

## HOUSE RESOLUTION

REQUESTING IMPLEMENTATION OF ACT 226, SESSION LAWS OF HAWAII 2013, RELATING TO PRESCRIPTION DRUG BENEFITS.

WHEREAS, Act 226, Session Laws of Hawaii 2013, was codified as chapter 431R, Hawaii Revised Statutes (HRS); and

WHEREAS, section 431R-4, HRS, requires each prescription drug benefit plan, health benefits plan under chapter 87A, HRS, and pharmacy benefit manager to file an annual report to the Insurance Commissioner by March 31 of each year; and

WHEREAS, the first annual required report to the Insurance Commissioner is due by March 31, 2014; and

WHEREAS, the Insurance Commissioner has yet to clarify several key aspects of Act 226, including the standards and requirements for a retail community pharmacy to be deemed "otherwise qualified" and the "form and detail" of the report due on March 31, 2014; and

WHEREAS, cost-control over prescription medicine is more critical now that prescription drugs are one of the ten essential health benefits under the federal Patient Protection and Affordable Care Act; and

WHEREAS, large employer groups, such as the Hawaii Employer-Union Health Benefits Trust Fund, will be helping the State to contain costs and therefore drive down the State's projected unfunded liability; and

WHEREAS, the Legislature finds that uncontained drug costs and loose oversight of pharmacy benefit managers and prescription contracts has led to a ballooning increase in health care costs, which increases the costs to all consumers and slows the economy down; and

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WHEREAS, uncontained and unregulated prescription drug costs could dramatically increase the State's unfunded liability for the health care costs of its employees beyond current projections, thereby requiring the State to make increased contributions for its future health care obligations; and

WHEREAS, the availability and pricing of drugs is critical for the State's residents, especially seniors on the Neighbor Islands, to be able to live happy and healthy lives; now, therefore,

BE IT RESOLVED by the House of Representatives of the Twenty-seventh Legislature of the State of Hawaii, Regular Session of 2014, that the Insurance Commissioner is requested to facilitate the implementation of Act 226, Session Laws of Hawaii 2013; and

BE IT FURTHER RESOLVED that the Insurance Commissioner is requested to submit a report to the Legislature not later than twenty days prior to the convening of the Regular Session of 2015, regarding the efforts and progress made in implementing Act 226, Session Laws of Hawaii 2013; and

BE IT FURTHER RESOLVED that certified copies of this Resolution be transmitted to the Director of Commerce and Consumer Affairs and the Insurance Commissioner.

OFFERED BY:

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