STAND. COM. REP. NO. 402

Honolulu, Hawaii

February 14 , 2019

RE: H.B. No. 267 H.D. 1

Honorable Scott K. Saiki Speaker, House of Representatives Thirtieth State Legislature Regular Session of 2019 State of Hawaii

Sir:

Your Committee on Health, to which was referred H.B. No. 267 entitled:

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

begs leave to report as follows:

The purpose of this measure is to require drug manufacturers to notify each prescription drug benefit plan and pharmacy benefit manager and the public when there is a proposed increase in the wholesale price of certain drugs that would result in a 16 percent or more price increase over a two-year period.

The Hawaii Medical Service Association and Kaiser Permanente Hawai'i supported this measure. The Pharmaceutical Research and Manufacturers of America opposed this measure. The Department of Commerce and Consumer Affairs provided comments.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2050, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

Your Committee notes the concerns of the Department of Commerce and Consumer Affairs that the Insurance Division will be unable to enforce the provisions of this measure as the Insurance Division does not have regulatory oversight over drug manufacturers.

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. 267, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 267, H.D. 1, and be referred to your Committee on Consumer Protection & Commerce.

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

State of Hawaii House of Representatives The THIRTIETH Legislature HSCR 402

Record of Votes of the Committee on Health

Bill/Resolution No.: HB 261	Committee Referral:	Date:	2-12.	-19
☐ 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. MIZUNO, John M. (C)				
2. KOBAYASHI, Bertrand (VC)				
3. BELATTI, Della Au				A
4. NAKAMURA, Nadine K.			70	V
5. SAN BUENAVENTURA, Joy A.				
3. SAN BUENAVENTURA, JOY A.				
6. SAY, Calvin K.Y.				<u> </u>
7. TOKIOKA, James Kunane	/			na kana jaggaranka
8. WARD, Gene				
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TOTAL (8)	1		-	1
The recommendation is: Adopted If joint referral, did not support recommendation. committee acronym(s)				
Vice Chair's or designee's signature:				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				