
A BILL FOR AN ACT

RELATING TO MEDICAID.

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

1 SECTION 1. The legislature finds that the State's medicaid
2 program, known as med-QUEST, serves some of Hawaii's most
3 vulnerable residents, including low-income families, kupuna,
4 individuals with disabilities, and those living in rural and
5 neighbor island communities. The legislature further finds that
6 decisions regarding pharmaceutical benefit management can
7 significantly impact pharmacy reimbursement, patient access, and
8 overall health care expenditures. Accordingly, it is in the
9 State's best interest to ensure that the department of human
10 services retains the flexibility necessary to evaluate and
11 implement pharmaceutical benefit management structures that best
12 serve medicaid beneficiaries and participating providers.

13 The legislature further finds that existing limitations on
14 the department's authority constrain the State's ability to
15 modernize medicaid program administration and adapt to evolving
16 health care delivery and pharmaceutical market conditions.
17 These constraints hinder the department's ability to consider



1 emerging models that are being adopted and evaluated at both the
2 federal and state levels.

3 The purpose of this Act is to restore the department of
4 human services' authority to assess and implement the most
5 effective pharmaceutical benefits management approach for med-
6 QUEST and ensure responsible stewardship of public funds.

7 SECTION 2. Act 4, Special Session Laws of Hawaii 2005, is
8 amended by amending section 3 to read as follows:

9 "SECTION 3. [~~The department of human services shall not~~
10 ~~take any action to remove pharmaceutical benefits management~~
11 ~~from managed care plans that provide health care coverage for~~
12 ~~Hawaii medicaid beneficiaries.] Repealed."~~

13 SECTION 3. Statutory material to be repealed is bracketed
14 and stricken. New statutory material is underscored.

15 SECTION 4. This Act shall take effect on July 1, 3000.



Report Title:

Department of Human Services; Medicaid; Pharmaceutical Benefits Management; Managed Care Plans

Description:

Repeals a provision in Act 4, Special Session Laws of Hawaii 2005, that prohibits the Department of Human Services from taking any action to remove pharmaceutical benefits management from managed care plans that provide health care coverage for Hawaii Medicaid beneficiaries. Effective 7/1/3000. (HD1)

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