

STAND. COM. REP. NO.

285

Honolulu, Hawaii

FEB 17 2011

RE: S.B. No. 1453  
S.D. 1

Honorable Shan S. Tsutsui  
President of the Senate  
Twenty-Sixth State Legislature  
Regular Session of 2011  
State of Hawaii

Sir:

Your Committees on Commerce and Consumer Protection and Health, to which was referred S.B. No. 1453 entitled:

"A BILL FOR AN ACT RELATING TO PRESCRIPTION MEDICATIONS,"

beg leave to report as follows:

The purpose and intent of this measure is to direct the Insurance Commissioner to develop a standardized prior authorization request form and process to be used by health care providers and insurers.

Your Committees received testimony in support of this measure from Hawaii Medical Association, University of Hawai'i System, Hawai'i State Center for Nursing, 'Ohana Health Plan, the American Cancer Society, The American Congress of Obstetricians and Gynecologists, the Power of Pain Foundation, the Neuropathy Action Foundation, The Alliance for Plasma Therapies, Pharmaceutical Research and Manufacturers of America, FACE Health Care Committee, the Hawaii Academy of Physician Assistants, and five private individuals. Your Committees received testimony in opposition to this measure from the Insurance Commissioner of the Department of Commerce and Consumer Affairs, Hawaii Medical Service Association, and AlohaCare. Your Committees received comments on this measure from the Department of Human Services.

Your Committees find that the prior authorization process is not standardized across insurers and providers and is often conducted without the benefit of communications technology, thereby creating unnecessary administrative burdens and costs to

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health care providers and health insurers. The current process also results in delays in filling patient prescriptions and potentially adverse health effects. Your Committees further find that the stakeholders in the issue of prior authorization for prescription medications represent important perspectives on this complex issue. Therefore, your Committees find that it is appropriate to convene a working group of diverse stakeholders for the purpose of considering the issue of prior authorization for prescription medication and making recommendations for future legislative action based on a consensus of the participants.

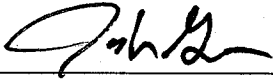
Your Committees have amended this measure by deleting its contents and replacing them with provisions to:

- (1) Establish the Prescription Medication Prior Authorization Working Group to consider the issue of insurers' prior authorization requirements for prescription medications and make recommendations for legislative action based on consensus of the participants;
- (2) Provide for the structure and composition of the Prescription Medication Prior Authorization Working Group; and
- (3) Reflect the amended purpose of this measure and related legislative finding.

As affirmed by the records of votes of the members of your Committees on Commerce and Consumer Protection and Health that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1453, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1453, S.D. 1, and be referred to the Committee on Ways and Means.

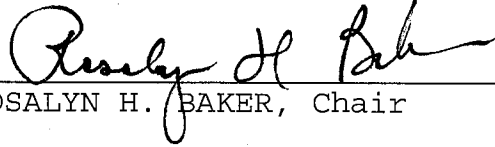


Respectfully submitted on  
behalf of the members of the  
Committees on Commerce and  
Consumer Protection and Health,



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JOSH GREEN, M.D., Chair



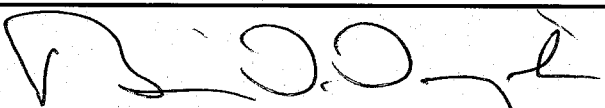
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ROSALYN H. BAKER, Chair



The Senate  
Twenty-Sixth Legislature  
State of Hawai'i

**Record of Votes**  
**Committee on Commerce and Consumer Protection**  
**CPN**

Bill / Resolution No.:* <b>SB1453</b>	Committee Referral: <b>CPN/HTH, WAM</b>	Date: <b>2/10/2011</b>		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
BAKER, Rosalyn H. (C)	✓			
TANIGUCHI, Brian T. (VC)	✓			
GALUTERIA, Brickwood				✓
GREEN, M.D., Josh	✓			
NISHIHARA, Clarence K.	✓			
SOLOMON, Malama				✓
SLOM, Sam				✓
<b>TOTAL</b>	<b>4</b>	<b>0</b>	<b>0</b>	<b>3</b>
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
<b>Distribution:</b> Original             Yellow             Pink             Goldenrod File with Committee Report             Clerk's Office             Drafting Agency             Committee File Copy				

\*Only one measure per Record of Votes

The Senate  
 Twenty-Sixth Legislature  
 State of Hawai'i

**Record of Votes**  
**Committee on Health**  
**HTH**

Bill / Resolution No.:*	Committee Referral:	Date:		
<b>SB1453</b>	<b>CPN/HTH, WAM</b>	<b>2/10/11</b>		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is:				
<input type="checkbox"/> Pass, unamended 2312	<input checked="" type="checkbox"/> Pass, with amendments 2311	<input type="checkbox"/> Hold 2310		
<input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
GREEN, M.D., Josh (C)	✓			
NISHIHARA, Clarence K. (VC)	✓			
BAKER, Rosalyn H.	✓			
CHUN OAKLAND, Suzanne	✓			
SHIMABUKURO, Maile				✓
WAKAI, Glenn	✓			
SLOM, Sam				✓
<b>TOTAL</b>	<b>5</b>			<b>2</b>
Recommendation:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
<i>Clarence K. Nishihara</i>				
Distribution:				
Original File with Committee Report	Yellow Clerk's Office	Pink Drafting Agency	Goldenrod Committee File Copy	

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