STAND. COM. REP. NO./682

Honolulu, Hawaii

APR 0 5 2007

RE: H.B. No. 1359

H.D. 1 S.D. 2

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

Madam:

Your Committee on Ways and Means, to which was referred H.B. No. 1359, H.D. 1, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE STATE PHARMACY ASSISTANCE PROGRAM,"

begs leave to report as follows:

The purpose of this measure is to ensure affordable prescription drug medications for Hawaii's uninsured, underinsured, low-income, elderly, and disabled residents.

Specifically, this measure 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 newly established Hawaii Rx Plus Program under a single comprehensive Hawaii State Pharmacy Assistance Program umbrella.

Your Committee received comments in support of this measure from the Department of Human Services with recommendations for amendments. The American Association of Retired Persons offered comments.

Upon further consideration, your Committee has amended this measure by:

(1) Adding a new section to establish the Hawaii Rx plus program in chapter 346, Hawaii Revised Statutes;

HB1359 SD2 SSCR LRB 07-4025.doc

- (2) Adding a new definition of "program" to refer to the Hawaii state pharmacy assistance program;
- (3) Deleting the circular requirement that tier one, two, and three enrollees be enrolled in the program to be eligible to enroll in the program;
- (4) Deleting the contents of proposed new subsection 346-342(m), Hawaii Revised Statutes, and replacing it with language that requires a manufacturer that sells prescription drugs in the State enter into a rebate agreement with the department as approved by the federal Centers for Medicare and Medicaid Services; and
- (5) Making technical nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1359, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1359, H.D. 1, S.D. 2.

Respectfully submitted on behalf of the members of the Committee on Ways and Means,

ROSALYN H. BAKER, Chair

The Senate Twenty-Fourth Legislature State of Hawaii

Record of Votes Committee on Ways and Means WAM

Bill / Resolution No.:* HB1359 HDI, SDI	Committee Referral: HTH CPH, WAM		Date	Date: 3 20 07	
The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to:					
The Recommendation is:					
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members	Ay	e Aye (V	VR)	Nay	Excused
BAKER, Rosalyn H. (C)	/				
TSUTSUI, Shan S. (VC)					
CHUN OAKLAND, Suzanne					
ENGLISH, J. Kalani					
FUKUNAGA, Carol					
HOOSER, Gary L.					
KIM, Donna Mercado					
MENOR, Ron					
TOKUDA, JIII N.					
HEMMINGS, Fred					
WHALEN, Paul					
TOTAL	10	C)	\mathcal{O}	1
Recommendation: Adopted			Not Adopted		
Chair's or Designee's Signature:					
Distribution: Original Yellow Pink File with Committee Report Clerk's Office Drafting Agency					

*Only one measure per Record of Votes