

SENATE BILL REPORT

2SHB 2663

As Reported By Senate Committee On:
Human Services & Corrections, February 24, 2000
Ways & Means, February 28, 2000

Title: An act relating to the distribution of atypical antipsychotic medications to underserved populations.

Brief Description: Creating a pilot program to provide atypical antipsychotic medications to underserved populations.

Sponsors: House Committee on Appropriations (originally sponsored by Representatives Alexander, Schual-Berke, Parlette, Cody, Reardon, Ericksen, Morris, Tokuda, Benson, Doumit, Pflug, Kessler, Ruderman, Rockefeller, Edmonds, Santos, O'Brien, Hurst and Esser).

Brief History:

Committee Activity: Human Services & Corrections: 2/24/2000 [DPA-WM].
Ways & Means: 2/28/2000 [DPA (HSC)].

SENATE COMMITTEE ON HUMAN SERVICES & CORRECTIONS

Majority Report: Do pass as amended and be referred to Committee on Ways & Means.
Signed by Senators Hargrove, Chair; Costa, Vice Chair; Franklin, Long, Sheahan, Stevens and Zarelli.

Staff: Joan K. Mell (786-7447)

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: Do pass as amended by Committee on Human Services & Corrections.
Signed by Senators Loveland, Chair; Bauer, Vice Chair; Brown, Vice Chair; Fairley, Fraser, Honeyford, Kline, Long, Rasmussen, Roach, Rossi, B. Sheldon, Snyder, Spanel, Thibaudeau, West, Winsley and Wojahn.

Staff: Tim Yowell (786-7435)

Background: Older, conventional antipsychotic medications are often less effective than the atypical- antipsychotic medications such as clozapine, olanzapine, and risperdal. There is also considerable evidence that the atypical- medications have fewer serious side effects than the older medications, and can significantly reduce future treatment costs through improvements in the patient's condition. The new atypical medications typically cost \$2-3,000 per year, and often must be taken in combination with other drugs.

The state medical assistance program spent \$34.6 million on atypical antipsychotic medications in 1999, on behalf of 29,760 people covered by Medicaid or GAU. Approximately 30 percent of the 45,000 persons served by community mental health centers each month do not qualify for Medicaid. The large majority of these people do not have the resources to purchase the atypical antipsychotic medications.

Summary of Amended Bill: The Department of Social and Health Services must establish a distribution scheme for atypical antipsychotic medications, which are defined. The target population is those persons meeting the criteria set forth in the dangerously mentally ill and mentally ill offender legislation.

To receive general assistance (GAU) dollars for prescription costs, manufacturers must agree to rebates subject to the same conditions under Medicaid.

The Washington Institute for Public Policy must evaluate outcomes.

Amended Bill Compared to Second Substitute Bill: The language of the underlying bill is stricken. There are no pilot project requirements, and the target population is changed. The rebate is added.

Appropriation: None.

Fiscal Note: Available.

Effective Date: Ninety days after adjournment of the session in which this bill is passed.

Testimony For (Human Services & Corrections): The new generation of antipsychotic medications have had tremendous results, enabling persons to support themselves and function independently. Use of the medications requires supervision and monitoring. Counseling services are a necessary, but expensive component to the success of treatment. The cost of the new drugs is prohibitive.

Testimony Against (Human Services & Corrections): Promoting the use of dangerous and harmful drugs is not in the best interests of the public.

Testified (Human Services & Corrections): PRO: Seth Dawson, Common Ground for Children; Pat Terry, Mental Health, DSHS; Andrea Stephenson, The Empower Alliance; Tom Richardson, Judy Stormbreaker, NAMI Washington; CON: Richard Warner, Citizens Committee on Human Rights.

Testimony For (Ways & Means): With these medications, people can become healthy and productive citizens, which will more than cover the cost of the program.

Testimony Against (Ways & Means): The rebate provision in the Senate amendment should be reevaluated because it is unlikely manufacturers would participate in the program if they had to provide such deep discounts. The legislation is sponsored by drug companies which have a special interest in the legislation. These drugs shouldn't be used in isolation of other treatment modalities, and must often be used in conjunction with other drugs not covered by the legislation in order to be effective.

Testified (Ways & Means): Representative Gary Alexander, prime sponsor (pro); Steven Pearce, Citizens Commission on Human Rights (con).