
A BILL FOR AN ACT

RELATING TO PRESCRIPTION DRUG COST CONTAINMENT AND AFFORDABLE
ACCESS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. Prescription drugs have become an increasingly
2 important part of health care, especially among older adults.
3 Prescription drugs have also become the most expensive component
4 of health care, accounting for approximately two-thirds of
5 health care costs.

6 In 2002, the legislature adopted the Hawaii Rx program,
7 intended to help a large population of Hawaii residents better
8 afford their prescription drugs through a discount program,
9 thereby increasing the overall health of Hawaii residents,
10 promoting healthy communities, and protecting public health and
11 welfare. In 2004, the program was amended to become the Hawaii
12 Rx plus program. Implemented in July 2005, Hawaii Rx plus has
13 enabled thousands of Hawaii residents, regardless of age, to
14 take advantage of discounted prices for their prescription drug
15 needs when no other insurance or payor are available to them.

16 In 2005, in anticipation of the new Medicare Modernization
17 Act's Part D program, which took effect on January 1, 2006, the



1 state medicare part D state pharmacy assistance program was
2 created. The state medicare part D program covers the co-
3 payments for medicare and medicaid dual eligible clients to
4 ensure a smooth transition of prescription drug coverage from
5 medicaid to medicare.

6 The federal Medicare Modernization Act of 2005 also
7 provides special relief for qualified state pharmacy assistance
8 programs. Both the Hawaii Rx plus program and the state
9 medicare part D program are recognizable under federal law as
10 state pharmacy assistance programs and, if they are combined
11 under an umbrella program and approved as a single federally
12 recognized program, could receive enhanced benefits from the
13 federal Centers for Medicare and Medicaid Services.

14 This Act would administratively consolidate both the Hawaii
15 Rx plus program and the state medicare part D program into a
16 single state pharmacy assistance program for which the State
17 could then seek approval from the federal Centers for Medicare
18 and Medicaid Services to recognize this newly consolidated
19 program as a federally qualified state pharmacy assistance
20 program for the purpose of receiving revenues from drug
21 manufacturer's rebates.



1 Through this administrative consolidation, the state
2 medicare part D program would remain the same and its enrollees
3 would be identified as "tier one enrollees", and the Hawaii Rx
4 plus program would remain the same and its enrollees would be
5 identified as "tier two enrollees". In addition, this Act would
6 provide prescription drug assistance for a subset of the Hawaii
7 Rx plus population, identified as the "tier three enrollees",
8 who may be at risk of becoming medicaid eligible and for whom
9 the State will seek approval from the federal Centers for
10 Medicare and Medicaid Services to allow the mandating of rebates
11 from drug manufacturers resulting in greater discounts.

12 The State will continue to receive pharmacy discounts for
13 individuals in the Hawaii Rx plus program with incomes up to
14 three hundred fifty per cent of the federal poverty level. With
15 federal Centers for Medicare and Medicaid Services approval, the
16 State will also be able to begin mandating rebates from
17 pharmaceutical companies for prescription drugs purchased by
18 individuals in the Hawaii Rx plus program who are at risk of
19 qualifying for medicaid with incomes equal to or less than three
20 hundred per cent of the federal poverty level as approved by the
21 federal Centers for Medicare and Medicaid Services.



1 The State may also be able to combine the purchasing power
2 of these two programs to negotiate larger discounts, similar to
3 federal government and private health insurers, as approved by
4 the federal Centers for Medicare and Medicaid Services.

5 Finally, combining both programs into a federally qualified
6 state pharmacy assistance program streamlines operations and
7 promotes effective administration.

8 The federal Centers for Medicare and Medicaid Services is
9 requiring a state statute before they will consider a request
10 for approval of the income eligibility for the medicaid at-risk
11 population and set the percentage of state contribution that
12 will be required towards the cost of the prescription drugs for
13 the at-risk population, which will allow the mandating of
14 rebates for this group.

