

AB 1437 (Irwin & Quirk-Silva) Medi-Cal: Serious Mental Illness Drugs

SUMMARY

AB 1437 will improve access to crucial serious mental illness (SMI) medications for Medi-Cal patients by removing unnecessary prescription reauthorization 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, with prescribers having to ask for approval before the prescription drugs may be dispensed. Often, this requirement extends to refills of medications despite the prescriber not making any changes in the prescription.

According to the National Alliance on Mental Illness (NAMI), more than 5 million Californians have a mental health condition with over 1.3 million adults having a SMI. A 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.

SMI medications 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.

In 2022, Florida passed legislation to create a similar protection by exempting drugs prescribed for the treatment of schizophrenia or delusional disorders from prior authorization requirements if the patient received prior authorization from Medicaid in the previous 12 months.¹

NEED FOR THE BILL

Adults with serious mental health needs are a population of focus in DHCS' implementation of California Advancing and Innovating Medi-Cal (CalAIM). According to the DHCS Research and Analytic Studies Division, "Mental illness of any kind had a treatment prevalence of 59% and serious mental illness (SMI) had a treatment prevalence of 45%."²

Various health studies have highlighted access problems among patients who need antipsychotic drugs and the consequences of not

removing reauthorization requirements. 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 room 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.³

Additionally, 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.⁴ To prevent negative outcomes and provide greater support to individuals experiencing homelessness, the state must revise the existing process

THIS BILL

To prevent negative outcomes and provide greater support to individuals experiencing SMI, the state must revise the existing process Medi-Cal patients navigate to obtain their SMI medications.

As a result, AB 1437 makes the following changes:

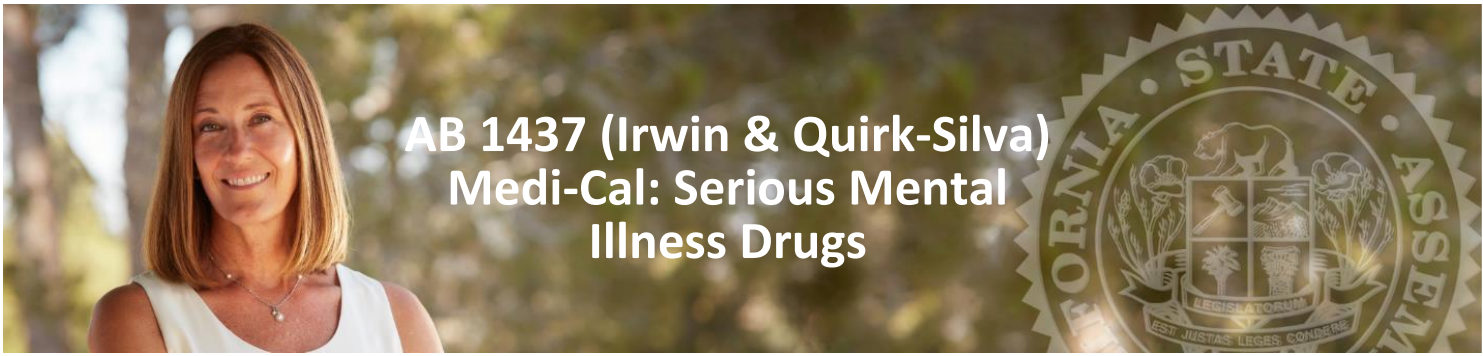
- Prevents prior authorization from being required for any drug prescribed for the treatment of a SMI for a person 18 years of age and over who is not under the transition jurisdiction of the juvenile court.
- Automatically approves a prescribed drug for the treatment of SMI if there is a record of a paid claim that documents a diagnosis of a SMI within 365 days before the date of that prescription for a person 18 years of age and older who is not under the transition jurisdiction of the juvenile court.

The existing Medi-Cal program rules that will not be altered by this bill include: alerts and clinical guidelines related to medication interactions with certain drugs and antipsychotics, concomitant use with anticholinergic medications, and restrictions on prescriptions for patients under 18 years of age, and for patients over 65 years of age who reside in skilled nursing facilities.

¹ <https://www.flsenate.gov/Session/Bill/2022/534>.

² DHCS, Understanding Medi-Cal's High-Cost Populations. March 2015. <https://www.chcf.org/wp-content/uploads/2017/12/PDF-DataSymposium03042015Watkins.pdf>
³ 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.

⁴ 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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SUPPORT

California Access Coalition (Co-Sponsor)
Alliance for Patient Access (Co-Sponsor)
Psychiatric Physicians Alliance of California (Co-Sponsor)

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