



October 19, 2026

Washington State Health Care Authority
PO Box 45503
Olympia, WA 98504-5503

VIA ELECTRONIC CORRESPONDENCE

Dear Washington Pharmacy & Therapeutics Committee and Drug Utilization Review Board Members:

Aimed Alliance is a non-profit health policy organization that seeks to protect and enhance the rights of health care consumers and providers. We are writing to urge the Washington Health Care Authority to adopt an open access formulary for the treatment of serious mental illness.

Nationally, one in three individuals on Medicaid are living with a mental illness.¹ A serious mental illness, or SMI, is defined as a serious mental or behavioral health condition, such as schizophrenia, bipolar disorder, and major depression with psychotic features.² Individuals with SMIs often have difficulty accessing treatment due to a variety of factors, including stigma, affordability, and co-occurring conditions like addiction, which can further complicate obtaining care.³ In addition, disease-specific symptoms such as paranoia, difficulty with memory or concentration, and disorganization can make it difficult for individuals to receive the necessary care.⁴ As a result, individuals living with acute and chronic SMIs are less likely to receive quality general medical care, have worse health outcomes, and are more likely to have a shorter life expectancy than individuals without an SMI.⁵

Fortunately, scientific advances have substantially grown in the last several decades, and there are now first-, second-, and third-generation antipsychotic treatments that can be used to treat SMIs. Importantly, these drug varieties have various mechanisms of action and can include short- and long-term treatment options, allowing health care providers to assess an individual patient's needs, compliance, and treatment options to determine the best course of action. Given the complexity of treating SMIs, the use of benefit utilization policies, such as step therapy⁶ and prior authorization,⁷ can substantially harm consumer health and long-term outcomes. For this reason, the American College of Physicians has recommended that all step therapy policies be minimized to reduce patient care delays, side effects, and other patient harms.⁸

In addition to ensuring timely access to care for patients and reducing provider burnout, limiting the use of step therapy and prior authorization is also consistent with the growing recognition by state legislatures to protect individuals living with SMI. For example, in 2025,

☎ 202-349-4089 ✉ policy@aimedalliance.org 🌐 www.aimedalliance.org 📱 @aimedalliance
1455 Pennsylvania Ave NW, Suite 400 · Washington, DC 20004

four states passed legislation prohibiting the use of step therapy for SMI treatments, and nine additional states considered legislation that would adopt similar patient protections. In addition, Texas currently limits the use of step therapy to no more than one drug for the treatment of SMI,⁹ and New York more broadly limits the use of step therapy to no more than two drugs across all state-regulated health plans.¹⁰

Lastly, there is a growing body of evidence that highlights the economic benefits of open access formularies for the treatment of serious mental illnesses. For example, a 2025 retrospective analysis compared Medicaid beneficiaries with SMI who used antipsychotic medications in Michigan, where an open access (OA) policy allows broad medication access without utilization management restrictions, with beneficiaries in five states that use more restrictive policies. The study found that Michigan had lower SMI-related hospitalizations when compared to all five restrictive states. Additionally, total SMI-related costs were lower in Michigan compared to all restrictive states. Although Michigan's open access approach resulted in higher pharmacy costs, these costs were nonetheless lower than overall health care utilization costs in four out of five restrictive states. This study demonstrates that restrictive medication access can increase acute care utilization and drive up overall health care costs, undermining both patient outcomes and state budgets.¹¹

Therefore, Aired Alliance urges the Washington Health Care Authority to adopt an open access policy for the treatment of serious mental illness. Prioritizing the needs of the patient will not only improve patient outcomes but also address health care utilization costs more holistically. Please contact us at avantrees@airedalliance.org if you have any questions.

Sincerely,
Ashira Vantrees
Director of Legal Strategy & Advocacy

¹ Treatment Advocacy Center, *Washington Severe Mental Illness Resources & Helpful Info*, https://www.tac.org/map_directory/washington/; KFF, *5 Key Facts About Medicaid Coverage for Adults with Mental Illness*, <https://www.kff.org/mental-health/5-key-facts-about-medicaid-coverage-for-adults-with-mental-illness/#AppendixTable2>.

² Treatment Advocacy Center, *What is SMI?*, <https://www.tac.org/what-is-smi/>.

³ Veterans Affairs, https://www.va.gov/PREVENTS/docs/PRE013_FactSheets_SeriousMentalIllness_508.pdf

⁴ Courtney Wiesepeape, et al., *Behind the Gaps: A Narrative Review of Healthcare Barriers for Individuals with Serious Mental Illness* (Sept. 2025), <https://pmc.ncbi.nlm.nih.gov/articles/PMC12524047/>.

⁵ Veterans Affairs, *Serious Mental Illness*,

https://www.va.gov/PREVENTS/docs/PRE013_FactSheets_SeriousMentalIllness_508.pdf.

⁶ Step therapy requires consumers to try and fail on alternatives before the health plan will cover the originally prescribed treatment. These policies can cause patients to try and fail on multiple treatments before accessing an effective treatment.

⁷ Prior authorization requires a provider to receive approval from the health plan to cover a drug before the patient can access the medication. This can be a paperwork-heavy process increasing patient delays and contributing to provider burnout.

⁸ ACP, *Mitigating the Negative Impact of Step Therapy Policies and Nonmedical Switching of Prescription Drugs on Patient Safety*, https://www.acponline.org/sites/default/files/acp-policy-library/policies/step_therapy_nonmedical_switching_prescription_drugs_policy_2020.pdf.

⁹ Aired Alliance, *State Report 2025: Step Therapy, Oversight, and Artificial Intelligence*, https://airedalliance.org/wp-content/uploads/2025/06/AA-2025StateReport_June_2025.pdf.

¹⁰ *Id.*

¹¹ See also Nhan Ho, *Medicaid costs for the most commonly treated conditions, Washington 2022*, <https://ofm.wa.gov/wp-content/uploads/sites/default/files/public/dataresearch/researchbriefs/brief116.pdf> (finding that mental health care was one of Medicaid's most expensive expenditures, but a majority of these costs were associated with provider services not prescription drugs).