15 This Act, to be known as the "Hawaii Prescription Drug
16 Affordability Act of 2007", seeks to further drive down the cost
17 of prescription drugs for Hawaii's uninsured, underinsured, low-
18 income, elderly, and disabled residents.

19 SECTION 2. Chapter 346, Hawaii Revised Statutes, is
20 amended by adding four new sections to part XV to be
21 appropriately designated and to read as follows:



1 **§346-A** **Program goals.** The legislature finds that
2 affordability is critical in providing Hawaii residents with
3 access to prescription drugs. The Hawaii state pharmacy
4 assistance program enables the State to make prescription drugs
5 more affordable for qualified Hawaii residents and thereby
6 increase the overall health of Hawaii residents, promote healthy
7 communities, and protect the public health and welfare. The
8 legislature also intends that the program be integrated as much
9 as possible with other state health programs. It is not the
10 intention of the legislature for this law to discourage
11 employers from offering to pay, or from paying for prescription
12 drug benefits for their employees, or to supplant employer-
13 sponsored prescription drug benefit plans.

14 **§346-B** **Hawaii Rx plus preferred drug list.** (a) All drugs
15 shall be available at the medicaid discount price, or less. The
16 Hawaii Rx plus preferred drug list shall offer an additional
17 "secondary discount price", or less, on preferred drugs, to be
18 reimbursed through the Hawaii state pharmacy assistance program
19 special fund.

20 (b) The department shall establish secondary discounts for
21 drugs covered by a rebate agreement and shall promote the use of



1 safe, efficacious, and cost-effective drugs, taking into
2 consideration:

3 (1) Reduced prices for state and federally capped drug
4 programs;

5 (2) Differential dispensing fees;

6 (3) Administrative costs of the department; and

7 (4) The recommendation of the pharmacy and therapeutic
8 committee.

9 (c) The department shall establish a Hawaii Rx plus
10 preferred drug list that includes but is not limited to:

11 (1) Drugs listed on the State's medicaid preferred drug
12 list;

13 (2) Any other drugs listed on the Hawaii Rx plus preferred
14 drug list pursuant to this section; and

15 (3) Generic drugs that are priced using a maximum
16 allowable cost list, as determined by the department.

17 (d) The department shall establish a pharmacy and
18 therapeutic committee to advise the state medicaid director on
19 the Hawaii Rx plus preferred drug list. The pharmacy and
20 therapeutic committee shall review and recommend drugs for
21 placement on the Hawaii Rx plus preferred drug list, striving to
22 identify the safest and most efficacious drugs that are



1 available at the lowest cost. The committee's recommendations
2 may take into consideration any of the following factors:

3 (1) Therapeutic value for the disease or condition under
4 treatment;

5 (2) Clinical efficacy;

6 (3) Safety;

7 (4) Cost; and

8 (5) Other relevant factors as determined by the committee.

9 (e) When considering categories of drugs designed to treat
10 specialized chronic medical conditions and diseases, the
11 committee shall consult with physicians and other health care
12 professionals with specialized clinical knowledge and expertise
13 in this area, either in their capacity as consultants serving on
14 a subcommittee of the committee, or as physicians or pharmacists
15 with a practice or specialty in chronic diseases.

16 (f) The determination of a drug's safety and efficacy
17 shall be consistent with the standards set forth in the peer-
18 reviewed literature and other available sources, including but
19 not limited to:

20 (1) The American Hospital Formulary Service Drug
21 Information;

22 (2) The United States Pharmacopoeia Drug Information;



1 (3) The DRUGDEX System; and
2 (4) The American Medical Association Drug Evaluations.
3 (g) The determination of a drug's net cost shall consider
4 the pharmacy reimbursement amount authorized under section
5 346-D, as adjusted by manufacturer's rebates to be paid to the
6 department. The committee shall determine that a drug has no
7 significant clinical or safety advantages over one or more
8 alternative drugs when used for a given purpose before it may
9 consider the drug's net cost.

