



## AB 1178 (Irwin) Medi-Cal: Serious Mental Illness Drugs

### SUMMARY

AB 1178 will improve access to crucial medications for Medi-Cal patients with Serious Mental Illnesses (SMI) by removing unnecessary barriers.

### BACKGROUND

Existing law establishes the Medi-Cal program, administered by the State Department of Health Care Services (DHCS), to provide health care services to qualified low-income Californians. Existing law also considers prescription drugs as a Medi-Cal benefit, making the medications subject to prior authorization, which requires a physician to ask for approval before the drugs may be dispensed. Often, this requirement extends to refills of medications even though the prescriber has not made any changes in the prescribing. According to the National Alliance on Mental Illness, more than 5 million Californians have a mental health condition. In California, 1.3 million adults have a serious mental health condition such as schizophrenia or bipolar disorder.<sup>1</sup>

Serious mental illness (SMI) may include, but is not limited to, schizophrenia, bipolar disorder, post-traumatic stress disorder, a major affective disorder, and any other severely disabling mental disorder.

Antipsychotic drugs are used to reduce or relieve symptoms of psychosis that can occur in individuals with bipolar disorder, depression, or schizophrenia. These medications can be essential for an individual with SMI to avoid disruptions in their every-day activities, making it important for these patients to adhere to their recommended drug regimens.

### NEED FOR BILL

Multiple studies have highlighted access problems among patients who need antipsychotic drugs and

the consequences of not addressing the issue. A study of 10 state Medicaid programs comparing drug access problems among psychiatric patients found patients who experienced treatment access problems were 360% more likely to experience a negative outcome including emergency visits, hospitalizations, homelessness, suicidal ideation, or incarceration. In California, the study found that 57.9% of patients with a psychiatric diagnosis experienced an access problem leading to a negative outcome<sup>2</sup>.

Revising prior authorization requirements to mental health drugs to ensure that such restrictions have clinical value will reduce the incidence of these patients suffering a mental health crisis, which often lead to hospitalizations, homelessness and worse. . . A 2014 study of treatment adherence among individuals experiencing homelessness found that refill non-adherence rate was 47.1% for psychiatric medications. Non-adherence rates for individuals experiencing homelessness were higher with drugs used in schizophrenia, with around 70% of individuals unable to follow their regimen<sup>3</sup>. To prevent negative outcomes and provide greater support to individuals experiencing homelessness, the state must revise the existing process Medi-Cal patients navigate to obtain antipsychotic drugs.

Data from Medi-Cal indicate this vulnerable population struggles to refill their antipsychotic prescriptions. Data from the Prospective Drug Utilization Review Alert Transactions system for the 4<sup>th</sup> quarter of 2019, show that of the 64,140 alerts providers received related to underutilization (late refill) of an Rx, nearly 80% of those alerts were for mental health drugs, mostly antipsychotics. This means patients who have already cleared the prior authorization process to obtain the antipsychotic their provider prescribed, they are then struggling to refill their medicine.

<sup>1</sup>Substance Abuse and Mental Health Services Administration (SAMHSA) 2018-2019 NSDUH State-Specific and 2019 Detailed Tables

<sup>2</sup>West, Joyce C., et al. "Medicaid Prescription Drug Policies and Medication Access and Continuity: Findings From Ten States." *Psychiatric Services*, 13 Jan. 2015, ps.psychiatryonline.org/doi/full/10.1176/ps.2009.60.5.601#jt07t3.

<sup>3</sup>Unni, Elizabeth J., et al. "Medication Non-Adherence in the Homeless Population in an Intermountain West City." *INNOVATIONS in Pharmacy*, vol. 5, no. 2, Jan. 2014, doi:10.24926/iip.v5i2.342.



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Because refilling needed medications is particularly difficult for this vulnerable population, this bill is narrowly focused on the ambulatory population over the age of 18 who are not under the transition jurisdiction of the juvenile court, and who have already received a first prescription for a drug prescribed for the treatment of a serious mental illness. The existing Medi-Cal program rules, alerts and clinical guidelines related to medication interactions with certain drugs and antipsychotics, concomitant use with anticholinergic medications, restrictions on prescriptions for patients under 18 years of age, and for patients over 65 years of age who reside in skilled nursing facilities, will not be altered by this bill.

### **THIS BILL**

AB 1178 makes the following four changes:

- Prevents prior authorization from being required for any drug prescribed for the treatment of a serious mental illness (SMI) for 180-days after the initial prescription is dispensed for a person over 18 years of age and is not under the transition jurisdiction of the juvenile court.
- A drug prescribed for the treatment of SMI is automatically approved if there is a record of a paid claim that documents a diagnosis of a SMI within 365 days before the date of that prescription for a person over 18 years of age and is not under the transition jurisdiction of the juvenile court.
- Allows a 90-day supply of a medication for treatment of SMI, if the patient is over age 18 who are not under the transition jurisdiction of the juvenile court, has met prior authorization, step therapy or fail first requirements, and has filled a 30-day supply of the prescription in the previous 90 days.
- Allows early refill for lost or stolen medications for treatment of SMI and for an early refill for

prescriptions with less than 7 days of therapy remaining for medications for treatment of SMI.

### **SUPPORT**

California Access Coalition (Co-Sponsor)  
Psychiatric Physicians Alliance of California (Co-Sponsor)  
Alkermes  
Alliance for Patient Access  
Association of California Depression and Bipolar Support Alliance  
California Chronic Care Coalition  
California Council of Community Behavioral Health Agencies  
California Life Sciences Association  
California Medical Association  
California Mental Health America of California  
California State Association of Psychiatrists  
Connection Coalition County Behavioral Health Directors  
National Alliance on Mental Illness, California  
Olivia Loewy, Ph.D. and Associates  
PathPoint  
Project Return Peer Support Network  
Schizophrenia & Psychosis Action Alliance  
Steinberg Institute  
The Kennedy Forum

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### **OPPOSITION**

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None registered.

### **CONTACT**

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Susanna Schlendorf  
(925) 998-4442  
Office of Assemblymember Jacqui Irwin  
(916) 319-2044

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<sup>2</sup>West, Joyce C., et al. "Medicaid Prescription Drug Policies and Medication Access and Continuity: Findings From Ten States." *Psychiatric Services*, 13 Jan. 2015, [ps.psychiatryonline.org/doi/full/10.1176/ps.2009.60.5.601#jt07t3](https://ps.psychiatryonline.org/doi/full/10.1176/ps.2009.60.5.601#jt07t3).

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