

Honolulu, Hawaii

**FEB 18**, 2026

RE: H.B. No. 2224  
H.D. 1

Honorable Nadine K. Nakamura  
Speaker, House of Representatives  
Thirty-Third State Legislature  
Regular Session of 2026  
State of Hawaii

Madame:

Your Committee on Human Services & Homelessness, to which was referred H.B. No. 2224 entitled:

"A BILL FOR AN ACT RELATING TO MEDICAID,"

begs leave to report as follows:

The purpose of this measure is to restore the Department of Human Services' authority to assess and implement the most effective pharmaceutical benefits management approach for Med-Quest and ensure responsible stewardship of public funds.

Your Committee received testimony in support of this measure from the Department of Human Services; State Health Planning and Development Agency; Hawai'i Pharmacists Association; and one individual.

Your Committee finds that it is in the State's best interest to ensure that the Department of Human Services retains the flexibility necessary to evaluate and implement pharmaceutical benefit management structures that best serve Medicaid beneficiaries and participating providers, as Medicaid spends approximately \$350,000,000 on pharmaceutical benefits annually and decisions regarding pharmacy benefit management can significantly impact pharmacy reimbursement, patient access, and health care expenditures. Your Committee further finds that this measure would provide the Department of Human Services with greater



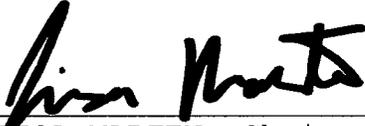
oversight authority over pharmacy benefit management and the flexibility to consider participating in opportunities to leverage improved drug pricing and supplemental rebate opportunities.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 3000, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Human Services & Homelessness that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2224, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2224, H.D. 1, and be referred to your Committee on Finance.

Respectfully submitted on  
behalf of the members of the  
Committee on Human Services &  
Homelessness,

  
LISA MARTEN, Chair