10 **§346-C Participating and nonparticipating manufacturers**
11 **and labelers.** (a) The names of manufacturers that enter and do
12 not enter into rebate agreements pursuant to this part shall be
13 deemed public information. The department shall release this
14 information to health care providers and the public.

15 (b) The department or administrator shall also make
16 available to health care providers information about the
17 relative cost of drugs produced by manufacturers that enter into
18 rebate agreements compared to the cost of drugs produced by
19 those that do not enter into rebate agreements, as allowed by
20 law.

21 **§346-D Pharmacy reimbursement.** (a) A pharmacy shall
22 submit claims to the department to verify the amount charged to



1 tier two and tier three program participants. On a schedule to
2 be determined by the department, the department shall reimburse
3 each pharmacy for the discounts of prescription drugs provided
4 to program participants.

5 (b) The department shall collect pharmacy use data
6 necessary to calculate the amount of the manufacturer rebate
7 under this part. The department shall protect the
8 confidentiality of information received as required under state
9 or federal law.

10 (c) The department shall not impose transaction charges on
11 participating pharmacies that submit claims or receive payments
12 under the Hawaii state pharmacy assistance program."

13 SECTION 3. Section 346-341, Hawaii Revised Statutes, is
14 amended by:

15 1. Adding fourteen new definitions to be appropriately
16 inserted and to read as follows:

17 "Administrator" means the director of human services.

18 "Discount" means the amount by which the price of a drug
19 sold by a pharmacy is reduced as determined by the department of
20 human services.

21 "Hawaii Rx plus program" means the prescription drug
22 discount program that provides discounts to qualified Hawaii



1 residents who are uninsured or underinsured through manufacturer
2 rebates and pharmacy discounts.

3 "Hawaii state pharmacy assistance program" means the
4 program that covers the co-payments for eligible seniors and
5 disabled individuals under the medicare part D drug benefit and
6 the prescription drug discounts for the Hawaii Rx plus program.

7 "Initial discount price" as it pertains to a drug means the
8 price that the department pays medicaid participating pharmacies
9 to purchase the drug for its medicaid members.

10 "Manufacturer" means anyone who is engaged in
11 manufacturing, preparing, propagating, compounding, processing,
12 packaging, repackaging, or labeling a prescription drug.

13 "Participating pharmacy" or "retail pharmacy" means a
14 retail pharmacy located in this state, or another business
15 licensed to dispense prescription drugs in this state, that
16 elects to participate in the Hawaii state pharmacy assistance
17 program.

18 "Pharmacy and therapeutic committee" means the committee
19 established by the department that advises the state medicaid
20 director on the Hawaii Rx plus preferred drug list.

21 "Preferred drug" includes but is not limited to:



- 1 (1) A drug listed on the State's medicaid preferred drug
2 list;
- 3 (2) An antipsychotic drug;
- 4 (3) An antidepressant drug;
- 5 (4) A chemotherapy drug;
- 6 (5) An antiretroviral drug;
- 7 (6) An immunosuppressive drug; and
- 8 (7) Any other drug listed on the Hawaii Rx plus preferred
9 drug list pursuant to this part.

10 "Secondary discount price" as it pertains to a drug means
11 the initial discount price less any further discounts paid out
12 of the Hawaii state pharmacy assistance program special fund.

13 "State medicare part D program" means the medicare part D
14 state pharmacy assistance program that provides co-payments for
15 qualified Hawaii residents.

16 "Tier one enrollee" means a beneficiary who qualifies for
17 the medicare part D state pharmacy assistance program.

18 "Tier two enrollee" means a beneficiary who qualifies for
19 the Hawaii Rx plus program and whose household income is equal
20 to or less than three hundred fifty per cent of the federal
21 poverty level.



1 "Tier three enrollee" means a beneficiary who qualifies for
2 the Hawaii Rx plus program and whose household income is equal
3 to or less than three hundred per cent of the federal poverty
4 level as approved by the federal Centers for Medicare and
5 Medicaid Services."

