

STAND. COM. REP. NO.

3924

Honolulu, Hawaii

APR 23 2024

RE: H.C.R. No. 225

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Second State Legislature
Regular Session of 2024
State of Hawaii

Sir:

Your Committees on Commerce and Consumer Protection and Health and Human Services, to which was referred H.C.R. No. 225 entitled:

"HOUSE CONCURRENT RESOLUTION REQUESTING THE AUDITOR TO CONDUCT A SOCIAL AND FINANCIAL ASSESSMENT OF PROPOSED MANDATORY HEALTH INSURANCE COVERAGE FOR STEP THERAPY REQUIREMENTS FOR STAGE TWO THROUGH STAGE FIVE CANCER,"

beg leave to report as follows:

The purpose and intent of this measure is to request the Auditor to conduct a social and financial assessment of prohibiting step therapy requirements in health insurance policies, contracts, plans, or agreements that cover the treatment of stage two through stage five cancer.

Your Committees received testimony in support of this measure from the Disability and Communication Access Board and two individuals.

Your Committees received comments on this measure from the Office of the Auditor.

Your Committees find that step therapy is a type of cost-control program used by insurers that requires a patient to first try a generic or lower-cost prescription drug that treats a given condition before "stepping up" to a similar-acting, but more expensive drug prescribed by a clinician. While step therapy can,



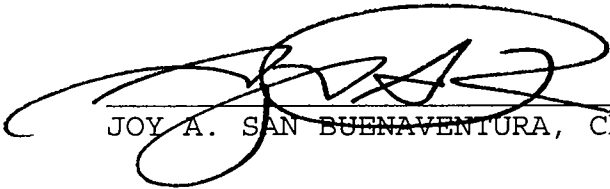
in many instances, save money for both the insurer and patient when the patient responds well to the less expensive drug, the slow and deliberate nature of step therapy may not be appropriate for patients diagnosed with stage two through stage five cancer. For many cancer patients, time is generally of the essence, as cancer that is effectively treated early is more likely to be treated successfully. Notwithstanding, a typical step therapy patient might be required to use the lower cost prescription drug for thirty days or longer before an exception can be requested from the insurer to cover the more expensive drug that was originally prescribed. Your Committees find that requiring cancer patients to wait weeks or months for a cheaper drug to fail can place these patients at risk of becoming sicker should their cancer further spread.

Your Committees note that S.B. No. 2316, Regular Session of 2024, proposes to prohibit a health insurer from requiring an insured diagnosed with stage two through stage five cancer to undergo step therapy before covering the insured for certain drugs prescribed by the insured's health care provider, under certain conditions. Your Committees further note that while requiring insurers to provide timely and quality health care to cancer patients by prohibiting step therapy requirements would not generally be considered a proposed form of mandated insurance coverage, insofar as S.B. No. 2316 (2024) requires that certain investigational new drugs be covered that may be an expansion of the current coverage for those diagnosed with stage two through stage five cancer, your Committees find that a social and financial assessment may be warranted pursuant to sections 23-51 and 23-52, Hawaii Revised Statutes. Accordingly, this measure requests the Auditor to analyze, as appropriate, the prohibition of step therapy requirements in health insurance policies, contracts, plans, or agreements that cover the treatment of stage two through stage five cancer.

As affirmed by the records of votes of the members of your Committees on Commerce and Consumer Protection and Health and Human Services that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 225, and recommend its adoption.



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



JOY A. SAN BUENAVENTURA, Chair




JARRETT KEOHOKALOLE, Chair



The Senate
Thirty-Second Legislature
State of Hawai'i

Record of Votes
Committee on Commerce and Consumer Protection
CPN

Bill / Resolution No.:* HC225	Committee Referral: CPN/HHS	Date: 4/17/24		
<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 checked="" type="checkbox"/> Pass, unamended 2312 <input type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
KEOHOKALOLE, Jarrett (C)	✓			
FUKUNAGA, Carol (VC)	✓			
MCKELVEY, Angus L.K.	✓			
RICHARDS, III, Herbert M. "Tim"	✓			
AWA, Brenton				✓
TOTAL	4			1
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution: 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
 Thirty-Second Legislature
 State of Hawai'i

Record of Votes
Committee on Health and Human Services
HHS

Bill / Resolution No.:* HCR 225	Committee Referral: CPN MHS	Date: 04/17/2024		
<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 checked="" type="checkbox"/> Pass, unamended 2312 <input type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
SAN BUENAVENTURA, Joy A. (C)	✓			
AQUINO, Henry J.C. (VC)	✓			
KEOHOKALOLE, Jarrett	✓			
SHIMABUKURO, Maile S.L.	✓			
AWA, Brenton				✓
TOTAL	4			1
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
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