



January 28, 2011 2:45pm Conference room 229

- To: The Honorable Josh Green, M.D., Chair The Honorable Clarence Nishihara, Vice Chair Senate Committee on Health
- From: Paula Arcena Director of Public Policy

Re: SB619 Relating to Prescription Drug Prior Authorizations

Thank you for the opportunity to offer our comments on SB619.

We support the intent of SB619, which is to simplify prescription drug prior authorization process by mandating the creation and use of a universal prescription coverage request form.

However, we are concerned that SB619 does not adequately address a number of issues.

We believe it will be difficult to develop a universal prior authorization request form that accommodates the wide range of health plan formularies and the diversity of memberships each plans serves. The standardized form would need to meet the needs of commercial, Medicare, Medicaid and integrated systems, such as Kaiser. Specialty drugs non-formulary prescription drugs, which are the most costly, requires unique clinical information and forms for medical review.

AlohaCare's prior authorization process for non-formulary prescription drugs is designed to provide quick a turn-around. For prior authorization requests received after-hours or in emergency situations, AlohaCare members receive a three-day emergency supply of non-formulary medications or a ten-day supply for antibiotics and providers are asked to follow up with a prior authorization request to continue the non-formulary prescription. Expedited requests are processed within 72-hours. We review prior authorizations for medical necessity and verify the member's eligibility and benefits.

AlohaCare is a non-profit, Hawaii based health plan founded in 1994 by Hawaii's community health centers to serve low-income families and medically vulnerable members of our community through government sponsored health insurance programs. We serve beneficiaries of Medicaid and Medicare on all islands.





January 28, 2011 2:45pm Conference room 229

- To: The Honorable Josh Green, M.D., Chair The Honorable Clarence Nishihara, Vice Chair Senate Committee on Health
- From: Paula Arcena Director of Public Policy

Re: <u>SB619 Relating to Prescription Drug Prior Authorizations</u>

Thank you for the opportunity to offer our comments on SB619.

We support the intent of SB619, which is to simplify prescription drug prior authorization process by mandating the creation and use of a universal prescription coverage request form.

However, we are concerned that SB619 does not adequately address a number of issues.

We believe it will be difficult to develop a universal prior authorization request form that accommodates the wide range of health plan formularies and the diversity of memberships each plans serves. The standardized form would need to meet the needs of commercial, Medicare, Medicaid and integrated systems, such as Kaiser. Specialty drugs non-formulary prescription drugs, which are the most costly, requires unique clinical information and forms for medical review.

AlohaCare's prior authorization process for non-formulary prescription drugs is designed to provide quick a turn-around. For prior authorization requests received after-hours or in emergency situations, AlohaCare members receive a three-day emergency supply of non-formulary medications or a ten-day supply for antibiotics and providers are asked to follow up with a prior authorization request to continue the non-formulary prescription. Expedited requests are processed within 72-hours. We review prior authorizations for medical necessity and verify the member's eligibility and benefits.

AlohaCare is a non-profit, Hawaii based health plan founded in 1994 by Hawaii's community health centers to serve low-income families and medically vulnerable members of our community through government sponsored health insurance programs. We serve beneficiaries of Medicaid and Medicare on all islands.