



# Mental Health Association

## Psychotropic Medication Brief

### The Case Against Preauthorization

Mental Health Association of Greater St. Louis

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A recent study of medications revealed that newer medications generally increase longevity, decrease activity limitations and reduce total medical expenditures.<sup>1</sup>

From 1996 to 2000, when mental health medications were available to all people who needed them, the Veterans Health Administration (VHA) reported an 8 percent increase in the number of people who sought and received treatment for serious mental illnesses and:

- The total cost of treatment decreased by 8 percent.
- The average length of stay at hospitals decreased by 13.2 days.
- The number of psychiatric hospitalizations decreased by 33 percent.<sup>2</sup>

#### The Benefits of Mental Health Treatment

- The cost of treating major depression in the United States fell by 25 percent from 1991 to 1995, a trend that was driven largely by the development of increasingly effective antidepressant medications.<sup>3</sup>
- The introduction of selective serotonin reuptake inhibitors (SSRIs) significantly reduced the number of patients who stopped taking their medication compared with those who were given tricyclic antidepressants (TCA),

according to a study that contained an analysis of the outcomes of 2,678 patients who were diagnosed with depression and received prescriptions for anti-depressant drugs.<sup>4</sup>

- Researchers have concluded that the country needs to invest in improving treatment for mental health disorders, especially depression. Spending an additional 20 to 30 percent on evidence-based practice guidelines for the treatment of depression could quadruple the cost-effectiveness of mental health care.<sup>5</sup>
- A study of the overall medical costs and use of services among people who had mental illnesses and were uninsured revealed that continuity of medication therapy resulted in a 65 percent reduction in inpatient costs, a 55 percent reduction in emergency costs, a 23 percent increase in outpatient care and an overall mean costs savings of \$166 per patient per month.<sup>6</sup>

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In a study of the prescription limits established in Florida, 70 percent of the providers who responded reported that the policy

impeded their ability to provide care and should be changed.<sup>7</sup>

Ultimately, a variety of treatment options is a critical component of any prescription drug program that is designed to improve patient health and continue to reduce costs in other areas in the healthcare system.<sup>8</sup>

“Health care providers should give individualized treatment to each patient and resist the temptation to apply “cookbook” drug therapy that does not take into account racial or ethnic origin.”<sup>9</sup>

New research reveals that racial and ethnic characteristics affect people’s responses to medications that are used to treat blood pressure, pain, schizophrenia and other health problems--a finding that highlights the importance of individualized therapy.<sup>10</sup>

While all atypical antipsychotics have been shown to improve all types of symptoms of schizophrenia, the effectiveness and the side effect profiles vary significantly among people who seem to have common characteristics.<sup>11</sup>

Research shows that different antipsychotic medications affect different portions of the brain.<sup>12</sup>

Manufacturers’ prescription guidelines can help providers and consumers differentiate between multiple versions of a drug, but prescription drug policies must

take into account each consumer's potentially unique needs.<sup>13</sup>

### Higher Healthcare Costs

“Limiting mental health services [by limiting visits to mental health providers and the availability of psychiatric drugs] was associated with higher total healthcare costs.”<sup>14</sup>

- Fewer prescriptions are needed when access to medications is not limited; it's also worth noting that increased restrictions are associated with more physician and emergency room visits, hospitalizations and prescriptions—which become increasingly costly—each year.<sup>15</sup>
- Failure to provide mental health services or medications increases the number of consumers' visits to both mental health providers and medical providers.<sup>16</sup>
- The costs of limiting access to three psychotropic medications per month for people who are enrolled in Medicaid and have been diagnosed with schizophrenia has been associated with an estimated average increase in mental health care costs of \$1,530 per patient during the cap; these costs exceeded the Medicaid program's savings in drug costs by a factor of 17.<sup>17</sup>

Research findings from a series of focus groups, interviews and literature reviews reveal that restrictive drug formularies decrease drug costs, but tend to shift these costs to other service sectors. The research also revealed that the policy of limiting prescriptions to less than six medications per month

significantly jeopardized the health of people who have severe mental illnesses.<sup>18</sup>

### References

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