



Hawaii Association of Health Plans

January 29, 2010

The Honorable Ryan Yamane, Chair
The Honorable Scott Nishimoto, Vice Chair
House Committee on Health

Re: HB 2461 – Relating to Insurance

Dear Chair Yamane, Vice Chair Nishimoto and Members of the Committee:

My name is Howard Lee and I am President of the Hawaii Association of Health Plans (“HAHP”). HAHP is a non-profit organization consisting of seven (7) member organizations:

AlohaCare
Hawaii Medical Assurance Association
HMSA
Hawaii-Western Management Group, Inc.

MDX Hawai‘i
University Health Alliance
UnitedHealthcare

Our mission is to promote initiatives aimed at improving the overall health of Hawaii. We are also active participants in the legislative process. Before providing any testimony at a Legislative hearing, all HAHP member organizations must be in unanimous agreement of the statement or position.

HAHP appreciates the opportunity to testify in opposition to HB 2461 which would require health plans allow members to receive prescription drug benefits which are identical to those offered by their previous plan.

This bill would put a tremendous burden on employers and union groups since they will end up with multiple drug plans, different premium rates, and different benefit coverage for their employees. We believe that this level of administrative burden could altogether discourage employers and unions from continuing to provide prescription drug benefits to their employees.

We also feel that this would put a tremendous cost burden on health plans to determine the benefits offered by the member’s previous plan (which is often not readily available) and to provide a timely premium quote to the group. These delays will make it difficult for health plans to market to employers and to enroll members in a timely fashion. The accounting for the different coverage being offered would also be a tremendous administrative burden, ultimately causing premium rates to increase.

• AlohaCare • HMAA • HMSA • HWMG • MDX Hawaii • UHA • UnitedHealthcare •
HAHP c/o Howard Lee, UHA, 700 Bishop Street, Suite 300 Honolulu 96813
www.hahp.org

For the reasons above we would respectfully request the Committee see fit to hold this measure. Thank you for the opportunity to testify today.

Sincerely,

A handwritten signature in black ink that reads "Howard Lee". The signature is written in a cursive, flowing style.

Howard Lee
President

HMSA



An Independent Licensee of the Blue Cross and Blue Shield Association

LATE TESTIMONY

January 29, 2010

The Honorable Ryan Yamane, Chair
The Honorable Scott Nishimoto, Vice Chair
House Committee on Health

Re: HB 2461 – Relating to Insurance

Dear Chair Yamane, Vice Chair Nishimoto and Members of the Committee:

The Hawaii Medical Service Association (HMSA) appreciates the opportunity to testify on HB 2461 which would require a health plan to provide prescription drug coverage to a member which is identical to the prescription drug coverage the member had been offered by their previous health plan. We oppose this measure.

The language contained within HB 2461 could end up being extremely burdensome for plans to implement, employers to manage and consumers to figure out. Some concerns we have include:

- There is no timeframe under which a consumer has to make a decision regarding the maintenance of prescription drug benefits from their previous plan. Plans could be left in limbo if consumers do not make their choice in a timely fashion. Also, there is no mechanism for the new plan to obtain all the information necessary from the previous plan
- Administering prescription drug benefits on a member-by-member basis may be impossible to manage
- Plans determine premiums based on a known set of benefits. When members choose their prior plans' prescription drug benefit, which will differ from that being offered by their HMSA plan, rates may not be adequate to cover costs
- Employers will be left to figure out how to manage employees under the same medical plan receiving differing prescription drug benefits. Issues of equity may arise
- Consumers are not adequately versed in their benefits and don't have a full understanding about which prescription drug plan would be best for them. They may make a poor choice and end up with coverage that does not suit their needs

Despite the good intentions of this measure, we believe that it raises more issues than it answers and could end up contributing to increased health care cost, consumer confusion and employer frustration. Due to these issues, we would respectfully request the Committee see fit to hold HB 2461. Thank you for the opportunity to testify today.

Sincerely,

Jennifer Diesman
Vice President
Government Relations

Hawaii Medical Service Association

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January 26, 2010

The Honorable Ryan I. Yamane
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Honolulu, HI 96813
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E-mail repyamane@Capitol.hawaii.gov

RE: H.B. 2461 - SUPPORT

Dear Representative Yamane,

The Neuropathy Action Foundation (NAF), which is dedicated to ensuring neuropathy patients obtain the necessary resources and tools to access individualized treatment to improve their quality of life, strongly supports HB 2461. HB 2461 requires health insurers to offer at least the same drug coverage to the insured that the insured had under the insured's previous policy with a different insurer or like entity. In other words, the bill will provide for continuity of drug coverage when a patient either switches health plans or renews their existing plans.

HB 2461 is very important for the thousands of Hawaiians who suffer from neuropathy. Many Hawaiians affected by neuropathic pain are oftentimes high users of the health care system as they search for relief from persistent pain. However, once a medication or treatment that actually works is discovered many patients are able to live normal lives. Patients and providers alike expect to be protected by having continuity of medically necessary drugs when they switch from one health plan to another or when they renew plans during open enrollment periods.

The NAF receives a lot of calls from Hawaiians informing us that they are not allowed to continue to use their prescribed medications after they switch or re-enroll in their health plans. Oftentimes these treatments are limb saving like plasma derived IVIG. Many patients have been successfully taking these drugs and/or treatments for years and depend on them to function and take care of their families. HB 2461 would allow Hawaiians to continue using medically necessary medications and treatments prescribed prior to enrollment in their plan, whether or not the drug is covered by the plan, until the prescribed therapy is no longer prescribed by the patient's provider.

Please help neuropathy patients and others who suffer from chronic illnesses by supporting this patient protection bill that directly strengthens the doctor patient relationship. Should you have any questions please contact me at 877-512-7262.

Regards,



James D. Lee
Treasurer and Public Affairs Chair

cc: House Health Committee

LATE TESTIMONY

TESTIMONY BEFORE THE COMMITTEE ON HEALTH

Rep. Ryan I. Yamane, Chair
Rep. Scott Y. Nishimoto, Vice Chair

HB 2461 RELATING TO INSURANCE

Testimony of
Elizabeth Stevenson
Executive Director/CEO
Alzheimer's Association, Aloha Chapter

Friday, January 29, 2010
9:30 a.m.
State Capitol, Conference Room 329

Chair Yamane and members of the Committee on Health.

The Alzheimer's Association, Aloha Chapter strongly supports HB2461. HB2461 requires health insurers and like entities to offer at least the same drug coverage to the insured that the insured had under the insured's previous policy with a different insurer or like entity.

The treatment for Alzheimer's disease requires careful treatment and monitoring of physician care and drug treatment. In particular, unnecessary changes in medication are highly adverse to patients, particularly when the current therapy is working. Particularly, Alzheimer's patients that have a gap in treatment, or switch medications suffer a greater loss of their cognitive function that they are not able to regain.

HB2461 provides patients with the assurance that they will receive continuity of care for prescription medications should patients change health plans. Too often insurance companies will restrict or require patients to use alternative medications or generic drugs upon switching to new plans or at the beginning of the new enrollment period. This can be highly detrimental to our communities most vulnerable - those with Alzheimer's disease and related dementia. Older patients often rely on the size, shape and color of the pills they are taking, and a change in medication can result in non-compliance with their treatment plan causing steep decline in cognitive ability. We believe that such practice is inappropriate and detrimental to patient care.

Please ensure that patients have optimal and effective coverage for the treatment of Alzheimer's disease. We urge your support of HB2461.

Thank you for this opportunity to provide testimony.