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

4           "§431:10A- Prescription drug prior authorization;  
5 diabetes; cancer. (a) No later than July 1, 2013, the  
6 commissioner shall develop a uniform prior authorization form  
7 for prescription drugs that are prescribed for the purpose of  
8 treating diabetes or any form of cancer. The commissioner shall  
9 consult with health care insurance providers, prescribers,  
10 advanced practice registered nurses, physician assistants, and  
11 the pharmacy association when developing the uniform prior  
12 authorization form and shall take into consideration existing  
13 prior authorization forms established by the federal Centers for  
14 Medicare and Medicaid Services and national standards pertaining  
15 to electronic prior authorization.

16           (b) The uniform prior authorization form shall meet the  
17 following criteria:



1        (1) The form shall be made electronically available by the  
2        commissioner, health care insurance providers,  
3        prescribers, and dispensers; and

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

6        (c) With respect to prescription drugs that are prescribed  
7 for the purpose of treating diabetes or any form of cancer:

8        (1) Commencing January 1, 2014, health care insurance  
9        providers that provide prescription drug benefits  
10       shall accept only the uniform prior authorization form  
11       when requiring authorization for prescription drug  
12       benefits; and

13       (2) Commencing January 1, 2014, every prescriber shall use  
14       the uniform prior authorization form to request prior  
15       authorization coverage for prescription drug benefits,  
16       and every health care insurance provider shall accept  
17       the form as a sufficient means of requesting prior  
18       authorization for prescription drug benefits.

19       (d) If a health care insurance provider fails to use or  
20 accept the uniform prior authorization form, or fails to respond  
21 within seventy-two hours upon receipt of a completed uniform



1 prior authorization form request from a prescriber, the prior  
2 authorization request shall be deemed to have been granted.

3 (e) The department of commerce and consumer affairs may  
4 adopt rules pursuant to chapter 91 to effectuate this section.

5 (f) As used in this section:

6 "Dispenser" means any person authorized to dispense drugs  
7 in the State in accordance with section 329-1.

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

11 SECTION 2. Chapter 432, Hawaii Revised Statutes, is  
12 amended by adding a new section to article 1 to be appropriately  
13 designated and to read as follows:

14 **"§432:1- Prescription drug prior authorization;**  
15 **diabetes; cancer.** (a) No later than July 1, 2013, the  
16 commissioner shall develop a uniform prior authorization form  
17 for prescription drugs that are prescribed for the purpose of  
18 treating diabetes or any form of cancer. The commissioner shall  
19 consult with health care insurance providers, prescribers,  
20 advanced practice registered nurses, physician assistants, and  
21 the pharmacy association when developing the uniform prior  
22 authorization form and shall take into consideration existing



1 prior authorization forms established by the federal Centers for  
2 Medicare and Medicaid Services and national standards pertaining  
3 to electronic prior authorization.

4 (b) The uniform prior authorization form shall meet the  
5 following criteria:

6 (1) The form shall be made electronically available by the  
7 commissioner, health care insurance providers,  
8 prescribers, and dispensers; and

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

11 (c) With respect to prescription drugs that are prescribed  
12 for the purpose of treating diabetes or any form of cancer:

13 (1) Commencing January 1, 2014, mutual benefit societies  
14 that provide prescription drug benefits shall accept  
15 only the uniform prior authorization form when  
16 requiring authorization for prescription drug  
17 benefits; and

18 (2) Commencing January 1, 2014, every prescriber shall use  
19 the uniform prior authorization form to request prior  
20 authorization coverage for prescription drug benefits,  
21 and every mutual benefit society shall accept the form



1           as a sufficient means of requesting prior  
2           authorization for prescription drug benefits.

3           (d) If a mutual benefit society fails to use or accept the  
4 uniform prior authorization form, or fails to respond within  
5 seventy-two hours upon receipt of a completed uniform prior  
6 authorization form request from a prescriber, the prior  
7 authorization request shall be deemed to have been granted.

8           (e) The department of commerce and consumer affairs may  
9 adopt rules pursuant to chapter 91 to effectuate this section.

10          (f) As used in this section:

11          "Dispenser" means any person authorized to dispense drugs  
12 in the State in accordance with section 329-1.

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

16          SECTION 3. Section 432D-23, Hawaii Revised Statutes, is  
17 amended to read as follows:

18          "**§432D-23 Required provisions and benefits.**

19 Notwithstanding any provision of law to the contrary, each  
20 policy, contract, plan, or agreement issued in the State after  
21 January 1, 1995, by health maintenance organizations pursuant to  
22 this chapter, shall include benefits provided in sections



1 431:10-212, 431:10A- , 431:10A-115, 431:10A-115.5, 431:10A-  
2 116, 431:10A-116.5, 431:10A-116.6, 431:10A-119, 431:10A-120,  
3 431:10A-121, 431:10A-125, 431:10A-126, and 431:10A-122, and  
4 chapter 431M."

5 SECTION 4. New statutory material is underscored.

6 SECTION 5. This Act shall take effect on July 1, 2050;  
7 provided that on July 1, 2017, this Act shall be repealed and  
8 section 432D-23, Hawaii Revised Statutes, shall be reenacted in  
9 the form in which it read on the day prior to the effective date  
10 of this Act.



**Report Title:**

Prior Authorization; Insurance; Prescription Drugs

**Description:**

Requires the Insurance Commissioner to develop a uniform prescription drug prior authorization form no later than July 1, 2013, for only prescription drugs for the treatment of diabetes or any form of cancer. Beginning January 1, 2014, requires the uniform prescription drug prior authorization form to be used by prescribers and health care insurance providers. Effective July 1, 2050, and repealed on July 1, 2017. (HB1741 HD2)

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