6 2. Amending the definitions of "asset test", "contractor",
7 and "enrollee" to read as follows:

8 "Asset test" means the asset limits for eligibility in the
9 ~~[state pharmacy assistance program]~~ state medicare part D
10 program as defined by the Medicare Modernization Act and any
11 amendments thereto.

12 "Contractor" means the person, partnership, or corporate
13 entity that has an approved contract with the department to
14 administer the Hawaii state pharmacy assistance program as
15 established under this part.

16 "Enrollee" means a resident of this State who meets the
17 conditions specified in this part and in department rules
18 relating to eligibility for participation in the Hawaii state
19 pharmacy assistance program and whose application for enrollment
20 in the Hawaii state pharmacy assistance program has been
21 approved by the department."



1 SECTION 4. Section 346-342, Hawaii Revised Statutes, is
2 amended to read as follows:

3 " ~~[f]~~ **S346-342** ~~[f]~~ ~~[State]~~ Hawaii state pharmacy assistance
4 **program.** (a) There is established within the department the
5 Hawaii state pharmacy assistance program, which shall provide
6 benefits for enrollees in the state medicare part D program and
7 the Hawaii Rx plus program. Provided that there are no
8 federally approved prescription drug plans available in the
9 ~~[State]~~ state that provide a full coverage prescription drug
10 benefit, the ~~[state pharmacy assistance program]~~ state medicare
11 part D program may coordinate the prescription drug coverage
12 with ~~[the]~~ any benchmark federal medicare part D prescription
13 drug plan benefit, including related supplies, as determined by
14 the department, to each resident who meets the eligibility
15 requirements as outlined in section 346-343. The Hawaii Rx plus
16 program shall combine the purchasing power of all qualified
17 residents to enable the State to reduce prescription drug costs,
18 as approved by the federal Centers for Medicare and Medicaid
19 Services, and further improve the quality of healthcare for
20 qualified Hawaii residents in the program, thereby increasing
21 the overall health of Hawaii residents, promoting healthy
22 communities, and protecting the public health and welfare.



1 (b) The department may provide enrollment assistance to
2 eligible individuals into the [~~state pharmacy assistance~~
3 ~~program.~~] state medicare part D program. Enrollment for
4 medicaid dual eligible persons shall begin no later than
5 October 1, 2005.

6 (c) [~~The~~] For the state medicare part D program, the
7 department shall allow any willing benchmark prescription drug
8 plan approved by the federal Centers for Medicare and Medicaid
9 Services to provide the coordination of benefits between the
10 [~~State's medicare prescription drug program~~] state medicare part
11 D program and the federal medicare part D drug benefit.

12 (d) The department may administer the Hawaii state
13 pharmacy assistance program or contract with a third party or
14 parties in accordance with chapter 103F to administer any single
15 component or combination of components of the Hawaii state
16 pharmacy assistance program, including outreach, eligibility,
17 enrollment, claims, administration, rebate negotiations and
18 recovery, and redistribution, [~~in order~~] to coordinate the
19 prescription drug benefits of the Hawaii state pharmacy
20 assistance program and the federal medicare part D drug benefit.

21 (e) Any contract with third parties to administer any
22 component of the Hawaii state pharmacy assistance program shall



1 be established either at no cost to the State, or on a
2 contingency-fee basis and with no up-front costs to the State,
3 as may be negotiated by the department.

4 (f) Any contract with third parties to administer any
5 component of the Hawaii state pharmacy assistance program shall
6 prohibit the contractor from receiving any compensation or other
7 benefits from any pharmaceutical manufacturer participating in
8 the Hawaii state pharmacy assistance program.

9 (g) A prescription drug manufacturer or labeler that sells
10 prescription drugs in the [~~State~~] state may enter into a rebate
11 agreement with the department. The rebate agreement may be
12 agreed upon by the manufacturer or the labeler to make rebate
13 payments to the department each calendar quarter or according to
14 a schedule established by the department.

