

# HMSA



Blue Cross  
Blue Shield  
of Hawai'i

An Independent Licensee of the Blue Cross and Blue Shield Association

## MISC. COMM. NO. 3

December 24, 2013

The Honorable Donna Mercado Kim  
President of the Senate  
27th Legislature  
State of Hawaii  
State Capitol, Room 409  
Honolulu, Hawaii 96813

The Honorable Joseph M. Souki  
Speaker of the House of Representatives  
27th Legislature  
State of Hawaii  
State Capitol, Room 431  
Honolulu, Hawaii 96813

Dear President Mercado Kim and Speaker Souki:

Pursuant to Act 226, SLH 2013, transmitted herewith is the Hawaii Medical Service Association's (HMSA) report on the effect of the Act on our HMSA's members.

Should you have any questions regarding this report, please do not hesitate contacting our Vice President, Jennifer Diesman, at 948-5459.

Very truly yours,

Hilton Raethel  
Chief Health Officer

Enclosure

DEC 24 2013

OFFICE OF THE ATTORNEY GENERAL

## HMSA's REPORT TO THE LEGISLATURE OF THE STATE OF HAWAII PURSUANT TO ACT 226

The Hawaii Medical Service Association (HMSA) respectfully submits this report to the Legislature of the State of Hawaii in accordance with Section 4 of Act 226 (H.B. No. 65).

### **Section 4(b)(1)**

The number of beneficiaries affected by the provisions of this measure

Approximately 39 percent of our members will be affected by Act 226. These 280,000 members will start to see increases in their prescription drug plan premiums because of the elimination of incentives to use mail order or in-store options for maintenance drug refills.

This contrasts with the estimated \$3.1 million saved by our members in 2013 using HMSA's mail order and in store maintenance drug options instead of a 30-day refill option.

### **Section 4(b)(2)**

The number of beneficiaries who opted out of a requirement to purchase prescription drugs from a mail order pharmacy or, in the case of a prescription drug benefit plan subject to the regulation under chapter 432D, Hawaii Revised Statutes, the number of beneficiaries who opt to purchase prescription drugs from a retail community pharmacy

No HMSA members have opted out of our voluntary mail-order prescription drug refill program.

### **Section 4(b)(3)**

The status of the report filed with the insurance commissioner

HMSA will begin filing relevant documents with the State Insurance Commissioner in March 2014.