



EXECUTIVE CHAMBERS

HONOLULU

DAVID Y. IGE  
GOVERNOR

March 9, 2015

The Honorable Donna Mercado Kim,  
President  
and Members of the Senate  
Twenty-Eighth State Legislature  
State Capitol, Room 409  
Honolulu, Hawaii 96813

The Honorable Joseph M. Souki, Speaker  
and Members of the House of  
Representatives  
Twenty-Eighth State Legislature  
State Capitol, Room 431  
Honolulu, Hawaii 96813

Dear President Kim, Speaker Souki, and Members of the Legislature:

For your information and consideration, I am transmitting a copy of the Hawaii Employer-Union Health Benefits Trust Fund's Relating to Prescription Drugs report, as required by section 4 of Act 226, Session Laws of Hawaii 2013. In accordance with section 93-16, Hawaii Revised Statutes, I am also informing you that the report may be viewed electronically at <http://budget.hawaii.gov/budget/reports-to-the-legislature/hawaii-employer-union-health-benefits-trust-fund/>.

Sincerely,

A handwritten signature in black ink that reads "David Y. Ige".

DAVID Y. IGE  
Governor, State of Hawaii

Enclosure

## **Hawaii Employer-Union Health Benefits Trust Fund**

### **Report to the 2015 Legislature Required by Act 226, SLH2013, Relating to Prescription Drugs**

Pursuant to Act 226, SLH2013, relating to prescription drugs, the Hawaii Employer-Union Health Benefits Trust Fund (EUTF) provides the legislature with the following information:

- Number of beneficiaries affected by the provisions of this measure: 95,706 (as of September 30, 2014).
- Number of beneficiaries who opted out of a requirement to purchase prescription drugs from a mail order pharmacy: there were 2,587 less mail utilizers when comparing the amount of mail utilizers for the pre-period of October 1, 2012 to September 2013 against the post-period of October 1, 2013 to September 30, 2014.
- Number of beneficiaries who opts to purchase prescription drugs from a retail community pharmacy: 43,504 utilizers filled at least one prescription of a 90 day supply of medication during the period of October 1, 2013 to September 30, 2014 at a retail community pharmacy. The retail community pharmacy network includes CVS/Longs Drugs pharmacies, and non-CVS/Longs Drugs pharmacies. The number of utilizers that filled a prescription for up to a 30-day supply of medication is not included in this number.
- The status of the report filed with the insurance commissioners: A copy of this report will be filed with the Insurance Commissioner on December 31, 2014.

The EUTF Board of Trustees voluntarily applied Act 226, SLH2013 to its active employee plans effective October 1, 2013. The retiree plan changes took effect January 1, 2014.

For the period October 1, 2013 through September 30, 2014, the total additional costs as a direct result of this law equal approximately \$9,264,276. This figure includes claims, co-pays, and additional administrative fees for active employees and non-Medicare retirees. The figure represents 12 months of experience for the active employee plans and 9 months for the non-Medicare plans.