

# HMSA



An Independent Licensee of the Blue Cross and Blue Shield Association

May 2011

Dear Doctor:

In January 2011, HMSA launched its new Medicare Advantage plan called Akamai Advantage. With an enrollment of 22,700, it is now HMSA's largest Medicare plan. Also in January, both 65C Plus and Akamai Advantage members were moved to the new Medco Medicare Part D Formulary. The transition to the Medco formulary had several unanticipated impacts for both senior plan members and their physicians. We apologize for the frustration and extra work caused by this transition.

HMSA and its pharmacy benefit manager, Medco, accept responsibility for the situation. Physicians did not receive correct advance notice about changes to the formulary and/or coverage rules, such as new quantity limits for certain drugs; were not given timely information on prescribing options; and had unsatisfactory experiences when contacting Medco. Physicians said the new coverage review procedures were time-consuming. They reported servicing problems, such as long wait times on the phone and inconsistent answers, in dealing with Medco representatives. Finally, of 5,000 letters mailed to 1,600 patients and their 500 doctors regarding quantity limits, most were generated mistakenly due to a Medco system programming error.

We have taken steps to address the concerns you have raised:

**Medco servicing:** Physician complaints about Medco telephone servicing have been relayed to Medco's senior executive management. As a result, additional staff training will be provided to the Medco call center supporting our providers, coverage during Hawaii hours of operation will be improved, and management will streamline the handling of phone calls. Efforts to simplify the coverage review request forms are underway. Medco has a representative based in Hawaii, Mary Ann Cruz, who is available at 284-1194 if you have any additional comments about its servicing.

**Better communication:** Our commitment to you is that we will do a better job of communicating significant formulary changes in advance. We will send more timely updates on additions to the Part D formulary and give you advance notification of changes that will occur in January, the start of the Medicare plan year. We will work with Medco to institute better quality controls on communications sent to members and physicians, as well as to improve the content of those communications.

It's important to understand why HMSA moved from an open formulary to the closed Medco Part D Formulary. The new formulary is expected to save \$4.5 million annually in drug costs, a significant concern for Medicare plans. Although it is a closed formulary, it offers a solid array of prescribing choices for physicians. As part of its cost management, Medco places quantity limits on certain drugs to ensure the amount dispensed is consistent with prescribing guidelines. Please be aware that some low-cost generic drugs, such as prednisone, require prior authorization for medical diagnoses so that HMSA can properly direct coverage to either the patient's Medicare Part B or Part D benefits. These cost management strategies help keep Akamai Advantage affordable for your patients.

In the future, new information about the Akamai Advantage program and the Akamai Advantage drug formulary will be posted in the Medicare E-Library portion of the Provider Resource Center. For more information, please call Kris Nishimura, Clinical Pharmacist at 948-5514 on Oahu.

We value your trust, and hope the efforts detailed in this communication help to regain your support of Akamai Advantage. Thank you for your care of our Akamai Advantage members.

Sincerely,

A handwritten signature in black ink, appearing to read "John T. Berthiaume". The signature is fluid and cursive, with a large initial "J" and "B".

John T. Berthiaume, M.D.  
Vice President and Medical Director  
Care Management