Restrictions on Mental Health Medications for Medicaid Recipients**

The bill would provide that no requirements for prior authorizations or other restrictions on medications used to treat mental illnesses may be imposed on Medicaid recipients, except on medications subject to guidelines developed by the Board in accordance with provisions of the bill.

Existing law prohibits requirements for prior authorization or other restrictions on medications used to treat individuals with mental illnesses who are Medicaid recipients. Medications in the existing statute available without prior authorization or other restrictions include atypical medications, conventional antipsychotic medications, and other medications used for the treatment of mental illness.

The bill specifies the following would not be construed as restrictions:

- Any alert to a pharmacist that does not deny the claim and can be overridden by the pharmacist;
- Prescriber education activities; or
- Consolidation of dosing regimens to equivalent doses.

### **Adoption of Guidelines and Medication Review**

The Committee would be required to provide the Board with recommendations for the development of guidelines. With regard to the recommendations from the Committee, the Board would have the following options:

- Accept the recommendations in whole, to become effective immediately upon approval; or
- Reject the recommendations in whole, requiring referral back to the Committee for further consideration.

The Board would be prohibited from adopting medication guidelines related to mental health medications without recommendations made by the Committee. Prior to July 1, 2016, the Board would be required to review all medications used to treat mental illness available for use on July 1, 2015. The Board would be required to review all medications used to treat mental illness that do not exist on July 1, 2015, but are later developed or believed to be effective in the treatment of mental illness within six months of presentation to the Board.

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Concept: Will the agency commit to:

1. Provide the same public notice as required for the DUR Committee?
2. Formalize language of the “guard rails” in the formal charter of the mental health medication advisory committee created by Senate Sub for HB 2149?
3. Begin process with informational briefings – including consumer/family input?

List of guard rails from the most recent workgroup meeting:

- ☐ Patients who are already on stable, safe regimens will be able to continue their prescribed treatment.
- ☐ Creation of a Mental Health Medication Advisory Committee made up of mental health practitioners and pharmacists with specific experience in providing service to the mental health community.
- ☐ Review certain medications for safety and dose optimization.
- ☐ New prescriptions or changes in medication will be subject to evidence-based guidelines developed by the Drug Utilization Review Board with the counsel of the Mental Health Medication Advisory Committee.
- ☐ Increase length of emergency prescription fills from 3 days to 5 days to allow for processing time in situations where prior authorizations are required and assure that these are paid to the pharmacies.
- ☐ Hold the number of prior authorizations needed to a minimum, while still providing for the appropriate protections.
- ☐ The three MCOs will be required to follow policies set by the state, and no changes to the current system will be allowed until such time that policies are put in place to assure minimal disruptions to providers and patients.

Bill Language:

*Sec. 3. K.S.A. 2014 Supp. 39-7,120 is hereby amended to read as follows: 39-7,120. (a) The secretary of health and environment shall not restrict patient access to prescription-only drugs pursuant to a program of prior authorization or a restrictive formulary except by rules and regulations adopted in accordance with K.S.A. 75-5625, and amendments thereto. Prior to the promulgation of any such rules and regulations, the secretary of health and environment shall submit such proposed rules and regulations to the medicaid drug utilization review board for written comment may implement prior authorization of any new prescription-only drugs until such drugs are reviewed by the medicaid drug utilization review board at the next scheduled meeting. New drugs shall be approved for use when such drugs are used within package insert guidelines approved by the federal food and drug administration and clinically reputable compendia, such as the United States pharmacopeia, as approved by the secretary of health and environment in the rules and regulations, during the period before such drugs are reviewed by the medicaid drug utilization review board. The secretary of health and environment may not implement permanent prior authorization until 30 days after receipt of comments by the drug utilization review board.*

*(b) When considering recommendations from the medicaid drug utilization review board regarding the prior authorization of a drug, the secretary of health and environment shall consider the net economic impact of such prior authorization, including, but not limited to, the costs of specific drugs, rebates or discounts pursuant to 42 U.S.C. § 1396r-8, dispensing costs, dosing requirements and utilization of other drugs or other medicaid health care services which may be related to the prior authorization of such drug.*

*Sec. 4. K.S.A. 2014 Supp. 39-7,121b is hereby amended to read as follows: 39-7,121b. (a) No requirements for prior authorization or other restrictions on medications used to treat mental illnesses such as schizophrenia,*

depression or bipolar disorder may be imposed on medicaid recipients. Medications that will be available under the state medicaid plan without restriction for persons with mental illnesses shall include atypical antipsychotic medications, conventional antipsychotic medications and other medications used for the treatment of mental illnesses., except on medications subject to guidelines developed by the drug utilization review board according to subsection (c). None of the following shall be construed as restrictions under this subsection:

- (1) Any alert to a pharmacist that does not deny the claim and can be overridden by the pharmacist;
- (2) prescriber education activities; or
- (3) the consolidation of dosing regimens to equivalent doses and other such dose optimization policies.

(b) The mental health medication advisory committee shall provide recommendations to the drug utilization review board for the purpose of developing guidelines. The drug utilization review board may accept the recommendations of the mental health medication advisory committee in whole and such recommendations shall take effect immediately upon such approval. The drug utilization review board may reject the recommendations of the mental health medication advisory committee in whole and such recommendations shall be referred back to the mental health medication advisory committee for further consideration. No medication guidelines related to mental health medications shall be adopted by the drug utilization review board without recommendations made by the mental health medication advisory committee.

(c) For the medications used to treat mental illness that are available for use on July 1, 2015, the drug utilization review board shall review all such medications prior to July 1, 2016. For medications used to treat mental illness that do not exist on July 1, 2015, but are later developed or believed to be effective in the treatment of mental illness, the drug utilization board shall review all such medications within six months of presentation to the drug utilization review board.

(d) The mental health medication advisory committee is hereby established. (1) The mental health medication advisory committee shall be appointed by the secretary of health and environment and consist of nine members; including the secretary of health and environment, or the secretary's designee, who shall be the chair of the committee; two persons licensed to practice medicine and surgery with board certification in psychiatry nominated by the Kansas psychiatric society, one of whom specializes in geriatric mental health; two persons licensed to practice medicine and surgery with board certification in psychiatry nominated by the association of community mental health centers of Kansas, one of whom specializes in pediatric mental health; two pharmacists nominated by the Kansas pharmacy association; one person licensed to practice medicine and surgery nominated by the Kansas medical society; and one advanced practice registered nurse engaged in a role of mental health nominated by the Kansas state nurses association. All nominating bodies shall provide two nominees for each position for which they provide nominations, with the secretary selecting the appointee from the provided nominees. (2) The mental health medication advisory committee shall meet upon the request of the chair of the mental health medication advisory committee, but shall meet at least one time each quarter. (3) Members of the mental health medication advisory committee are entitled to compensation and expenses as provided in K.S.A. 75-3223, and amendments thereto. Members of the committee attending committee meetings shall be paid mileage and all other applicable expenses, provided such expenses are consistent with policies established by the secretary of health and environment.

Sec. 5. K.S.A. 2014 Supp. 39-7,119, 39-7,120 and 39-7,121b are hereby repealed.

Sec. 6. This act shall take effect and be in force from and after its publication in the statute book.