STAND. COM. REP. NO. 228 -10

Honolulu, Hawaii **FE 9**, 2010 RE: H.B. No. 2096 H.D. 1

Honorable Calvin K.Y. Say Speaker, House of Representatives Twenty-Fifth State Legislature Regular Session of 2010 State of Hawaii

Sir:

Your Committee on Health, to which was referred H.B. No. 2096 entitled:

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

begs leave to report as follows:

The purpose of this bill is to improve the quality of care and practice of medicine in Hawaii by requiring that health plans that base coverage for prescription drugs on a drug formulary or prior authorization requirement establish a Drug Formulary Board (Board) to develop a drug formulary.

The Hawaii Medical Association supported this bill. The Hawaii Association of Health Plans opposed this measure. The Department of Commerce and Consumer Affairs (DCCA) and 'Ohana Health Plan submitted comments.

Your Committee has amended this bill by:

- Requiring that the Board develop standards for review that have been approved by a majority of the Board prior to establishing a prescription drug formulary;
- (2) Providing that a doctor of psychiatry may also be selected for placement on the Board;



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- (3) Requiring DCCA's Insurance Commissioner to provide administrative oversight to ensure compliance of the insurance plans;
- (4) Changing the effective date to July 1, 2020, to encourage further discussion; and
- (5) Making technical, nonsubstantive changes for clarity, consistency, and style.

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. 2096, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2096, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

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

Chair



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## **Record of Votes of the Committee on Health**

Bill/Resolution No.: HB 2096	Committee Referral: HLT, CPC	eferral: Date: 1/26/10		
The committee is reconsidering its previous decision on the measure.				
The recommendation is to: □ Pass, unamended (as is) Pass, with amendments (HD) □ Hold   □ Pass short form bill with HD to recommit for future public hearing (recommit)				
HLT Members	Ayes	Ayes (WR)	Nays	Excused
1. YAMANE, Ryan I. (C)				
2. NISHIMOTO, Scott Y. (VC)				
3. BELATTI, Della Au				
4. BERTRAM, Joe, III				
5. BROWER, Tom				
6. CARROLL, Mele				
7. MIZUNO, John M.				
8. SHIMABUKURO, Maile S.L.				
9. FINNEGAN, Lynn				
TOTAL (9)	9			1
The recommendation is: Adopted If joint referral, did not support recommendation.				
Vice Chair's or designee's signature:				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				