

# **ANALYSIS OF HOUSE BILL 2663**

## **Providing for the distribution of atypical antipsychotic medications to underserved populations.**

**SPONSORS:** Representatives Alexander and Schual-Berke.

**BACKGROUND:** The Department of Social and Health provides funding to regional support networks for Offering of mental health services in the community. Counties or groups of counties operate as regional support networks for serving the mental health needs of Medicaid-eligible persons and other low-income persons who are acutely or chronically mentally ill or seriously disturbed. The regional support networks contract with community mental health centers and other mental health providers, and currently serve some 105,000 outpatients in the community. The services include a crisis response system, outpatient treatment, case management, residential and housing supports, and psychiatric care in community hospitals and the state mental hospitals. The public mental health system must provide crisis care regardless of the person's ability to pay or eligibility for Medicaid assistance.

Approximately 30 percent of persons who suffer serious mental illness do not qualify for Medicaid assistance benefits, nor do they have resources to needed antipsychotic medications, especially the newer atypical antipsychotic medications. Recent experience shows that conventional antipsychotic medications are less effective and have serious and irreversible side effects. The newer atypical antipsychotic medications show early, drastic reductions in total mental health treatment costs, without the serious side effects.

**SUMMARY:** The Department of Social and Health Services must establish a competitive process to contract directly with community-based health providers to distribute atypical antipsychotic medications to underserved populations.

The department must establish provider selection criteria for assessing service plans that maximize the number of clients to be served with minimal administrative costs. Services plans must address drug purchasing and outreach strategies, as well as strategies for securing Medicaid funding for eligible persons.

The department must establish the performance measures and outcomes for each provider in the contract, and performance evaluations must be conducted at the end of each contract period.

The underserved populations include non-Medicaid eligible persons in crisis, the non-Medicaid eligible working poor who need antipsychotic medications to retain employment, persons transitioning from jail and the Department of Corrections to Medicaid eligibility, and persons in jail.

There is an appropriation of up to \$1,000,000 from the General Fund to the department for the fiscal year ending June 30, 2001.

---

**PREPARED BY:** *John Beresford Welsh, Senior Counsel*  
*House Health Care Committee, P.O. Box 40600*  
*Olympia, WA. 98504-0600, (360) 786-7133*