

STAND. COM. REP. NO. 8

Honolulu, Hawaii

JAN 30 , 2025

RE: H.B. No. 205
H.D. 1

Honorable Nadine K. Nakamura
Speaker, House of Representatives
Thirty-Third State Legislature
Regular Session of 2025
State of Hawaii

Madame:

Your Committee on Labor, to which was referred H.B. No. 205
entitled:

"A BILL FOR AN ACT RELATING TO WORKERS' COMPENSATION,"

begs leave to report as follows:

The purpose of this measure is to limit the amount an
employee has to pay for clinically necessary nonprescription,
over-the-counter, or nonlegend drugs for workers' compensation
purposes.

Your Committee received testimony in support of this measure
from the Department of Labor and Industrial Relations and one
individual. Your Committee received testimony in opposition to
this measure from the Hawaii Insurers Council.

Your Committee finds that a payment rate for nonprescription,
over-the-counter, or nonlegend drugs is necessary to limit the
rising cost of workers' compensation insurance policies. Your
Committee further finds that the State's unclear reimbursement
rates for these drugs causes inflated drug prices, which then
increases the cost of workers' compensation insurance policies.
Your Committee believes that this measure will help reduce overall
costs by establishing a clear payment rate in statute.

Your Committee amended this measure by:

2025-1100 HB205 HD1 HSCR HMSO



- (1) Clarifying that payment for nonprescription, over-the-counter, or nonlegend drugs shall not exceed cost plus forty per cent; and
- (2) Changing the effective date to July 1, 3000, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Labor that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 205, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 205, H.D. 1, and be referred to your Committee on Consumer Protection & Commerce.

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



JACKSON D. SAYMA, Chair



