



COMMONWEALTH of VIRGINIA

Department of Medical Assistance Services

PATRICK W. FINNERTY
DIRECTOR

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MEMORANDUM

TO: Members of the Health and Human Resources Subcommittee
House Appropriations Committee

Members of the Health and Human Resources Subcommittee
Senate Finance Committee

Members of the Joint Commission on Health Care

FROM: Patrick W. Finnerty

A handwritten signature in black ink, appearing to read "P. Finnerty", written over the printed name.

SUBJECT: Status Report on Preferred Drug List; Review of Antidepressants and Antianxiety Medications

As you know, Item 326 BB(7) of the 2004 Appropriations Act provides that if antidepressants and antianxiety medications used in the treatment of mental illness are not exempted from the preferred drug list (PDL), the Department of Medical Assistance Services (DMAS) should defer inclusion of these drug classes in the PDL until July 1, 2005. In addition, the Appropriations Act language requires that prior to including these drug classes in the PDL, a plan must be submitted to the Governor and the General Assembly by January 1, 2005 outlining what steps will be taken to minimize adverse impacts on consumers, educate providers, and ensure that inclusion in the PDL is evidenced-based, clinically efficacious, and cost-effective. I have enclosed a copy of Item 326 BB(7) for your review.

I am writing to provide a status report on the actions taken by the Pharmacy & Therapeutics (P&T) Committee regarding these drug classes. The P&T Committee met yesterday to review antidepressants (including SSRIs) and antianxiety drugs, and to receive public comment from mental health advocates and others. Among the P&T Committee members present at the meeting were the Committee's two psychiatrists and a physician who is the President of the National Patient Advocate Foundation. The Committee also consulted with a Board-Certified Psychiatric pharmacist who helped review and discuss various clinical issues associated with these drug classes.

The P&T Committee received and reviewed written comments from various interested parties and heard oral testimony from several speakers, including representatives of the Psychiatric Association of Virginia, the National Alliance for the Mentally Ill (NAMI), the Mental Health Association of Virginia, and practicing psychiatrists. Among the issues raised by those who addressed the Committee were: (i) a strong desire to keep open access to all of the various antidepressant and anti-anxiety drugs, (ii) concerns about the potential impact of switching between different drugs within the classes, and (iii) the need for special considerations for pediatric patients.

Following the public comment period, the P&T Committee reviewed clinical information on the drug classes as well as a summary of the literature that contains the results and findings of clinical studies. The Committee then held extensive discussions about various clinical issues, including those raised during the public comment period. Specific issues discussed by the P&T Committee included: (i) the advisability of having several "preferred" drugs in each class, (ii) the potential need to include a "grandfathering" provision such that patients who currently are taking a medication would not have to switch to a different drug, and (iii) the potential need to have special considerations for pediatric patients. The Committee also discussed the benefits of other quality improvement programs such as that sponsored by Eli Lilly and Comprehensive Neuroscience, Inc. (CNS). Administering this type of program would be complementary with the PDL. (Several other states, including Missouri and Indiana, have implemented the Lilly/CNS program. DMAS currently is working with Eli Lilly and CNS who have offered to implement this program in Virginia at no cost to the Commonwealth. The Psychiatric Association of Virginia, which supports this approach, also has been involved in these discussions.)

At the conclusion of its discussion, the P&T Committee voted unanimously that the antidepressants and the anti-anxiety drugs are "PDL-eligible." This means the P&T Committee believes that with appropriate clinical criteria to address the concerns raised during the meeting (e.g., number of "preferred" drugs, grandfathering, special considerations for pediatric patients, etc.), these drug classes can be included in the PDL. Deciding that a drug class is "PDL-eligible" is just the first step in the process of including a drug class within the PDL. The most critical step in the process is the next step at which time the Committee determines what the clinical criteria should be and how many drugs would be "preferred" in each class. These discussions will take place at the Committee's next meeting, which we anticipate will be scheduled for late November. Please remember that at no time would Medicaid patients be denied access to a drug that their physician determines is needed.

As with all other drug classes that have been reviewed and determined by the P&T Committee to be "PDL-eligible," First Health Services (DMAS' PDL contractor) will now contact the manufacturers of the drugs in these classes to seek supplemental rebate offers. At the next P&T Committee meeting, the members will review the supplemental rebate offers, develop their recommended clinical criteria, and recommend which drugs would be "preferred" in each class. These actions will enable us to submit a detailed report to the Governor and the General Assembly by January 1, 2005.

I want to emphasize that the actions taken thus far and the next steps in the process of reviewing these drug classes are being taken by DMAS and its P&T Committee with the full understanding that no actions to implement any of these recommendations will occur until July 1, 2005. We fully recognize that the General Assembly wants to review these recommendations during its 2005 legislative session to ensure it is agreeable with our approach and/or to make any changes it deems appropriate.

Should you have any questions regarding this matter, please do not hesitate to contact me. I may be reached at (804) 786-8099. In addition, complete information on the entire PDL program and other pharmacy initiatives can be found at the DMAS website: www.DMAS.virginia.gov. Thank you.

/pwf

Enclosure

cc: The Honorable Jane H. Woods
Members of the Pharmacy and Therapeutics Committee
Members of the Board of Medical Assistance Services
Joe Flores
Susan Massart
Kim Snead
William Murray

Department of Medical Assistance Services

2004 Virginia Acts of Assembly
Special Session I
Chapter 4

Item 326

BB.7. If the Department of Medical Assistance Services does not exempt antidepressants and antianxiety medications used for the treatment of mental illness from the Medicaid Preferred Drug List (PDL) program, it should defer inclusion of such drug classes from the PDL until July 1, 2005. Prior to including these drug classes in the PDL Program, the Department shall provide a plan for inclusion, which stipulates mechanisms to minimize adverse impacts on consumers, to ensure appropriate provider education that will promote effective prescribing practices that are medically indicated, and to ensure that inclusion is evidence-based, clinically efficacious and cost-effective. The Department shall report the plan to the Governor and Chairman of the House Appropriations and Senate Finance Committees and the Joint Commission on Health Care by January 1, 2005.