



STATE OF HAWAII
DEPARTMENT OF HUMAN SERVICES

P. O. Box 339
Honolulu, Hawaii 96809-0339

March 20, 2016

TO: The Honorable Angus McKelvey, Chair
House Committee on Commerce and Consumer Protection

FROM: Rachael Wong, DrPH, Director

SUBJECT: **SB 2319 SD1 HD1 - RELATING TO INSURANCE**

Hearing: Monday, March 21, 2016; 3:00 p.m.
Conference Room 325, State Capitol

DEPARTMENT'S POSITION: The Department of Human Services (DHS) appreciates and supports the intent of the bill, and provides comments.

PURPOSE: The purpose of this bill is to expand access to prescription contraceptives by requiring insurers to cover contraceptive supplies intended to last up to a twelve-month period.

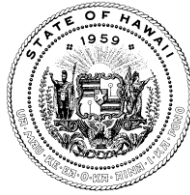
We appreciate and support the intent of the measure to provide greater access to contraceptives since such availability helps support the health of our families through intended pregnancies and births. Currently the Med-QUEST Division (MQD) covers contraceptives under the QUEST Integration (QI) program, and the contracted Medicaid managed care plans usually provide contraceptives for 30 days up to three months.

Additionally, the Medicaid program provides Long Acting Reversible Contraceptives (LARC) that have the highest rate of effectiveness, continuation rate, user satisfaction and are highly cost effective, although the initial cost is more than the cost of a year supply of oral contraceptives. MQD has been working with the Department of Health and our QI managed care plans to increase utilization of LARC for its members as LARC provides protection from unintended pregnancies for three to five years yet the process is reversible with rapid return to fertility upon removal.

The Department notes that the Medicaid program determines and provides coverage on a monthly basis, and potentially would be providing up to 12 month supply of oral contraceptives to some individuals who were no longer eligible by the time they exhausted their year supply. However, with our strong emphasis on LARC, a 12 month supply of oral contraceptives dispensed would not be more expensive than LARC. Thus, DHS does not predict higher costs to the Medicaid program based on the implementation of this bill.

We appreciate the intent and are available to discuss increased availability and access to contraceptives for Medicaid beneficiaries.

Thank you for the opportunity to testify on this measure.



DAVID Y. IGE
GOVERNOR
SHAN S. TSUTSUI
LT. GOVERNOR

STATE OF HAWAII
OFFICE OF THE DIRECTOR
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS
335 MERCHANT STREET, ROOM 310
P.O. Box 541
HONOLULU, HAWAII 96809
Phone Number: 586-2850
Fax Number: 586-2856
www.hawaii.gov/dcca

CATHERINE P. AWAKUNI COLÓN
DIRECTOR
JO ANN M. UCHIDA TAKEUCHI
DEPUTY DIRECTOR

TO THE HOUSE COMMITTEE ON
CONSUMER PROTECTION AND COMMERCE

TWENTY-EIGHTH LEGISLATURE
Regular Session of 2016

Monday, March 21, 2016
3:00 p.m.

**TESTIMONY ON SENATE BILL NO. 2319, S.D. 1, H.D. 1 – RELATING TO
INSURANCE.**

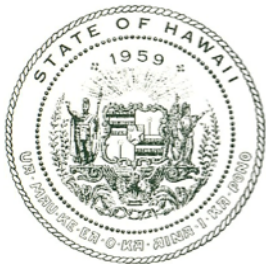
TO THE HONORABLE ANGUS L.K. MCKELVEY, CHAIR, AND MEMBERS OF THE
COMMITTEE:

My name is Gordon Ito, State Insurance Commissioner, testifying on behalf of the Department of Commerce and Consumer Affairs (“Department”). The Department supports the intent of the bill which would require insurance coverage for dispensing a twelve month quantity of contraceptive supplies.

The Department takes no position on this expansion under chapter 87A, Hawaii Revised Statutes, and to Medicaid programs.

We thank this Committee for the opportunity to present testimony on this matter.

