

# Antipsychotic Access in Medicaid

*An analysis of pharmacy and medical claims from 2016-2022<sup>1</sup> for individuals living with serious mental illness (SMI) shows differences in healthcare utilization and costs between two states' Medicaid programs: one with open access policies for antipsychotics, and the other without.*

## Key findings include:

- Individuals covered by Pennsylvania (PA) Medicaid – where there are formulary restrictions on antipsychotics – had higher annual costs of all-cause and SMI-related healthcare services than did individuals with SMI in Michigan (MI), whose Medicaid program has open access to antipsychotics.<sup>2</sup>
- Pennsylvania's antipsychotic access policies for individuals with SMI were associated with greater overall and SMI-related healthcare resource use when compared with Michigan<sup>2</sup> – costs that were driven mostly by higher rates of hospital admissions and outpatient visits.
  - **SMI-related hospital admissions<sup>3</sup> in PA:** 17.23%; 3.11 days / **in MI:** 8.59%; 1.16 days
  - **All-cause hospital admissions<sup>4</sup> in PA:** 25.59%; 5.12 days / **in MI:** 16.87%; 2.75 days
  - **SMI-related outpatient visits<sup>3</sup> in PA:** 50.55% / **in MI:** 47.16%
  - **All-cause outpatient visits<sup>4</sup> in PA:** 87.99% / **in MI:** 84.01%
- The only area where Michigan spent more than Pennsylvania – SMI-related pharmacy<sup>5</sup> – is consistent with greater access to drugs. Pennsylvania's lower cost is outweighed by its spend in all other areas.<sup>2</sup>

***Creating Change:*** *This study shows that, even though costs in MI were associated with greater use of antipsychotics, their overall expenditures were lower than PA's due to less use of inpatient and outpatient care. States should consider the potential impact of access to antipsychotics on net health care costs and on the experiences of individuals living with SMI.*

<sup>1</sup>Otsuka Data on File (UNB-003) is a retrospective cohort study – sponsored by Otsuka Pharmaceutical Development and Commercialization, Inc. – that reviewed claims filed in the Kythera open claims database<sup>2</sup> between Jan. 1, 2016 and Dec. 31, 2022 for Pennsylvania and Michigan Medicaid members age 18+ with an SMI diagnosis (i.e.: bipolar disorder, major depressive disorder, schizophrenia, related disorders). Patients were included if they had at least 1 pharmacy claim for an AP and continuous medical and pharmacy benefits for 3 months pre- and 12 months post-treatment initiation. This study is limited to two states and findings may not be representative across all states.

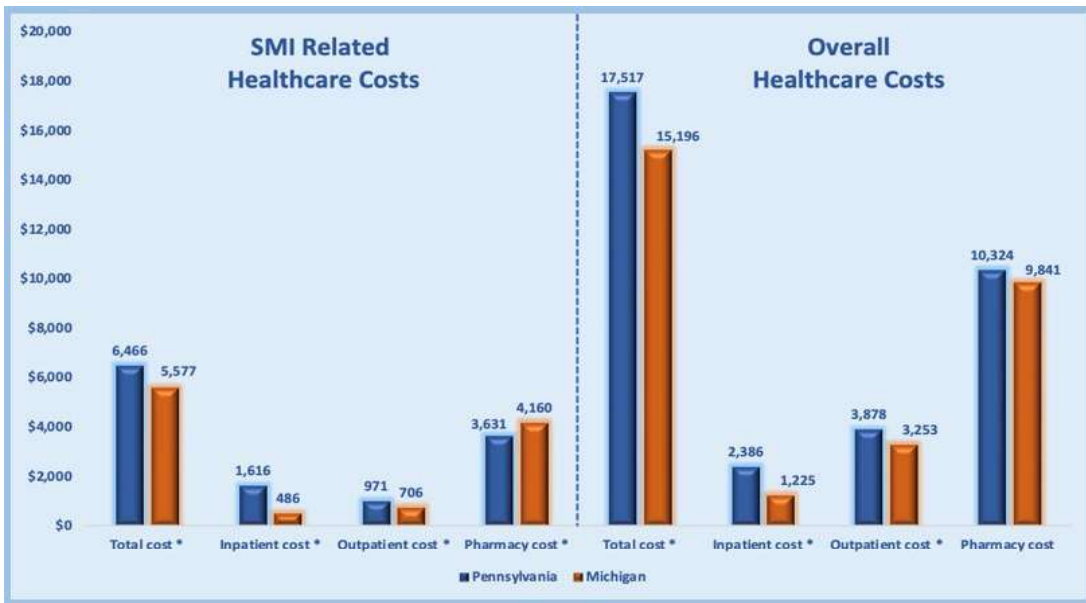
<sup>2</sup>See “SMI Related Healthcare Costs: Total Cost” and “Overall Healthcare Costs: Total Cost” in Figure 1, next page

<sup>3</sup>See “Hospital Admissions” in Figure 2, next page

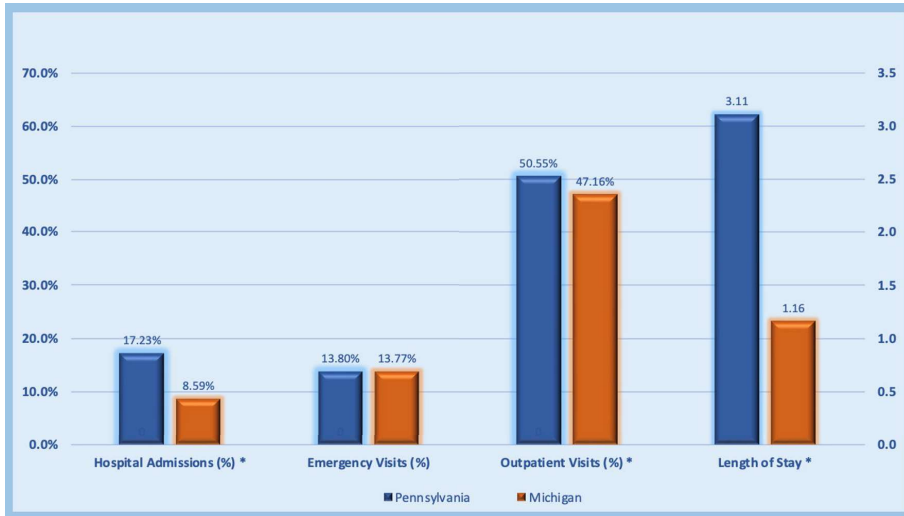
<sup>4</sup>See “Outpatient Visits” in Figure 3, next page

<sup>5</sup>See “SMI Related Healthcare Costs: Pharmacy Cost” in Figure 1, next page

**Figure 1.** Comparison of per-member annualized costs for individuals on antipsychotics in both states' Medicaid programs.



**Figure 2.** Pennsylvania's SMI-related utilization included 2x the hospital admission rate and stays 2 days longer than in Michigan.



**Figure 3.** Pennsylvania's all-cause utilization was driven by 52% more hospital admissions and stays 2.3 days longer than in Michigan.

