

STAND. COM. REP. NO. 1211

Honolulu, Hawaii

MAR 23 2007

RE: H.B. No. 10

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fourth State Legislature
Regular Session of 2007
State of Hawaii

Madam:

Your Committee on Health, to which was referred H.B. No. 10
entitled:

"A BILL FOR AN ACT RELATING TO PRESCRIPTION DRUGS,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Require drug manufacturers or labelers to enter into rebate agreements with the State in order to participate in the Rx Plus Program;
- (2) Establish that, with regard to rebate agreements effective July 1, 2007, the Director of Human Services shall strive to obtain a rebate amount equal to or greater than similar price reductions for prescription drugs provided to the federal government; and
- (3) Require the Department of Human Services to provide health care providers information about the relative cost of drugs produced by manufacturers participating in rebate agreements.

Your Committee received testimony in support of this measure from the Policy Advisory Board for Elder Affairs, ILWU Local 142, National Multiple Sclerosis Society, AARP Hawaii, Hawai'i Alliance for Retired Americans, Child and Family Service, and two individuals. Testimony in opposition was received from the Department of Human Services (DHS) and the Pharmaceutical Research and Manufacturers Association of America.

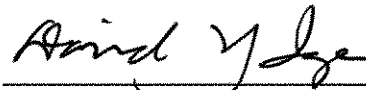
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Your Committee finds that requiring, rather than allowing (as in present law), drug manufacturers or labelers to make rebate payments to the State will result in lower prices than currently offered through the Rx Plus Program. It is not unusual for people on fixed incomes to spend less on food, utilities, and other necessities to pay for health care needs, particularly prescription drugs. People have been known to skip doses of medicines or delay filling prescriptions, or to completely forfeit using medications because the cost is beyond their means.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 10, and recommends that it pass Second Reading and be referred to the Committee on Commerce, Consumer Protection, and Affordable Housing.

Respectfully submitted on
behalf of the members of the
Committee on Health,



DAVID Y. IGE, Chair



The Senate
Twenty-Fourth Legislature
State of Hawaii

Record of Votes
Committee on Health
HTH

Bill / Resolution No.:*	Committee Referral:	Date:
HB 10	HTH, CPH	3/21/07
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____		
The Recommendation is: <input checked="" type="checkbox"/> Pass, unamended 2312 <input type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313		
Members	Aye	Aye (WR)
Nay	Excused	
IGE, David Y. (C)	✓	
FUKUNAGA, Carol (VC)	✓	
BAKER, Rosalyn H.	✓	
MENOR, Ron	✓	
WHALEN, Paul		✓
TOTAL	4	1
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted		
Chair's or Designee's Signature: 		
Distribution:	Original	Yellow
File with Committee Report	Clerk's Office	Pink
		Drafting Agency

*Only one measure per Record of Votes