HAWAII
STATE
COMMISSION
ON THE
STATUS
OF
WOMEN



Chair
LESLIE WILKINS

COMMISSIONERS:

SHERRY CAMPAGNA
CYD HOFFELD
MARILYN LEE
JUDY KERN
AMY MONK
LISA ELLEN SMITH

Executive Director
Catherine Betts

Email:
Catherine.a.betts@hawaii.gov
Visit us at:
humanservices.hawaii.gov
/hscsw/

235 S. Beretania #407
Honolulu, HI 96813
Phone: 808-586-5758
FAX: 808-586-5756

March 20, 2016

To: Representative Angus McKelvey, Chair
Representative Justin Woodson, Vice Chair
Members of the House Committee on Commerce and Consumer
Protection

From: Cathy Betts
Executive Director
Hawaii State Commission on the Status of Women

Re: Testimony in Support, SB 2319, SD1, HD1, Relating to Insurance

Thank you for this opportunity to testify in support of SB 2319, SD1, HD1, which would enable women to receive up to 12 months of birth control, thereby increasing consistent usage and reducing unintended pregnancies.

100% perfect use of hormonal birth control has a failure rate of less than 5%. For women who live in rural areas, have difficulty accessing a pharmacy, or lack reliable transportation, perfect use can be a challenge, leaving them at a greater risk of having an unintended pregnancy. In fact, one in four women say they have missed pills because they could not get the next pack in time. Dispensing one-year's supply at a time reduces the odds of experiencing an unintended pregnancy by 30% and is associated with a 46% drop in the chance of needing an abortion.

Consistent use of birth control is the best way to prevent unintended pregnancy. Approximately 19% of women who inconsistently use birth control account for 43% of unintended pregnancies. Alternatively, the two-thirds of women who use birth control consistently only make up 5% of unintended pregnancies. Ensuring one year's supply of birth control will allow women crucial access to birth control that they may otherwise not have access to. Thank you for this opportunity to provide testimony in support.



To: Hawaii State House of Representatives Committee on Consumer Protection and Commerce
Hearing Date/Time: Monday, March 21, 2016, 3:00 p.m.
Place: Hawaii State Capitol, Rm. 325
Re: Testimony of Planned Parenthood of Hawaii in strong support of S.B. 2319, S.D.1, H.D.1, Relating to Insurance

Dear Chair McKelvey and Members of the Committee,

Planned Parenthood Votes Northwest and Hawaii (“PPVNH”) writes in strong support of S.B. 2319, S.D. 1, H.D. 1, which requires insurers to cover a twelve-month supply of prescription contraception at a time.

PPVNH is dedicated to advocating for women’s full equality in health care access and supports S.B. 2319 because it will go far to reduce the barriers that women face when attempting to access consistent and reliable contraception. By guaranteeing women’s access to a full twelve-month supply of contraception at one time, S.B. 2319 will have the effect of reducing unintended pregnancy and its associated costs to taxpayers.

We see firsthand the impact of policies designed to limit women’s access to contraceptives, and Hawaii’s current policy and practice of only requiring insurance companies to cover 1-3 months of contraception has contributed to Hawaii’s high unintended pregnancy rate and corresponding costs. Despite often receiving a twelve-month prescription for birth control after consultation with their physicians, current policy and practice require women to return time and time again to the pharmacist to refill their prescriptions. This means shuffling already demanding schedules to make trips to the pharmacy between work, school, child care, elder care, travel and all the other day to day responsibilities that women shoulder and increasing their risk of unintended pregnancy when they are unable to accommodate this added responsibility. For low-income women and those in rural areas without a nearby pharmacy, this may become an insurmountable barrier to access – placing them at an even higher risk of unplanned pregnancy.

Birth control is highly effective so long as it is used consistently, so a steady and reliable supply is key to reducing unplanned pregnancy. Dispensing a one-year supply of birth control is associated with a 30 percent reduction in the odds of experiencing an unplanned pregnancy compared with dispensing for 30 or 90 days. This means that making contraception more accessible also saves money. By preventing just one unintended pregnancy, an insurer will save the cost of a delivery - a minimum of \$17,400. That is enough savings to pay for 29 additional years of contraception.