15 (h) The department or contractor may negotiate the amount
16 of the rebate required from a manufacturer or labeler in
17 accordance with this part.

18 (i) The department or contractor [~~may~~] shall take into
19 consideration the rebate calculated under the medicaid rebate
20 program pursuant to title 42 United States Code Section 1396r-8,
21 the average [~~wholesale~~] manufacturer price of prescription



1 drugs, and any other cost data related to prescription drug
2 prices and price discounts.

3 (j) The department or contractor shall use [~~their~~] its
4 best efforts to obtain the best possible rebate amount.

5 (k) The department may prescribe the application and
6 enrollment procedures for prospective enrollees.

7 (l) The department shall conduct ongoing quality assurance
8 activities similar to those used in the State's medicaid
9 program.

10 (m) A prescription drug manufacturer or labeler that sells
11 prescription drugs in the state shall enter into a rebate
12 agreement with the department, as provided by the federal
13 Centers for Medicare and Medicaid Services.

14 (n) The department shall take all steps necessary to
15 enable participation in joint prescription drug purchasing
16 agreements with any other health benefits plan or organization
17 within or outside of this state that agrees to participate in a
18 joint purchasing agreement. The director shall:

19 (1) Execute any joint purchasing agreements or other
20 contracts with any participating health benefits plan
21 or organization within or outside the state that the
22 department determines will lower the cost of



1 prescription drugs for the residents of this state
2 while maintaining high quality in prescription drug
3 therapies;

4 (2) With regard to participation by a health benefits plan
5 established by the board of trustees of the Hawaii
6 employer-union health benefits trust fund, execute any
7 joint purchasing agreements or other contracts with
8 any health benefits plan or organization within or
9 outside the state that the department determines will
10 lower the cost of prescription drugs and provide
11 overall quality of integrated health care services to
12 that health benefits plan and the beneficiaries of the
13 plan, and that is negotiated through the collective
14 bargaining process between the State and the
15 authorized representative of the employees of the
16 State;

17 (3) Renegotiate and amend existing contracts to which the
18 department is a party if renegotiation and amendment
19 will be of economic benefit to the health benefits
20 plan subject to those contracts and to the
21 beneficiaries of those plans. Any renegotiation or
22 substituted contract shall be designed to improve the



1 overall quality of integrated health care services
 2 provided to beneficiaries of those plans; and
 3 (4) Report annually to the governor and the legislature on
 4 progress in securing Hawaii's participation in joint
 5 purchasing agreements."

6 SECTION 5. Section 346-343, Hawaii Revised Statutes, is
 7 amended to read as follows:

8 "**§346-343 Eligibility.** (a) All residents of the [State]
 9 state shall be eligible to participate in the Hawaii state
 10 pharmacy assistance program; provided that the applicant[+]
 11 meets the following eligibility requirements:

- 12 (1) Tier one enrollee:
- 13 [+1] (A) Is a resident of Hawaii;
 - 14 [+2] (B) Is sixty-five years or older, or is disabled and
 15 receiving a social security benefit;
 - 16 [+3] (C) Has a household income [~~at or below~~] equal to or
 17 less than one hundred fifty per cent of the
 18 federal poverty level;
 - 19 [+4] (D) Meets the asset test; [~~and~~]
 - 20 [+5] (E) Is not a member of a retirement plan who is
 21 receiving a benefit from the Medicare
 22 Modernization Act[-];



1 (F) Is medicaid dual eligible, or receiving medicare
2 part D prescription drug benefit or both; and

3 (G) Is enrolled in the program.

4 (2) Tier two enrollee:

5 (A) Is a resident of Hawaii;

6 (B) Has a family income equal to or less than three
7 hundred fifty per cent of the federal poverty
8 level;

9 (C) Lacks prescription drug coverage or has exceeded
10 the extent of the resident's prescription drug
11 benefits; and

12 (D) Is enrolled in the program.

