group in the southern U.S. Migration to interferon-beta-1a from competitors was based on market-share data for new and existing MS patients. Duration of therapy was estimated by analyzing claims for current MS therapies. Daily therapy cost was provided by the manufacturer, adjusted for migration from other therapies, and multiplied by estimated volume to predict incremental and total per-member, per-month (PMPM) impact. Market-share estimates were used to develop a PMPM forecast for the next two years. PMPM estimates were calculated for preferred and non-preferred formulary tier designs with and without prior authorization (PA). One-way sensitivity analysis was performed to assess influence of product pricing, duration of therapy, and other market factors. RESULTS: Annual incremental PMPM change was $0.047 for the third co-payment tier with PA scenario. The incremental change was greatest for those aged 55 to 65 years ($0.056 PMPM) and did not vary greatly by benefit design. Duration of therapy has the greatest impact on the PMPM estimate across benefit designs. CONCLUSIONS: Interferon-beta-1a will not cause a significant change in managed care pharmacy budgets under a variety of formulary conditions, according to this cross-sectional analysis of current care-seeking behavior by MS patients. Economic impact may differ if interferon-beta-1-a expands MS patients’ treatment-seeking behavior.

MENTAL HEALTH—Economic Outcomes

THE HEALTH CARE COSTS OF SCHIZOPHRENIA IN AUSTRALIA: 18-MONTH FOLLOW-UP RESULTS
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OBJECTIVE: Schizophrenia is a chronic condition associated with a significant burden of disease and high health care costs. The Schizophrenia Care and Assessment Program (SCAP) is a naturalistic, observational study that aims to collect information on a range of treatment outcomes (clinical, functional and social) as well as detailed information on health care service utilisation and associated costs. METHODS: The Australian arm of this study involves 350 participants recruited from a large regional mental health service in outer Melbourne. Participants are assessed every six months. Health care resource data are collected via a combination of electronic systems, including a national medical and prescription claims database, a state-based patient registry and a hospital pharmacy information management system. RESULTS: The first 18-month longitudinal analysis of the complete SCAP cohort reveals that the average total cost of health care services and medications per patient during the 18 months was AUD21,287 (€12,559). The most expensive component of the total costs was in-hospital treatment (71%), followed by outpatient services (17%) and medications (12%). The average cost of medications dispensed to the subjects during the 18-month period was AUD2570 (€1516). Eighty percent of the subjects had medication costs of less than AUD5000. In contrast, 2.3% of subjects had costs greater than AUD10,000 (€5900) and accounted for 10% of the total medication costs. CONCLUSIONS: While medications remain an important part of the treatment strategy for people with schizophrenia, they are only a small proportion of the overall cost of care. The most expensive component is in-hospital treatment.

PMH1

ANTIPSYCHOTIC USE PATTERNS AND HEALTHCARE COSTS FOR INDIVIDUALS WITH SCHIZOPHRENIA TREATED WITH HALOPERIDOL, OLANZAPINE OR RISPERIDONE IN A MEDICAID POPULATION
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OBJECTIVE: To evaluate medication use patterns and healthcare costs for individuals with schizophrenia treated with haloperidol, olanzapine or risperidone in a Medicaid program. METHODS: Medicaid recipients who were diagnosed with schizophrenia (ICD-9 295.XX) and began treatment with haloperidol (n = 302), olanzapine (n = 895), or risperidone (n = 479) between January 1997 and June 1997 were followed for 1 year. Medical service and pharmacy claims one-year prior and post-initiation were extracted and analyzed. Length of treatment, total and component healthcare costs were compared using regression models controlling for demographic and clinical characteristics and previous service and medication use. RESULTS: Compared to haloperidol and risperidone users, patients using olanzapine stayed on therapy significantly longer (+69 days vs. haloperidol, p < .0001; +29 days vs. risperidone, p < .0001). Olanzapine patients had higher antipsychotic medication costs (+$1269 vs. haloperidol, p < .0001; +$562 vs. risperidone, p < .0001) but lower psychiatric inpatient costs ($1713 vs. haloperidol, p = .02; −$305 vs. risperidone, p = .62). There were no significant differences in total healthcare costs ($304 vs. haloperidol, p = .74 and −$49 vs. risperidone, p = .95). CONCLUSION: Longer treatment duration, reductions in hospitalization costs and similar total costs associated with olanzapine treatment may be indicative of better patient outcomes.

PMH2