## REPORT TO THE TWENTY-SIXTH HAWAII STATE LEGISLATURE 2011

## IN ACCORDANCE WITH THE PROVISIONS OF SECTION 346-319, HAWAII REVISED STATUTES, ON THE ENROLLMENT AND FINANCIAL STATUS OF THE HAWAII RX PLUS PROGRAM

DEPARTMENT OF HUMAN SERVICES MED-QUEST DIVISION October 2010

## 2010 ANNUAL REPORT TO THE TWENTY-SIXTH LEGISLATURE ON THE ENROLLMENT AND FINANCIAL STATUS OF THE HAWAII RX PLUS PROGRAM PURSUANT TO SECTION 346-319, HAWAII REVISED STATUTES

In accordance with Section 346-319, Hawaii Revised Statutes, the Department of Human Services (DHS) is submitting this last annual report to the State Legislature on the status of the Hawaii Rx Plus Program.

When Hawai'i Rx Plus began in July 2004, the State led the way by offering a drug discount card program that helped lower-income residents with out-of-pocket expenses for prescription medications.

Today, by contrast, many free drug discount cards are available – including ones more generous than Hawai'i Rx Plus that do not have income eligibility restrictions. The Hawai'i Rx Plus program is limited to individuals with household incomes at or below 350 percent of the Federal Poverty Level who do not have all their prescription drugs paid by insurance.

Also lessening the need for Hawai'i Rx Plus is the fact that many residents now receive prescription drug coverage through the Medicare Part D federal program, which started in January 2006.

Prior to the launch of Medicare Part D, nearly 6,900 people used their Hawai'i Rx Plus discount cards. Last year, however, fewer than 2,500 people used their cards.

Many other residents receive drug coverage through their policies with private health insurance companies.

The original DHS contract to operate Hawai'i Rx Plus was with RxAmerica, a pharmacy benefits management company. CVS Caremark, which acquired RxAmerica in 2008, decided not to renew the Hawai'i Rx Plus contract when it expires this August.

DHS recently tried to procure a new vendor for Hawai'i Rx Plus but no bids were received.

Accordingly, the State Department of Human Services (DHS) discontinued the Hawai'i Rx Plus program, effective August 1, 2010, and issued notices to card holders.

DHS encourages all residents, including those using Hawai'i Rx Plus, to call or download free discount cards from other programs. DHS Med-QUEST Customer Service Branch staff is available to assist callers to identify free pharmacy discount programs and obtain new discount cards.