VERMONT

Office of Vermont Health Access
312 Hurricane Lane, Suite 201
Williston, Vermont 05495
802-879-5900

Agency of Human Services

February 14, 2008

Ken Libertoff
Executive Director
Vermont Association for Mental Health
P.O. Box 165
Montpelier, Vermont 05601

Dear Mr. Libertoff:

First, let me apologize to you for not formally responding to your letter of March 27, 2007. Since its contents and our intended approach were the subject of meetings in which members of your organization and OVHA staff participated, I assumed that a response had been conveyed. Clearly, a written acknowledgement should have been sent.

Your letter was shared with the Vermont Health Access Drug Utilization Review (DUR) Board at their meeting on May 8, 2007. In their professional capacities as physicians and pharmacists, the members of the DUR Board are charged with the responsibility of reviewing the pharmacy benefit coverage of the Medicaid program to assess whether prescriptions for Medicaid patients are appropriate, medically necessary, and not likely to cause adverse medical results. Its members accept their responsibilities regarding Medicaid utilization review while simultaneously acting as the Pharmacy and Therapeutics (P&T) Committee for the OVHA.

Some of the concerns you raised in your letter regarding polypharmacy in children, in general, and young children, in particular, are clearly within the purview of the DUR Board. However, it should be noted that the members limit their involvement in the course of their duties. They believe that it is inappropriate to judge the diagnoses and treatment choices made by physicians and other prescribers.

The medications involved are approved by the Food and Drug Administration (FDA) for the treatment of psychiatric disorders including those of children. There are no specific FDA prohibitions on the type of licensed prescriber that may write prescriptions for these drugs.

Pharmacists are assisted in appropriate dispensing as drugs are dispensed through the claims processing systems used by insurers including OVHA. Pharmacies use computer systems to transmit claims for payment as they prepare drugs for dispensing. A claim identifies information about the beneficiary, the prescriber, and the drug. With the ability to electronically submit a claim there is the ability to respond to the pharmacist or "message" him/her on a drug claim

level. The rules for when messages are produced are set by the drug and clinical information source used in the insurer's claims processing. Vermont Medicaid uses MediSpan.

For the OVHA's programs, messaging occurs on specific utilization issues as claims are processed. The issues include drug-drug interactions, early refills, therapeutic duplication, ingredient duplications, drug-disease interactions, drug-age precautions, and others. The drug-drug interactions, early refills, and therapeutic duplication edits require the pharmacist to override or otherwise resolve the potential problem in order to fill the prescription. The other messages alert the pharmacist to other potential problems, but do not require intervention to fill the prescription. Either way the pharmacist must use clinical and professional judgment in determining what action needs to occur including reviewing drug literature, patient history, and/or consulting with the prescriber. Responding to these messages is the manner to address questionable use of any drug for any patient.

As a result of your letter, the Board members requested that mental health drug data be compiled by age groups. Preliminary data was produced and reviewed by the DUR Board on December 11, 2007. It was a high level summary of mental health medication utilization in children for the six month time period of April 1, 2007 through September 30, 2007. It was not limited to children age 6 and under as your letter requested. Three age groups were examined: 0 through 6 years, 7 through 12 years and 13 through 17 years old. Claims were reviewed for prescriptions for antidepressants, antipsychotics and ADHD medications (stimulants and non-stimulants). Excluded from the review were anticonvulsants, anxiolytics and sedative/hypnotics because of their potential for multiple uses. The percentage of Medicaid beneficiaries in each age group receiving one medication, two medications, or three or more medications was then calculated. A copy of this preliminary summary entitled *Mental Health Utilization in Children*, completed December 10, 2007, is attached.

The Board requested national comparative data from other states on Medicaid recipients, comparative data from commercial insurers, estimates of disease prevalence, and further detail on the data by antidepressants, antipsychotics and ADHD medications.

