A BILL FOR AN ACT

RELATING TO HEALTH CARE INSURANCE.

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

SECTION 1. The legislature finds that, according to the
department of health, cancer is the second leading cause of
death among Hawaii residents, claiming more than two thousand
two hundred Hawaii residents each year. The legislature further
finds that cancer patients should have full access to effective
treatment options at early stages of their illnesses.

The purpose of this Act is to prohibit health insurers that
cover treatment for stage two through stage five cancer from
requiring an insured diagnosed with stage two through stage five
cancer to undergo step therapy prior to covering the insured for
the drug prescribed by the insured's health care provider, under
certain conditions.

SECTION 2. Chapter 431, Hawaii Revised Statutes, is
amended by adding a new section to part I of article 10A to be
appropriately designated and to read as follows:

"§431:10A- Step therapy prohibited; stage two through
stage five cancer. (a) No individual accident and health or
sickness policy issued or renewed in the State after December 31, 2018, that provides coverage for the treatment of stage two through stage five cancer shall require an insured who is diagnosed with a stage two through stage five cancer to undergo step therapy prior to covering the drug prescribed by the insured's health care provider if the prescribed drug is:

(1) An investigational new drug; or

(2) A prescription drug:

(A) That is approved by the United States Food and Drug Administration;

(B) Whose use is consistent with best practices for the treatment of the cancer in its respective stage; and

(C) That is listed on the insurer's prescription drug formulary.

(b) For the purposes of this section:

"Investigational new drug" has the same meaning as provided under 21 Code of Federal Regulations section 312.3.

"Step therapy" means a protocol that requires an insured to use a prescription drug or sequence of prescription drugs, other than the drug that the insured's health care provider recommends
for the insured's treatment, before the insurer provides coverage for the recommended prescription drug."

SECTION 3. Chapter 431, Hawaii Revised Statutes, is amended by adding a new section to part II of article 10A to be appropriately designated and to read as follows:

"§431:10A- Step therapy prohibited; stage two through stage five cancer. (a) No group accident and health or sickness policy issued or renewed in the State after December 31, 2018, that provides coverage for the treatment of stage two through stage five cancer shall require an insured who is diagnosed with a stage two through stage five cancer to undergo step therapy prior to covering the drug prescribed by the insured's health care provider if the prescribed drug is:

(1) An investigational new drug; or

(2) A prescription drug:

(A) That is approved by the United States Food and Drug Administration;

(B) Whose use is consistent with best practices for the treatment of the cancer in its respective stage; and
(C) That is listed on the insurer's prescription drug formulary.

(b) For the purposes of this section:

"Investigational new drug" has the same meaning as provided under 21 Code of Federal Regulations section 312.3.

"Step therapy" means a protocol that requires an insured to use a prescription drug or sequence of prescription drugs, other than the drug that the insured's health care provider recommends for the insured's treatment, before the insurer provides coverage for the recommended prescription drug."

SECTION 4. Chapter 432, Hawaii Revised Statutes, is amended by adding a new section to part VI of article 1 to be appropriately designated and to read as follows:

"§432:1- Step therapy prohibited; stage two through stage five cancer. (a) No individual or group hospital or medical service plan contract issued or renewed in the State after December 31, 2018, that provides coverage for the treatment of stage two through stage five cancer shall require a subscriber or member who is diagnosed with a stage two through stage five cancer to undergo step therapy prior to covering the
drug prescribed by the subscriber's or member's health care provider if the prescribed drug is:

(1) An investigational new drug; or

(2) A prescription drug:

(A) That is approved by the United States Food and Drug Administration;

(B) Whose use is consistent with best practices for the treatment of the cancer in its respective stage; and

(C) That is listed on the mutual benefit society's prescription drug formulary.

(b) For the purposes of this section:

"Investigational new drug" has the same meaning as provided under 21 Code of Federal Regulations section 312.3.

"Step therapy" means a protocol that requires a subscriber or member to use a prescription drug or sequence of prescription drugs, other than the drug that the subscriber's or member's health care provider recommends for the subscriber's or member's treatment, before the mutual benefit society provides coverage for the recommended prescription drug."
SECTION 5. Chapter 432D, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

"§432D- Step therapy prohibited; stage two through stage five cancer. (a) No policy, contract, plan, or agreement issued or renewed in the State after December 31, 2018, that provides coverage for the treatment of stage two through stage five cancer shall require an enrollee who is diagnosed with a stage two through stage five cancer to undergo step therapy prior to covering the drug prescribed by the enrollee's health care provider if the prescribed drug is:

(1) An investigational new drug; or

(2) A prescription drug:

(A) That is approved by the United States Food and Drug Administration;

(B) Whose use is consistent with best practices for the treatment of the cancer in its respective stage; and

(C) That is listed on the health maintenance organization's prescription drug formulary.

(b) For the purposes of this section:
"Investigational new drug" has the same meaning as provided under 21 Code of Federal Regulations section 312.3.

"Step therapy" means a protocol that requires an enrollee to use a prescription drug or sequence of prescription drugs, other than the drug that the enrollee's health care provider recommends for the enrollee's treatment, before the health maintenance organization provides coverage for the recommended prescription drug."

SECTION 6. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.

SECTION 7. New statutory material is underscored.

SECTION 8. This Act shall take effect on July 1, 2019.

INTRODUCED BY:

[Signatures]
Report Title:
Health Care Insurance; Step Therapy

Description:
Prohibits a health care insurer from requiring an insured diagnosed with stage two through stage five cancer to undergo step therapy prior to covering the insured for the drug prescribed by the insured's health care provider, under certain conditions.

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