

STAND. COM. REP. NO. 984

Honolulu, Hawaii
March 20, 2015

RE: S.B. No. 301
S.D. 2
H.D. 1

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Eighth State Legislature
Regular Session of 2015
State of Hawaii

Sir:

Your Committee on Health, to which was referred S.B. No. 301,
S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO HEALTH,"

begs leave to report as follows:

The purpose of this measure is to help patients that are in need of drug coverage make informed decisions about their health care coverage by requiring entities that offer or renew health plans to make a complete and updated formulary publicly available.

The Hawaii Medical Association, Arthritis Foundation, and Pharmaceutical Research and Manufacturers of America supported this measure. Kaiser Permanente and American Cancer Society Cancer Action Network supported this measure with amendments. Hawaii Association of Health Plans opposed this measure. The Department of Commerce and Consumer Affairs and Hawaii Medical Service Association commented on this measure.

Your Committee has amended this measure by:

- (1) Replacing the prescriptive provisions relating to the contents required of each formulary with a general requirement that the insurer provide a system that allows for people to determine whether certain drugs are covered, with cost-sharing information, under the plan's medical benefits;

SB301 HD1 HSCR HLT HMS 2015-2705



- (2) Specifying that the formulary requirements in this measure shall not apply to limited benefit health insurance, Medicare, Medicaid, or any other federally financed plan;
- (3) Removing the requirement of attestation to the Insurance Commissioner;
- (4) Removing the provisions that allow for the Insurance Commissioner to create a standard formulary template;
- (5) Requiring the Insurance Commissioner to convene a Formulary Accessibility Working Group to make recommendations for a standard formulary template and report to the Legislature;
- (6) Changing the effective date to July 1, 2112, to encourage further discussion; and
- (7) Making technical, nonsubstantive amendments 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 S.B. No. 301, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 301, S.D. 2, 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,



DELLA AU BELATTI, Chair



Record of Votes of the Committee on Health

Bill/Resolution No.: <i>SB301 SD2</i>	Committee Referral: <i>HLT, CPC, FIN</i>	Date: <i>3/18/15</i>		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
HLT Members	Ayes	Ayes (WR)	Nays	Excused
1. BELATTI, Della Au (C)	✓			
2. CREAGAN, Richard P. (VC)	✓			
3. HASHEM, Mark J.	✓			
4. JORDAN, Jo	✓			
5. KOBAYASHI, Bertrand	✓			
6. MORIKAWA, Dee	✓			
7. OSHIRO, Marcus R.	✓			
8. FUKUMOTO CHANG, Beth	✓			
9. TUPOLA, Andria P.L.				✓
TOTAL (9)	8			1
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. <small style="margin-left: 100px;">committee acronym(s)</small>				
Vice Chair's or designee's signature:				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				