THE SENATE THE THIRTY-FIRST LEGISLATURE REGULAR SESSION OF 2021

COMMITTEE ON HEALTH

Senator Jarrett Keohokalole, Chair Senator Rosalyn H. Baker, Vice Chair

MEASURES DEFERRED TO WEDNESDAY, FEBRUARY 17, 2021

DATE: Wednesday, February 17, 2021

TIME: 1:16 P.M.

PLACE: Via Videoconference

THE STATE CAPITOL IS CLOSED TO THE PUBLIC DURING THE ONGOING COVID-19 PANDEMIC

A live stream of all Senate Standing Committee meetings will be available on the Senate YouTube Channel.

Click <u>here</u> for more information about Live and On-Demand Video options.

DECISION MAKING ON THE FOLLOWING MEASURE(S):

SB 602 Status & Testimony RELATING TO PHARMACY BENEFIT MANAGERS.

HTH, CPN

Prohibits certain contracts for managed care entered into after June 30, 2021, from containing a provision that authorizes a pharmacy benefit manager to reimburse a contracting pharmacy on a maximum allowable cost basis, and voids any such provisions in existing managed care contracts. Prohibits pharmacy benefit managers from engaging in self-serving or deceptive business practices. Prohibits pharmacy benefit managers from engaging in unfair methods of competition or unfair practices. Prohibits pharmacy benefit managers from retaining any portion of spread pricing. Prohibits a pharmacy benefit manager from reimbursing a 340B pharmacy differently than any other network pharmacy. Prohibits a pharmacy benefit manager from reimbursing an independent or rural pharmacy an amount less than the rural rate for each drug under certain circumstances. Prohibits a pharmacy benefit manager from prohibiting a pharmacist to provide certain information to insureds. Increases pharmacy benefit managers' annual reporting requirements. Requires the insurance commissioner to file annual reports with the legislature. Increases pharmacy benefit manager registration and renewal fees. Makes certain violations of pharmacy benefit managers subject to the penalties provided in chapter 480 and chapter 481, Hawaii Revised Statutes.

No testimony will be accepted.

FOR AMENDED NOTICES: Measures that have been deleted are stricken through and measures that have been added are underscored. If a measure is both underscored and stricken through, that measure has been deleted from the agenda.

FOR FURTHER INFORMATION, PLEASE CALL THE COMMITTEE CLERK AT 808-587-7215.

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