

Honolulu, Hawaii
Feb 9, 2006

RE: H.B. No. 3144
H.D. 1

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Third State Legislature
Regular Session of 2006
State of Hawaii

Sir:

Your Committees on Human Services and Health, to which was referred H.B. No. 3144 entitled:

"A BILL FOR AN ACT RELATING TO THE STATE PHARMACY ASSISTANCE PROGRAM,"

beg leave to report as follows:

The purpose of this bill is to improve the State Pharmacy Assistance Program (Program) by, among other things:

- (1) Expanding the income eligibility requirements to individuals with household incomes at or below 200 percent of the federal poverty level (FPL) and deleting the asset test for eligibility;
- (2) Requiring the Department of Human Services (DHS) to provide enrollees with information about Medicare prescription drug plans;
- (3) Repealing provisions relating to prescription drug rebates;
- (4) Requiring Program applicants to apply for the federal Medicare part D pharmacy benefit program;



- (5) Mandating the coverage of all Medicare part D premium and other costs by the Program, for person's enrolled in the Program with incomes of up to 150 percent of the FPL; and
- (6) Mandating that the Program pay a portion of Medicare part D costs for persons in the Program with household incomes between 150 and 200 percent of the FPL.

Longs Drug Stores supported this bill with an amendment. DHS supported the intent of this measure.

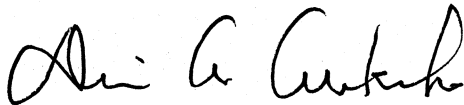
Your Committees have amended this bill by:

- (1) Reinstating provisions relating to prescription drug rebates;
- (2) Reinstating the Program asset test;
- (3) Adjusting Program eligibility requirements to apply to individuals with household incomes at or below 150 percent of the FPL;
- (4) Removing the requirement that DHS provide counseling on Medicare prescription drug plans to enrollees;
- (5) Removing the requirement that Program applicants apply for the federal Medicare part D pharmacy benefit program;
- (6) Removing the requirement that the State pay Medicare part D costs for certain Program members;
- (7) Providing that the Program may pay all or some of the copayments under the Medicare part D program for persons with household incomes of not more than 150 percent of the FPL, subject to the availability of Program funds; and
- (8) Making technical, nonsubstantive amendments for clarity, style, and consistency.



As affirmed by the records of votes of the members of your Committees on Human Services and Health that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 3144, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 3144, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

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



DENNIS A. ARAKAKI, Chair



ALEX M. SONSON, Chair



