

2300 Main Street Irvine, CA 92614 T 949-988-5886 F 888-905-9490

www.optum.com

## MISC. COMM. NO. 6

February 12, 2014

Legislative Reference Bureau Library Room 005 415 South Beretania Street Honolulu, Hawaii 96813

Speaker of the House of Representatives Room 431 415 South Beretania Street Honolulu, Hawaii 96813

Re: Legislative Reports Required by HB 65, Section 4

To Whom It May Concern:

OptumRx, Inc. is submitting this letter in response to the Hawaii Legislature's reporting requirement found in House Bill 65, adopted in 2013. OptumRx administers pharmacy benefit management services predominantly on behalf of United Healthcare business in all 50 states.

House Bill 65 includes a provision that requires Pharmacy Benefit Managers to submit a report to the legislature that indicates "(1) the number of beneficiaries affected by the provisions of this measure; (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 regulation under chapter 432D, Hawaii Revised Statutes, the number of beneficiaries who opt to purchase prescription drugs from a retail community pharmacy; and (3) the status of the report filed with the insurance commissioner as required pursuant to section -4, Hawaii Revised Statutes."

One of the purposes of the legislation is to ensure Hawaii members have equal access to receive their prescription drugs from either mail order pharmacies or retail pharmacies. For that reason, health plans are no longer permitted to require membership to obtain prescription drugs exclusively at mail order pharmacies. Our

2300 Main Street Irvine, CA 92614 T 949-988-5886 F 888-905-9490 www.optum.com

understanding is that the legislature's intent with this reporting requirement was to monitor the effect of the legislation and ensure carriers and pharmacy benefit managers were compliant with this parity requirement.

From its most recent membership eligibility files, OptumRx currently administers health plans for a total of 1,243 members who have health plans in Hawaii and reside in Hawaii. Moreover, OptumRx currently administers no health plans that require exclusive use of a mail order pharmacy in lieu of retail pharmacy. For that reason, the number of members who have chosen to opt out of such a requirement is 0 since June 27, 2013, the effective date of the statute. OptumRx will also be prepared to file its report with the Insurance Commissioner prior to the March 31 deadline this year.

If you have any further questions, please do not hesitate to call me.

Sincerely,

Jánice L. Harter

Senior Director, Regulatory Affairs and Licensing

OptumRx, Inc.

Telephone: (949) 988-5890 Facsimile: (888) 905-9490 Janice.Harter@optum.com