

Honolulu, Hawaii

Feb 18, 2011

RE: H.B. No. 1384
H.D. 2

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Sixth State Legislature
Regular Session of 2011
State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which
was referred H.B. No. 1384, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO PRESCRIPTION MEDICATIONS,"

begs leave to report as follows:

The purpose of this bill is to improve the delivery of
healthcare and assist patients in receiving their medications in a
timely manner by requiring the Insurance Commissioner to:

- (1) Develop a standardized prior authorization request form
and process for prescription medications that can be
used between healthcare providers and insurance carriers
that shall be accessible and available for submission
electronically through secure electronic transmissions;
- (2) Convene a working group to assist in the development of
a standardized prior authorization form and process; and
- (3) Submit a report to the Legislature of the proceedings,
recommendations, and results on implementing this
measure.

The Hawaii Medical Association, Faith Action for Community
Equity Health Care Committee, American Cancer Society, and a
concerned individual testified in support of this bill. The
Department of Commerce and Consumer Affairs, Hawaii Medical
Service Association, AlohaCare, and Ohana Health Plan opposed this



measure. The Department of Human Services and Kaiser Permanente Hawaii provided comments.

Your Committee has amended this bill by:

- (1) Removing provisions that require the Insurance Commissioner to develop a standardized prior authorization request form and process;
- (2) Requiring the John A. Burns School of Medicine, instead of the Insurance Commissioner, to convene a working group;
- (3) Changing the focus of the working group to discuss the potential improvements to the current prior authorization process for prescription medications; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1384, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.B. No. 1384, H.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Consumer
Protection & Commerce,



ROBERT N. HERKES, Chair