Washington’s state insurance program has successfully implemented this program for over two years, following the U.S. Selected Practice Recommendations for Contraceptive Use, MMWR volume 62, 2013, “The more pill packs given up to 13 cycles, the higher the continuation rates.” Further, the MMWR states, “In addition to continuation, a greater number of pill packs provided was associated with fewer pregnancy tests, fewer pregnancies, and lower cost per client.” See http://www.hca.wa.gov/medicaid/billing/documents/guides/familyplanningprovider_bi.pdf.

Thank you for this opportunity to testify in support of S.B 2319, S.D. 1., H.D. 1.

Sincerely,
Laurie Field
Hawaii Legislative Director and Public Affairs Manager

Sources

- With perfect use, hormonal birth control has a failure rate of less than 5%
Source:
Trussell, J. Contraceptive failure in the United States. *Contraception*: 2011 May; 83(5): 397-404.
<http://www.ncbi.nlm.nih.gov/pmc/articles/PMC3638209/>
- One in four women say they have missed pills because they could not get the next pack in time; dispensing one-year's supply at a time reduces the odds of experiencing an unintended pregnancy by 30% and is associated with a 46% in the odds of needing an abortion.
Source:
Foster, Diana et al. Number of Oral Contraceptive Pill Packages Dispensed and Subsequent Unintended Pregnancies. *Obstetrics & Gynecology*: Mar 2011: Vol 117, Iss 3 pp 556-572.
http://journals.lww.com/greenjournal/Abstract/2011/03000/Number_of_Oral_Contraceptive_Pill_Packages.8.aspx
- 19% of women who inconsistently use birth control account for 43% of unintended pregnancies whereas the two-thirds of women who use birth control consistently only make up 5%.
Source:
"Contraceptive Use in the United States." Guttmacher Institute, October 2015
http://www.guttmacher.org/pubs/fb_contr_use.html
- Insurance plans that dispense one-year's supply of birth control instead of limit dispensing to one or three cycles lower their direct costs on follow-up visits and pregnancy tests, as well as long-term unintended pregnancy management.
Source:
Foster, Diana et al. Number of Oral Contraceptive Pill Packages Dispensed, Method Continuation, and Costs. *Obstetrics & Gynecology*: Nov 2006: Vol 18, Iss 5 pp 1107-1114
http://journals.lww.com/greenjournal/Fulltext/2006/11000/Number_of_Oral_Contraceptive_Pill_Packages.10.aspx



An Independent Licensee of the Blue Cross and Blue Shield Association

March 21, 2016

The Honorable Angus McKelvey, Chair
House Committee on Consumer Protection and Commerce
The Honorable Justin Woodson, Vice-Chair
House Committee on Consumer Protection and Commerce

Re: SB 2319, SD1, HD1 – Relating to Insurance

Dear Chair McKelvey, Vice-Chair Woodson, and Committee Members:

The Hawaii Medical Association (HMSA) appreciates the opportunity to testify on SB 2319, SD1, HD1 which would require insurers to cover a three-month period for the first dispensing of prescription contraceptive supplies to an insured followed by a twelve-month period for the subsequent dispensing of the same contraceptive supply to the insured.

HMSA certainly supports the intent of SB 2319, SD1, HD1 and appreciate the previous Committee's amendments to the measure that reflect key recommendations made the stakeholders involved. We believe this measure strikes a balance between expanded access as well as coordinated care from a primary care physician. The current draft of the measure seeks to address concerns raised earlier with potential waste in the form of unused prescription contraceptive by allowing the option of up to a twelve-month prescription – ensuring that the member and physician are in control of choosing a prescription regimen most appropriate for the member's needs.

We do ask the Committee to consider the following technical amendments to Sections 2 and 3, subsection (d), which inserts "prescription" after "...dispensing entity for," and deletes "...of prescription contraceptive supplies.":

*(d) Coverage required by this section shall include reimbursement to a prescribing health care provider or dispensing entity for **prescription** contraceptive supplies intended to last for up to a twelve-month period ~~of prescription contraceptive supplies for an insured.~~*

Again, we appreciate the intent of SB 2319, SD1, HD1 to expand access to prescription contraceptives and look forward to working with the Committee to address any questions and concerns.

Thank you for allowing us to testify on SB 2319, SD1, HD1.

Sincerely,

Jennifer Diesman
Vice President, Government Relations.



