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# A BILL FOR AN ACT

RELATING TO WORKERS' COMPENSATION.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1. The legislature finds that the State's existing  
2 reimbursement rates for nonprescription drugs, over-the-counter  
3 drugs, or nonlegend drugs for workers' compensation are not  
4 clearly provided. The legislature further finds that this  
5 omission has led some to charge inflated rates for these drugs,  
6 which drives up the cost of workers' compensation insurance  
7 policies. The legislature notes, however, that there must be a  
8 balance between targeting inappropriate billing practices while  
9 ensuring that injured employees still have access to reasonable  
10 and necessary care.

11           Accordingly, the purpose of this Act is to authorize health  
12 care providers to dispense nonprescription drugs, over-the-  
13 counter drugs, or nonlegend drugs for workers' compensation,  
14 under certain circumstances.

15           SECTION 2. Chapter 386, Hawaii Revised Statutes, is  
16 amended by adding a new section to part I to be appropriately  
17 designated and to read as follows:



1           "§386-        Nonprescription, over-the-counter, or nonlegend  
2 drugs; authorized. (a) A health care provider may dispense a  
3 nonprescription drug, over-the-counter drug, or nonlegend drug  
4 to an injured employee only if:

5           (1) The drug is clinically necessary for the treatment of  
6           the compensable injury; and

7           (2) The charge for the drug does not exceed the prevailing  
8           retail price generally available at major pharmacy  
9           chains within the State.

10           (b) Nothing in this section shall prohibit a health care  
11 provider from recommending, advising, or directing an injured  
12 employee to obtain and use a nonprescription drug, over-the-  
13 counter drug, or nonlegend drug, whether orally or in writing,  
14 as part of medically appropriate treatment.

15           (c) For purposes of this section, "nonprescription drug",  
16 "over-the-counter drug", or "nonlegend drug" has the same  
17 meaning as in section 328-1."

18           SECTION 3. This Act does not affect rights and duties that  
19 matured, penalties that were incurred, and proceedings that were  
20 begun before its effective date.

21           SECTION 4. New statutory material is underscored.



**1** SECTION 5. This Act shall take effect on July 1, 3000.



**Report Title:**

Workers' Compensation; Nonprescription Drugs; Over-The-Counter  
Drugs; Nonlegend Drugs

**Description:**

Authorizes health care providers to dispense nonprescription  
drugs, over-the-counter drugs, and nonlegend drugs for workers'  
compensation patients, under certain circumstances. Effective  
7/1/3000. (HD2)

*The summary description of legislation appearing on this page is for informational purposes only and is  
not legislation or evidence of legislative intent.*