13 (3) Tier three enrollee:

14 (A) Is a resident of Hawaii;

15 (B) Has a family income equal to or less than three
16 hundred per cent of the federal poverty level, as
17 approved by the federal Centers for Medicare and
18 Medicaid Services;

19 (C) Lacks prescription drug coverage or has exceeded
20 the extent of the resident's prescription drug
21 benefits; and

22 (D) Is enrolled in the program.



1 (b) [~~State pharmacy assistance~~] Tier one program
2 applicants who are enrolled in any other public assistance
3 program providing pharmaceutical benefits, other than the
4 Medicare Modernization Act and medicaid, shall be ineligible for
5 the [~~state pharmacy assistance~~] state medicare part D program as
6 long as they receive pharmaceutical benefits from that other
7 public assistance program, unless the applicant is eligible for
8 medicare. Residents who qualify for, or are enrolled in, the
9 Hawaii Rx plus program shall be eligible for the [~~state pharmacy~~
10 ~~assistance~~] state medicare part D program; provided that they
11 meet all other [~~state pharmacy assistance~~] state medicare part D
12 program requirements.

13 (c) [~~State pharmacy assistance program applicants~~]
14 Applicants who are enrolled in a private sector plan or
15 insurance providing payments for prescription drugs shall be
16 ineligible to receive benefits from the [~~state pharmacy~~
17 ~~assistance~~] state medicare part D program.

18 (d) The department:
19 (1) Shall establish procedures to determine eligibility
20 and shall issue program enrollment cards to eligible
21 qualified residents;



1 (2) Shall provide for outreach efforts to build public
2 awareness of the program and maximize the enrollment
3 of eligible qualified residents; and

4 (3) May adjust the requirements and terms of the program
5 by rule to accommodate any federally funded or
6 authorized prescription drug program."

7 SECTION 6. Section 346-344, Hawaii Revised Statutes, is
8 amended to read as follows:

9 "**§346-344 Benefits.** (a) For persons meeting the tier one
10 eligibility requirements in section 346-343, the Hawaii state
11 pharmacy assistance program may pay all or some of the co-
12 payments required under the federal medicare part D pharmacy
13 benefit program, subject to the sufficiency of funds in the
14 Hawaii state pharmacy assistance program special fund, as
15 determined by the department.

16 (b) [~~The state pharmacy assistance program~~] For tier one
17 enrollees, the state medicare part D program is the payor of
18 last resort subject to the sufficiency of funds in the Hawaii
19 state pharmacy assistance program special fund, as determined by
20 the department.

21 (c) The [~~state pharmacy assistance program~~] benefits for
22 tier one enrollees shall be funded with state appropriations,



1 including funds derived from revenues to the State from rebates
2 paid by pharmaceutical manufacturers pursuant to section 346-
3 342(g), and with savings resulting from medicare prescription
4 drug coverage for the medicaid dual eligible population.

5 (d) For tier two and tier three enrollees, each retail
6 pharmacy participating in the Hawaii Rx plus program shall sell
7 drugs to qualified residents at the initial discount price, as
8 determined by the department pursuant to this part.

9 (e) Beginning July 1, 2004, a participating pharmacy shall
10 offer the initial discount price.

11 (f) No later than July 1, 2008, a participating pharmacy
12 shall offer the secondary discount price to tier three
13 enrollees, if available.

14 (g) The benefits for tier two and tier three enrollees
15 shall be funded with state appropriations, including funds, as
16 approved by the federal Centers for Medicare and Medicaid
17 Services, derived from revenues to the State from rebates paid
18 by pharmaceutical manufacturers pursuant to section 346-342(g)
19 and title 42 United States Code section 1396r-8."

20 SECTION 7. Section 346-345, Hawaii Revised Statutes, is
21 amended to read as follows:



1 " ~~[+]§346-345[+]~~ **Special fund.** (a) There is established
2 within the state treasury to be administered by the department,
3 the Hawaii state pharmacy assistance program special fund, into
4 which shall be deposited:

- 5 (1) All moneys received from manufacturers that pay
6 rebates as provided in section 346-342(g);
7 (2) Appropriations made by the legislature to fund; and
8 (3) Any other revenues designated for the fund.