March 19, 2016

To: Hawaii State House Committee on Consumer Protection and
Commerce
Hearing Date/Time: Monday, March 21, 2016 (3:00 p.m.)
Place: Hawaii State Capitol, Rm. 325
Re: Testimony of American Association of University Women –
Hawaii in support of S.B. 2319 S.D. 1 H.D. 1, Relating to
Insurance, and offering an amendment

Dear Representative Angus L.K. McKelvey (Chair), Representative Justin H.
Woodson (Vice Chair), and Members of the Committee,

I am grateful for this opportunity to testify in **strong support of S.B. 2319 S.D. 1 H.D. 1**, requiring that insurers cover a 12-month supply of prescription contraception.

My testimony is on behalf of the approximately 440 members of the American Association of University Women (AAUW) in Hawaii, who list choice and women's reproductive health as an important current concern. My testimony is informed by my experiences teaching at the University of Hawaii at Manoa, where, almost every year, a female student in one of my classes finds herself dealing with an unplanned pregnancy.

On behalf of all these constituencies, I argue that passage of S.B. 2319 S.D. 1 H.D. 1 is important, with great potential to decrease unplanned pregnancy rates across the state. A major argument for moving S.B. 2319 S.D. 1 H.D. 1 forward is that the economic cost of not implementing this bill is far more burdensome on taxpayers than the financial cost of applying this bill. In other words, **providing 12-months of prescription contraception at a time is far cheaper than dealing with the outcomes of not providing it this way, and having women miss taking their pills.** The costs of not taking contraceptive pills are borne by taxpayers (e.g., medical costs of unplanned pregnancies, child support, etc.), and by young mothers (e.g., loss of academic opportunities, resulting in diminished employment prospects and lower wages than peers leading to a lifetime of disadvantage, etc.). Lest this information not be taken seriously, let me provide some numbers supporting this argument. A 2011 Brookings Institute analysis estimated that American "taxpayers spend about \$12 billion annually on publicly financed medical care for women who experience unintended pregnancies and on infants who were conceived unintentionally" (Monea & Thomas 2011). Additional data supports the findings that "unintended pregnancies are particularly concentrated among individuals for whom they are likely to be the most disruptive and who are less likely to have the resources needed to deal with the consequences of becoming pregnant unintentionally. Among women who are teenaged, unmarried, or low-income, the proportion of pregnancies that are unintended exceeds 60 percent" (Monea & Thomas 2011). An examination of the 2010

unintended pregnancy rates by states demonstrates that Hawaii scores as one of the most highly ranked states (www.guttmacher.org), ultimately costing individuals and taxpayers vast amounts of dollars, which could be spent in more productive ways, if contraceptive prescriptions were dispensed in a manner suiting women. Barriers to taking contraceptive pills consistently include women's lack of access to transportation, forgetting, pharmacy not filling orders in a timely manner, pharmacists not stocking sufficient amounts of pills, etc.

In conclusion, passage of S.B. 2319 S.D. 1 H.D. 1 is an important step toward lowering barriers to contraception and improving health and wellbeing for women, their partners, and their families, and ultimately, the wider Hawaiian population.

Thank you for the opportunity to testify.

Sincerely
Susan J. Wurtzburg, Ph.D.
Policy Chair



March 20, 2016

House's Committee on Consumer Protection and Commerce
Hawaii State Capitol
415 South Beretania Street, Room 325
Honolulu, HI 96813

Hearing: Monday, March 21, 2016 – 3:00 p.m.

RE: **STRONG SUPPORT for Senate Bill 2319 SD 1 HD 1** – RELATING TO CONTRACEPTIVE SUPPLIES

Aloha Chairperson McKelvey, Vice Chair Woodson and fellow committee members,

I am writing in STRONG SUPPORT to Senate Bill 2319 SD 1 HD 1 on behalf of the LGBT Caucus of the Democratic Party of Hawaii'i. SB 2319 SD 1 HD 1 would requires all insurers in the State, including health benefits plans under chapter 87A, Hawaii Revised Statutes, and medicaid managed care programs, to cover reimbursement for contraceptive supplies intended to last for up to a twelve-month period for an insured.

