

Honolulu, Hawaii

May 1

, 2015

RE: H.B. No. 252
H.D. 1
S.D. 2
C.D. 1

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Eighth State Legislature
Regular Session of 2015
State of Hawaii

Honorable Donna Mercado Kim
President of the Senate
Twenty-Eighth State Legislature
Regular Session of 2015
State of Hawaii

Sir and Madam:

Your Committee on Conference on the disagreeing vote of the House of Representatives to the amendments proposed by the Senate in H.B. No. 252, H.D. 1, S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO PHARMACY BENEFIT MANAGERS,"

having met, and after full and free discussion, has agreed to recommend and does recommend to the respective Houses the final passage of this bill in an amended form.

The purpose of this measure is to:

- (1) Establish requirements for a pharmacy benefit manager that reimburses a contracting pharmacy for a drug on a maximum allowable cost basis; and
- (2) Require pharmacy benefit managers to have a clearly defined process for a contracting pharmacy to appeal the maximum allowable cost for a drug on a maximum allowable cost list and establish requirements for that process.



Your Committee on Conference has amended this measure by:

- (1) Changing its effective date to July 1, 2015; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

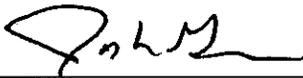
Your Committee on Conference recognizes that there is a concern because the measure does not specify the maximum length of time afforded to file an appeal with the pharmacy benefit manager. Your Committee on Conference understands that the applicable deadlines for filing an appeal are provided for in the Pharmacy Benefit Manager's Manual.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 252, H.D. 1, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 252, H.D. 1, S.D. 2, C.D. 1.

Respectfully submitted on behalf of the managers:

ON THE PART OF THE SENATE

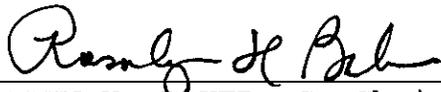
ON THE PART OF THE HOUSE



JOSH GREEN, Chair



ANGUS L.K. MCKELVEY, Co-Chair



ROSALYN H. BAKER, Co-Chair



DELLA AU BELATTI, Co-Chair



RONALD D. ROUCHI, Co-Chair



SCOTT Y. NISHIMOTO, Co-Chair



Record of Votes of a Conference Committee

Bill / Concurrent Resolution No.: HB 252, HD 1, SD 2	Date/Time: 4/30/15 8:40 am
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- The recommendation of the House and Senate managers is to pass with amendments (CD).
- The Committee is reconsidering its previous decision.
- The recommendation of the Senate Manager(s) is to AGREE to the House amendments made to the Senate Measure
- The recommendation of the House Manager(s) is to AGREE to the Senate amendments made to the House Measure.

Senate Managers	A	WR	N	E	House Managers	A	WR	N	E
GREEN, Josh, Chr.	✓				MCKELVEY, Angus L.K., Co-Chr.	✓			
BAKER, Rosalyn H., Co-Chr.	✓				BELATTI, Della Au, Co-Chr.	✓			
KOUCHI, Ronald D., Co-Chr.	✓				NISHIMOTO, Scott Y., Co-Chr.	✓			
WAKAI, Glenn				✓	OSHIRO, Marcus R.				✓
SLOM, Sam				✓	FUKUMOTO CHANG, Beth	✓			
TOTAL	3	0	0	2	TOTAL	4	0	0	1

A = Aye WR = Aye with Reservations N = Nay E = Excused

Senate Recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted	House Recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted
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Senate Lead Chair's or Designee's Signature: 	House Lead Chair's or Designee's Signature:
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