9 (b) Moneys in the Hawaii state pharmacy assistance program
10 special fund may be used for:

- 11 (1) Reimbursement payments to participating pharmacies for
12 co-payments required under the federal medicare part D
13 pharmacy benefit program as provided to [~~state~~
14 ~~pharmacy assistance program participants,~~] tier one
15 enrollees;

- 16 (2) Reimbursement payments to participating pharmacies for
17 discounts provided to tier two and tier three
18 enrollees;

- 19 ~~[+2]~~ (3) The costs of administering the Hawaii state
20 pharmacy assistance program, including salary and
21 benefits of employees, computer costs, and contracted
22 services as provided in section 346-342(d); and



1 ~~[(3)]~~ (4) Any other purpose deemed necessary by the
2 department for the purpose of operating and
3 administering the Hawaii state pharmacy
4 ~~[+]assistance[+]~~ program.

5 All interest on special fund balances shall accrue to the
6 special fund. Upon dissolution of the Hawaii state pharmacy
7 assistance program special fund, any unencumbered moneys in the
8 fund shall lapse to the general fund.

9 (c) The department shall expend all ~~[revenues received~~
10 ~~from rebates paid by pharmaceutical manufacturers pursuant to~~
11 ~~section 346-342(g)]~~ moneys in the Hawaii state pharmacy
12 assistance program special fund to pay for the benefits to
13 enrollees in the Hawaii state pharmacy assistance program, the
14 costs of administering the program, and reimbursement of
15 medicaid pharmaceutical costs~~[-]~~; provided that any mandatory
16 rebate revenues cannot be used for administrative program costs
17 and general funds shall be used to pay for a percentage of the
18 secondary discount price unless otherwise approved by the
19 federal Centers for Medicare and Medicaid Services."

20 SECTION 8. Chapter 346, Hawaii Revised Statutes, is
21 amended by amending the title of part XV to read as follows:

22 " ~~[+]PART XV. [+]~~ **HAWAII STATE PHARMACY ASSISTANCE PROGRAM**"



1 SECTION 9. Part XIII of chapter 346, Hawaii Revised
2 Statutes, is repealed.

3 SECTION 10. The department of human services shall conduct
4 a study to gather information on the size of the target
5 population, utilization data, and other information as needed
6 for the department of human services to identify the amount of
7 the appropriation needed to implement the secondary discount
8 price and other costs of the program.

9 SECTION 11. There is appropriated out of the general
10 revenues of the State of Hawaii the sum of \$, for
11 fiscal year 2007-2008, to be deposited into the Hawaii state
12 pharmacy assistance program special fund.

13 There is appropriated out of the Hawaii state pharmacy
14 assistance program special fund the sum of \$, or so much
15 thereof as may be necessary for fiscal year 2007-2008, for the
16 department of human services to conduct the study mandated in
17 section 10 of this Act.

18 The sums appropriated by this Act shall be expended by the
19 department of human services for the purposes of this Act.

20 SECTION 12. Statutory material to be repealed is bracketed
21 and stricken. New statutory material is underscored.



1 SECTION 13. In codifying the new sections added by section
2 2 of this Act, the revisor of statutes shall substitute
3 appropriate section numbers for the letters used in designating
4 the new sections in this Act.

5 SECTION 14. This Act shall take effect on July 1, 2050,
6 except that sections 10 and 11 shall take effect on July 1,
7 2049.



S.B. NO. 816
S.D. 2
H.D. 1

Report Title:

State Pharmacy Assistance Program

Description:

Creates a Hawaii state pharmacy assistance program by merging the current state pharmacy assistance program which coordinates the medicare part D drug benefit and the Hawaii Rx plus program under a single comprehensive Hawaii state pharmacy assistance program umbrella. (SB816 HD1)