The cornerstone to ensuring every woman is in control of her own future is by making sure that each and every woman has secure access to contraceptive protection. We at the LGBT Caucus believes that this bill will strengthen that cornerstone.

When used properly hormonal birth control has an effective rate of 95%. For women living in rural areas trouble reaching a pharmacy on a regular basis is a reality and therefore proper use is difficult if not impossible. By dispensing contraceptive supplies in a one-year supply unintended pregnancies drop by at least 30% and is tied to a 46% drop in the need for abortions.

This bill is a win-win for everyone and we ask that you support SB 2319 SD 1 HD 1.

Mahalo nui loa,

Michael Golojuch, Jr.
Chair



March 20, 2016

TESTIMONY: Written only

To: The Honorable Angus L.K. McKelvey, Chair
The Justin H. Woodson, Vice Chair
Members of the House Committee on Consumer Protection & Commerce

From: **Hawaii Public Health Association**

Subject: **SUPPORT – SB2319 SD1 HD1 RELATING TO INSURANCE,
CONTRACEPTIVE SUPPLIES ACCESS**

Hearing: March 21, 2016 at 3:00pm at State Capitol Room 325

The Hawaii Public Health Association (HPHA) is an association of over 600 community members, public health professionals, and organizations statewide dedicated to improving public health. HPHA also serves as a voice for public health professionals and as a repository for information about public health in the Pacific.

HPHA supports the passage of SB2319 SD1 HD1, which requires all insurers in the State, including health benefits plans under chapter 87A, Hawaii Revised Statutes, and Medicaid managed care programs, to cover reimbursement for contraceptive supplies intended to last for up to a twelve-month period for an insured.

In 2010, 56% of all 16,000 pregnancies in Hawaii were unplanned. The unintended pregnancy rate was reported 61 per 1,000 women ages 15–44. Publicly supported family planning centers aided 19,800 female contraceptive clients in 2013. These locations met 28% of women’s need for contraceptive services and helped avert 4,800 unintended pregnancies in 2013. This program was projected to have prevented 2,400 unplanned births and 1,600 terminated pregnancies. However, many women do not seek care for unintended pregnancy due to costs of care and access.

Consistent access to birth control measures gives women the opportunity to family planning, resulting in better career and educational choices, healthier pregnancies, and better financial independence. By mandating insurance coverage of birth control supplies for a 12-month period, affordable access is feasible and efficient to women across Hawaii.

HPHA supports the encouragement of safe and accessible birth control methods for women in Hawaii. Contraceptives are an attainable way to prevent unintended or unwanted pregnancies and by increasing access through insurers, specific barriers will be mitigated.

Thank you for considering our testimony concerning **SB2319 SD1 HD1**, which will provide easier access to safe birth control methods by ensuring reimbursement of contraceptive supplies for a twelve-month prescription.

Respectfully submitted,

Hoce Kalkas, MPH
HPHA Legislative and Government Relations Committee Chair

From: mailinglist@capitol.hawaii.gov
Sent: Monday, March 21, 2016 2:04 AM
To: CPCtestimony
Cc: annsfreed@gmail.com
Subject: Submitted testimony for SB2319 on Mar 21, 2016 15:00PM

SB2319

Submitted on: 3/21/2016

Testimony for CPC on Mar 21, 2016 15:00PM in Conference Room 325

Submitted By	Organization	Testifier Position	Present at Hearing
Ann S Freed	Hawaii Women's Coalition	Support	No

Comments: The Women's Coalition is in strong support of this measure.

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email webmaster@capitol.hawaii.gov



March 21, 2016

To: Representative Anus McKelvey, Chair
Representative Justin Woodson, Vice Chair and
Members of the Committee on Consumer Protection and Commerce

From: Jeanne Y. Ohta, Co-Chair

RE: SB 2319 SD1 HD1 Relating to Insurance
Hearing: Monday, March 21, 2016, 3:00 p.m.

POSITION: STRONG SUPPORT

The Hawai'i State Democratic Women's Caucus writes in support of SB 2319 SD1 HD1 Relating to Insurance.

