

STAND. COM. REP. NO.

422

Honolulu, Hawaii

February 20, 2015

RE: H.B. No. 261

H.D. 2

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

Sir:

Your Committees on Health and Consumer Protection & Commerce,  
to which was referred H.B. No. 261, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO CONSUMER PROTECTION,"

beg leave to report as follows:

The purpose of this measure is to ensure transparency of prescription drug benefits and assist consumers with making more informed choices about health care coverage by requiring health insurers, mutual benefit societies, and health maintenance organizations to post and update information on drug formularies on their websites.

The Hawaii Medical Association; American Cancer Society Cancer Action Network; and the Pharmaceutical Research and Manufacturers of America supported this measure. The Hawaii Medical Service Association and American Council of Life Insurers opposed this measure. The Department of Commerce and Consumer Affairs and Kaiser Permanente commented on this measure.

Your Committees have amended this measure by:

- (1) Excluding limited benefit health insurance providers from this measure;
- (2) Specifying that updated formularies shall be posted on the insurer's website no later than seventy-two hours after making a change to a formulary;

HB261 HD2 HSCR HLT-CPC HMS 2015-2077



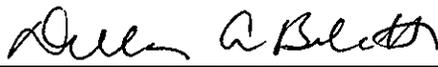
- (3) Removing the insurers' attestation requirement;
- (4) Clarifying that the list of drugs included on a formulary shall be defined by the health care service plans;
- (5) Changing the effective date to July 1, 2112, to encourage further discussion; and
- (6) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Health and Consumer Protection & Commerce that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 261, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 261, H.D. 2, and be referred to the Committee on Finance.

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



ANGUS L.K. MCKELVEY, Chair



DELLA AU BELATTI, Chair





