



# Mental Health Association

in North Carolina, Inc.

1331 Sunday Drive • Raleigh, NC 27607 • (919) 981-0740 • Fax: (919) 954-7238

TDD 800-735-2962

## The Truth about Preferred Drug Lists for Mental Health Medications

### Restricting Access to Medications...

#### 1. Increases Costs

Studies, including a federally commissioned independent study, have demonstrated that restrictive policies achieve short term cost reductions, but at a major long-term cost to overall health expenditures such as inpatient services, emergency rooms, crisis services as well as increased incarceration (often for only minor offenses) and homelessness.

A study in the New England Journal of Medicine noted that limiting the use of psychotropic medications for those with schizophrenia increased costs 17-fold because of hospital costs incurred.

When California's Medicaid program tried to contain costs through restrictive formularies, it found that the average prescription cost per patient increased from \$245 to \$726, and the average number of office visits increased from 3.2-6.6.

#### 2. Impedes Proper Care

Requiring prior authorization for needed medications delays proper care, creates more time spent suffering, and increases the risk of a host of negative outcomes, including suicide.

Healthcare providers often do not prescribe newer, more effective medications due to excessive paperwork.

'Fail first' medication formularies require a consumer to take less effective medications, sometimes repeatedly, before being granted access to more appropriate medications; increasing cost and suffering.

#### 3. Jeopardizes Personal Health and Productivity

Not all medications work for all people, side effects, efficacy, dosing, and effects on cognitive functions vary by individual and disorder.

Without access to newer medications, including atypical antipsychotics and SSRIs, many consumers live with unnecessary side effects, have greater medical complications, and face more obstacles to achieving full and productive lives.

Consumers may unknowingly be switched to generic medications, which can often have adverse effects on their treatment.



**Mental Health Association**  
in North Carolina, Inc.  
1331 Sunday Drive • Raleigh, NC 27607 • (919) 981-0740 • Fax: (919) 954-7238  
TDD 800-735-2962

## Can we create an evidence-based Preferred Drug List for mental health medications?

There is no nationally accepted evidence-based medication protocol for mental illness. Federal government requires virtually all mental health medications to be carried in all part D plans.

There are far fewer medications available to treat mental illness than are available to treat other physical illnesses such as heart disease. Generic substitutions may not work as effectively with some individuals and ingredients in generic medications vary and can cause adverse effects.

Medications are not interchangeable: Effectiveness and ability to tolerate side effects varies for individuals with mental illnesses. Many people switch medications during treatment because medications stop working or side effects become intolerable.

## What can we do?

To ensure open access to all medications determined medically necessary by providers and consumers, policy makers should:

Oppose formulary restrictions in public health programs such as Medicaid.

Expand funding and availability of community-based mental health services that compliment medication treatment.

Utilize options for medication management that encourage appropriate use by targeting poor prescribing practices and over-utilization of medication, and by educating prescribers and those they treat.

## Lingo Assistance

**Restrictive Formulary or Preferred Drug List (PDL):** A preferred or limited list of medications consumers may access through their health plans unless they obtain “prior authorization,” which typically involves cumbersome paperwork on behalf of the prescriber.

**Prior authorization:** The process physicians and consumers are required to follow to access medications not on the formulary. Usually this involves contacting a third party who authorizes use or denies permission to prescribe.

**‘Fail first’ policy:** Authorizes the use of a given medication only after the treatment failure of at least one other drug.

**Generic substitution:** A cheaper, generic medication takes place of the brand-name medication on the formulary.

**Therapeutic class substitution:** The listing of only one or two medications from each therapeutic class, rather than the full array of medications.

**Prescribing and dispensing limits:** Restrictions on the number of prescriptions per month, the amount that may be prescribed within a certain time frame, and the medication’s form.

**Tiered copayment structures:** Different copayments set for brand-name and generic medications