

Honolulu, Hawaii

APR - 8 2010

RE: S.R. No. 27

S.D. 2

Honorable Colleen Hanabusa  
President of the Senate  
Twenty-Fifth State Legislature  
Regular Session of 2010  
State of Hawaii

Madam:

Your Committee on Commerce and Consumer Protection, to which  
was referred S.R. No. 27, S.D. 1, entitled:

"SENATE RESOLUTION EXPRESSING SUPPORT FOR LOCAL  
ACCOUNTABILITY OF DRUG FORMULARIES AND DRUG PRIOR  
AUTHORIZATION POLICIES,"

begs leave to report as follows:

The purpose of this measure is to demonstrate Legislative  
support for the maintenance of locally-based pharmacy and  
therapeutics committees to make decisions on drug formulary and  
drug prior authorization policies of all health insurance plans  
doing business in Hawaii, including those under contract with  
Hawaii Med-QUEST.

Testimony in support of this measure was submitted by the  
Hawaii Medical Association. Written testimony presented to the  
Committee may be reviewed on the Legislature's website.

Your Committee finds that some Hawaii insurance plans are  
outsourcing determination of drug formularies and drug prior  
authorization policies to out-of-state pharmacy benefit managers.  
This outsourcing is resulting in a decrease of Hawaii jobs and  
drug policies that are unreasonable and burdensome for doctors,  
pharmacies, and patients. Your Committee further finds that these  
burdens are resulting in some doctors limiting acceptance of  
health insurance plans, which is negatively impacting patient  
access to care.

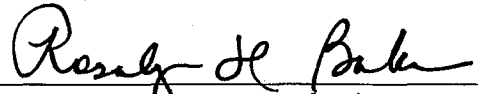


Your Committee hopes that locally-based pharmacy and therapeutics committees will be maintained to make decisions on drug formulary and drug prior authorization policies that reflect the practical and market realities of Hawaii.

Your Committee has amended this measure by making technical, nonsubstantive changes to ensure clarity and accuracy in the language of this measure.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 27, S.D. 1, as amended herein, and recommends its adoption in the form attached hereto as S.R. No. 27, S.D. 2.

Respectfully submitted on  
behalf of the members of the  
Committee on Commerce and  
Consumer Protection,



ROSALYN H. BAKER, Chair



The Senate  
Twenty-Fifth Legislature  
State of Hawaii

**Record of Votes**  
**Committee on Commerce and Consumer Protection**  
**CPN**

Bill / Resolution No.:* <i>SR 27 SD1</i>	Committee Referral: <i>HTH, CPN</i>	Date: <i>04-07-10</i>
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____		
The Recommendation is: <div style="display: flex; justify-content: space-between; align-items: flex-end;"> <div style="text-align: center;"><input type="checkbox"/> Pass, unamended 2312</div> <div style="text-align: center;"><input checked="" type="checkbox"/> Pass, with amendments 2311</div> <div style="text-align: center;"><input type="checkbox"/> Hold 2310</div> <div style="text-align: center;"><input type="checkbox"/> Recommit 2313</div> </div>		
Members	Aye	Aye (WR)
BAKER, Rosalyn H. (C)	✓	
IGE, David Y. (VC)		✓
ESPERO, Will	✓	
GREEN, M.D., Josh	✓	
IHARA, Jr., Les		✓
SAKAMOTO, Norman		✓
HEMMINGS, Fred	✓	
<b>TOTAL</b>	<b>4</b>	<b>0 0</b>
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted		
Chair's or Designee's Signature: <i>[Signature]</i>		
<b>Distribution:</b> <div style="display: flex; justify-content: space-between; font-size: small;"> <div>Original File with Committee Report</div> <div>Yellow Clerk's Office</div> <div>Pink Drafting Agency</div> <div>Goldenrod Committee File Copy</div> </div>		

\*Only one measure per Record of Votes