STAND. COM. REP. NO. 2533

Honolulu, Hawaii

MAR 0 2 2012

RE: S.B. No. 2436

S.D. 1

Honorable Shan S. Tsutsui President of the Senate Twenty-Sixth State Legislature Regular Session of 2012 State of Hawaii

Sir:

Your Committees on Health and Commerce and Consumer Protection, to which was referred S.B. No. 2436 entitled:

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

beg leave to report as follows:

The purpose and intent of this measure is to require the Insurance Commissioner to develop a uniform prior authorization form for prescription drugs no later than July 1, 2013, to be used by prescribers and health care insurance providers beginning January 1, 2014.

Your Committees received testimony in support of this measure from the Hawaii State Center for Nursing, Faith Action for Community Equity, Hawaii Medical Association, National Multiple Sclerosis Society, Epilepsy Foundation of Hawaii, CVS Caremark, Hawaii Academy of Physician Assistants, American Cancer Society, HMSA, University of Hawaii, and two individuals. Your Committees received testimony in opposition to this measure from the Department of Commerce and Consumer Affairs, HMSA, and AlohaCare. Your Committees received comments on this measure from Kaiser Permanente.

Your Committees find that testimony submitted by the Insurance Commissioner indicates that the Department of Commerce and Consumer Affairs does not have the medical expertise necessary to create and implement the uniform prior authorization form for prescription drugs. Your Committees note that the Department of

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Human Services is actively making effective strides toward achieving purposes similar to this measure.

Your Committees have amended this measure accordingly by:

- (1) Requiring the Director of Human Services, rather than the Insurance Commissioner, to develop the uniform prior authorization form for prescription drugs;
- (2) Changing the definition of "dispenser" to mean "a practitioner who dispenses";
- (3) Inserting an effective date of July 1, 2050, to allow for further discussion; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Health and Commerce and Consumer Protection that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2436, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2436, S.D. 1, and be placed on the calendar for Third Reading.

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

ROSALYN H. BAKER, Chair

JOSH GREEN, M.D., Chair

The Senate Twenty-Sixth Legislature State of Hawaiʻi

Record of Votes Committee on Health HTH

| Bill / Resolution No.:* | Committee Referral: | | | Date: | | | | |
|--|---------------------|---------------------------------------|---|----------|---------|--|--|--|
| SB 2436 | HTH / CPN | | | 2/22/12 | | | | |
| 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 | | Aye | Aye (WR) | Nay | Excused | | | |
| GREEN, M.D., Josh (C) | | | | | | | | |
| NISHIHARA, Clarence K. (VC) | | ~ | | | | | | |
| BAKER, Rosalyn H. | | V | | | | | | |
| CHUN OAKLAND, Suzanne | | | | | | | | |
| SHIMABUKURO, Maile | | | | | ~ | | | |
| WAKAI, Glenn | | | | | | | | |
| SLOM, Sam | | V | | | | | | |
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| TOTAL | | 4 | 0 | 0 | 3 | | | |
| Recommendation: Adopted Not Adopted | | | | | | | | |
| Chair's or Designee's Signature: Claunce K Chilihme | | | | | | | | |
| Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy | | | | | | | | |

Revised: 01/20/11

^{*}Only one measure per Record of Votes

The Senate Twenty-Sixth Legislature State of Hawai'i

Record of Votes Committee on Commerce and Consumer Protection CPN

| SIS 2436 | Committee Referral: Date: OZ - ZZ - 1Z | | | | | | | |
|--|--|---------------------|----------|-----|--------------------------|--|--|--|
| 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 | | Aye | Aye (WR) | Nay | Excused | | | |
| BAKER, Rosalyn H. (C) | | | | | | | | |
| TANIGUCHI, Brian T. (VC) | | | | | un begin Malanda kate | | | |
| GALUTERIA, Brickwood | | | | | | | | |
| GREEN, M.D., Josh | | | | | | | | |
| NISHIHARA, Clarence K. | | | | | | | | |
| SOLOMON, Malama | | V / | | | | | | |
| SLOM, Sam | | V . | | | | | | |
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| TOTAL | | 7 | 0 | 0 | 0 | | | |
| Recommendation: Adopted Not Adopted | | | | | | | | |
| Chair's or Designee's Signature: | | | | | | | | |
| Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy | | | | | | | | |

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