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# A BILL FOR AN ACT

RELATING TO PRESCRIPTION DRUG.

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

1           SECTION 1. Article 10A of chapter 431, Hawaii Revised  
2 Statutes, is amended by adding a new section to be appropriately  
3 designated and to read as follows:

4           "§431:10A- Prescription drug prior authorization. (a)

5 No later than July 1, 2013, the commissioner shall develop a  
6 uniform prior authorization form for prescription drugs. The  
7 commissioner shall consult with health care insurance providers,  
8 prescribers, and the pharmacy association when developing the  
9 uniform prior authorization form, and shall take into  
10 consideration existing prior authorization forms established by  
11 the federal Centers for Medicare and Medicaid Services and  
12 national standards pertaining to electronic prior authorization.

13           (b) The uniform prior authorization form shall meet the  
14 following criteria:

15           (1) The form shall not exceed two pages;

16           (2) The form shall be made electronically available by the  
17 department, health care insurance providers,

18 prescribers, and dispensers; and



1       (3) The completed form may be electronically submitted  
2       from prescribers to health care insurance providers.

3       (c) Notwithstanding any other law to the contrary,  
4       commencing January 1, 2014, health care insurance providers that  
5       provide prescription drug benefits shall accept only the uniform  
6       prior authorization form when requiring authorization for  
7       prescription drug benefits.

8       (d) Notwithstanding any other law to the contrary,  
9       commencing January 1, 2014, every prescriber shall use the  
10       uniform prior authorization form to request prior authorization  
11       coverage for prescription drug benefits and every health care  
12       insurance provider shall accept the form as sufficient to  
13       request prior authorization for prescription drug benefits.

14       (e) If a health care insurance provider fails to utilize  
15       or accept the uniform prior authorization form, or fails to  
16       respond within two business days upon receipt of a completed  
17       uniform prior authorization request from a prescriber, the prior  
18       authorization request shall be deemed to have been granted.

19       (f) For the purposes of this section:

20       "Commissioner" means the insurance commissioner of the  
21       State of Hawaii.



1        "Department" means the department of commerce and consumer  
2 affairs.

3        "Dispenser" means any person authorized to dispense drugs  
4 in the State in accordance with section 328-91.

5        "Health care insurance provider" means any insurance  
6 company, fraternal benefit society, health care service plans,  
7 health maintenance organization, or any other entity delivering  
8 or issuing accident and health or sickness insurance, as defined  
9 in section 431:1-205.

10       "Prescriber" means any physician, dentist, dispenser,  
11 hospital, or other person or institution licensed and registered  
12 in this State to issue a prescription.

13       (g) The department may adopt rules pursuant to chapter 91  
14 to effectuate the purpose of this section."

15       SECTION 2.    New statutory material is underscored.

16       SECTION 3.    This Act shall take effect upon its approval.

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INTRODUCED BY:



JAN 12 2012



# H.B. NO. 1741

**Report Title:**

Prior Authorization; Insurance; Prescription Drugs

**Description:**

Requires the insurance commissioner to develop a uniform prescription drug prior authorization form no later than 07/01/2013. Beginning 01/01/2014, requires the uniform prescription drug prior authorization form to be used by prescribers and health care insurance providers.

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