On January 15, 2008 the DUR Board met again. A further breakdown of the mental health medication use in children was presented. The OVHA had contacted other states' Medicaid programs but little data was available and none was comparative to Vermont's. Material presented included:

- An expanded summary broken down by antidepressants, antipsychotics (including lithium) and ADHD medications (stimulants and non-stimulants) for the age groups previously reviewed: 0 through 6 years, 7 through 12 years and 13 through 17 years old. See the attached report entitled *Mental Health Utilization in Children*, completed January 11, 2008.
- A report based on the actual children age 6 and under represented in the summary that indicates the provider type and specialty of the prescribers that prescribed the children's new and renewed scripts for antidepressants, antipsychotics, and CNS stimulants. See the attached report entitled *MH Drugs for Children Age 6 and under Apr – Sep 2007*

Prescriber Ranking on Lifetime New and Renewed Scripts Antidepressants, Antipsychotics, and CNS Stimulants.

- A report on the actual children age 6 and under represented in the summary, that indicates the age of the child as represented on the claims in the April through September 2007 period. See the attached report entitled *MH Drugs for Children Age 6 and under Apr – Sep 2007 Age on Claims: Antidepressants, Antipsychotics, and CNS Stimulants*.

With this the members of the Board indicated that they did not see any further indication in the data that suggested some action should be taken by the Board. The Board requested that these reports be provided to the Vermont Departmental of Mental Health, the Vermont Association for Mental Health, and the Vermont chapter of the American Academy of Pediatrics (AAP).

In support of that data I also attach two reports:

- The most common diagnosis codes as found on medical service claims in calendar year 2007 for the actual children age 6 and under represented in the summary. See the attached report entitled *MH Drugs for Children Age 6 and under Apr – Sep 2007 Incidence of the Top Twenty Primary Diagnosis Codes Calendar Year 2007*. This report lists the top twenty diagnosis codes in terms of claims paid.
- State fiscal year 2007 spending for mental health therapeutic drug classes for the children age 6 and under in the summary and for all children under the age of 18. See the attached report entitled *Children's MH Drug Class Expenditures State Fiscal Year 2007*.

This data was not requested in your March letter but was referenced as requested in your recent press release. The former was previously requested by the DUR Board and it was shared with its members last night at the February DUR Board meeting. The latter is provided for reference.

Finally I would like to point out that the Vermont Health Access Pharmacy Benefit Management (PBM) Program began managing mental health drugs in January 2006. Prior to that, drugs used in the treatment of severe and persistent mental illness were statutorily exempt from management. In 2005 the Legislature authorized management subject to review and approval of the DUR Board. The management of these drugs since has resulted in positive changes in their use in children. The attached report entitled *Children's Major Mental Health Drug Class Utilization and Expenditures July-December 2005, 2006, and 2007* demonstrates a reduction in the number of children utilizing these drugs, a reduction in claims, and only a modest increase in expenditures. The attached report entitled *Children's Major Mental Health Drug Class Utilization and Expenditures Percentage of Change July-December 2005 to 2007* captures these changes in terms of percentages.

I have spoken with Erin Cody, M.D., the OVHA Medical Director, regarding this issue. She reports that the concerns you raise about the treatment of mental health conditions in children are ones she has discussed with her colleagues in Medicaid administration across the country as well as those working for private insurers. She understands that the issues are not unique to Vermont,

they are of national interest. In the course of the administration of Vermont's publicly funded programs, Dr. Cody has met with William McMains, M.D. of the Department of Mental Health and Wendy Davis, M.D. of the Department of Health. The consensus is that national best practice standards must be developed. She understands that the American Psychiatric Association (ASA) and the AAP are both working on these and they may be available in the near future.

At this juncture, the OVHA defers to the Vermont Department of Mental Health for coordinating activities around mental health treatment in children. This office is committed to working with them in any way necessary to support their efforts in meeting the needs of Vermont's children.

Sincerely,

Ann Rugg
Deputy Director

cc: James Douglas, Governor
Senator Douglas Racine
Representative Ann Pugh
Cynthia LaWare, Secretary, Agency of Human Services
Michael Hartman, Commissioner of the Department of Mental Health
Sharon Moffatt, Commissioner of the Department of Health
Joshua Slen, Director of OVHA
Erin Cody, M.D., OVHA
Wendy Davis, M.D., Department of Health
William McMains, M.D., Department of Mental Health
Members of the Vermont Health Access Drug Utilization Review Board
Charlie Biss, Department of Mental Health
John Pandiani, Department of Mental Health