Women deserve affordable and accessible birth control, regardless of income or insurance carrier. Consistent access to birth control gives women the ability to control when and if they have children, giving them more career and education opportunities, healthier pregnancies, and making them less likely to depend on government programs. Today, most women have to refill their birth control every month, which is a burden for many women and leads to inconsistent birth control use.

Women's consistent access to birth control should not depend on her insurance carrier. By requiring that women get 12 months of birth control at a time, we can reduce barriers to contraceptives, prevent unintended pregnancy, and save money.

Women without reliable access to transportation or living in rural areas have more barriers to dependable access to birth control, leaving them at a greater risk for unintended pregnancies.

Forty-six percent of women who unintentionally became pregnant report that they were using some form of contraceptives; providing one year of birth control at a time will increase consistent use and reduce unintended pregnancy.

The Hawai'i State Democratic Women's Caucus is a catalyst for progressive, social, economic, and political change through action on critical issues facing Hawaii's women and girls. It is because of this mission that we respectfully request that the committee pass this bill.



BOARD OF TRUSTEES
CELESTE Y.K. NIP, CHAIRPERSON
JULIA ZEGHMI, VICE-CHAIRPERSON
AUDREY HIDANO, SECRETARY-TREASURER
RODERICK BECKER
LINDA CURRIVAN MUSTO
WESLEY MACHIDA
JAMES NISHIMOTO
VIRGINIA PRESSLER
CLIFFORD UWAINE

ADMINISTRATOR
DEREK M. MIZUNO

ASSISTANT ADMINISTRATOR
DONNA A. TONAKI

STATE OF HAWAII

HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND

P.O. BOX 2121

HONOLULU, HAWAII 96805-2121

Oahu (808) 586-7390

Toll Free 1(800) 295-0089

www.eutf.hawaii.gov

LATE

TESTIMONY BY DEREK MIZUNO
ADMINISTRATOR, HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND
DEPARTMENT OF BUDGET AND FINANCE
STATE OF HAWAII
TO THE HOUSE COMMITTEE ON CONSUMER PROTECTION & COMMERCE
ON
SENATE BILL NO. 2319 S.D.1, H.D.1

March 21, 2016, 3:00 p.m.

RELATING TO INSURANCE

Chair McKelvey, Vice Chair Woodson, and Members of the Committee:

The Hawaii Employer-Union Health Benefits Trust Fund (EUTF) Board of Trustees has not taken a position on this bill. However, the Committee should be aware of the potential impact to the EUTF. Oral contraceptives are covered under the EUTF prescription drug plans for 30, 60 and 90 day supplies. The provider has the option of completing the first prescription for oral contraceptives for 30, 60 or 90 day supplies. Generally, 30 day prescriptions are used for patients taking a new drug to minimize waste in the event that the patient experiences side effects with the prescribed drug. The EUTF plans cover the initial 30, 60 and 90 day prescriptions. Under the EUTF's prescription drug plan administered by CVS Caremark, the patient is allowed three (3) 30 day fills for the same oral contraceptive drug. After the three (3) 30 day fills, the patient is required to fill the prescription for 90 days. The EUTF plans do not allow

EUTF's Mission: We care for the health and well being of our beneficiaries by striving to provide quality benefit plans that are affordable, reliable, and meet their changing needs. We provide service that is excellent, courteous, compassionate, and informative.

prescription fills greater than 90 days. However, the physicians may write prescriptions for a 12 month period reducing the patients need to visit the physician.

Under the CVS Caremark prescription drug plan, the cost of the drugs are the same whether dispensed in four (4) 90 day supplies or one 12 month supply. Savings to the EUTF plan, assuming the member copayments under both scenarios are adjusted to be equal, would come from lower dispensing fees paid by the EUTF plan to the pharmacies, from four to one dispensing fee. Based on current usage in the CVS Caremark administered prescription drug plan, the EUTF estimates the annual savings up to approximately \$82,000. However, this does not account for losses associated with situations in which a 12 month prescription is filled and charged to the plan, but the patient discontinues the drug or leaves State and county employment. Currently, the loss is limited to the 90 day supply but under the bill the loss would be up to a 12 month supply of the drug. Unfortunately, these losses are not quantifiable.

Thank you for the opportunity to testify.