

JAN 19 2012

A BILL FOR AN ACT

RELATING TO HEALTH.

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

1 SECTION 1. The legislature finds that it is the goal of
2 all people in Hawaii to have access to health care in all its
3 facets, including affordable access to prescription drugs. The
4 public relies heavily on health insurance policies to provide
5 adequate medical care. However, current policies do not require
6 insurers to cover outpatient prescription drugs, nor do they
7 impose coverage requirements on insurers that do provide
8 outpatient prescription drug coverage.

9 The purpose of this Act is to make access to outpatient
10 prescription drugs more affordable and accessible to the
11 residents of Hawaii.

12 SECTION 2. Chapter 431:10A, Hawaii Revised Statutes, is
13 amended by adding a new section to be appropriately designated
14 and to read as follows:

15 "§431:10A- Coverage for outpatient prescription drugs.

16 (a) Each individual and group accident and health or sickness
17 policy, contract, plan, or agreement issued or renewed in this
18 State after December 31, 2012, except for policies, contracts,



1 plans, or agreements that provide coverage for only specified
2 diseases or other limited benefit coverage, shall include
3 coverage for outpatient prescription drugs for the insured or
4 any dependent of the insured.

5 (b) Each individual and group accident and health or
6 sickness policy, contract, plan, or agreement issued or renewed
7 in this State after December 31, 2012, that covers outpatient
8 prescription drugs:

9 (1) Shall not require coinsurance as a basis for cost
10 sharing with the insured for outpatient prescription
11 drug benefits; and

12 (2) Shall not require an insured to pay a copayment for
13 outpatient prescription drugs in excess of \$150 for a
14 one-month supply of a prescription drug, or its
15 equivalent for a longer period, as adjusted for
16 inflation.

17 (c) If an individual and group accident and health or
18 sickness policy, contract, plan, or agreement provides for a
19 limit on the annual out-of-pocket expenses for an insured, the
20 insured's out-of-pocket costs for covered outpatient
21 prescription drugs shall be included in that limit.



1 (d) As used in this section, unless the context clearly
2 requires otherwise:

3 "Coinsurance" means a cost-sharing payment by an insured
4 that is based on a percentage of the cost for a prescription
5 drug.

6 "Copayment" means a flat dollar amount an insured is
7 required to pay in cost sharing for covered health services,
8 items, supplies, including prescription drugs, after any
9 applicable deductible. The term shall not be construed to
10 include any other forms of cost sharing.

11 (e) Nothing in this section shall be construed to require
12 an individual and group accident and health or sickness policy,
13 contract, plan, or agreement to provide coverage not otherwise
14 required by law for any outpatient prescription drug."

15 SECTION 3. Chapter 432:1, Hawaii Revised Statutes, is
16 amended by adding a new section to be appropriately designated
17 and to read as follows:

18 **"§432:1- Coverage for outpatient prescription drugs.**

19 (a) Each individual and group accident and health or sickness
20 policy, contract, plan, or agreement issued or renewed by a
21 mutual benefit society in this State after December 31, 2012,



1 except for policies, contracts, plans, or agreements that
2 provide coverage for only specified diseases or other limited
3 benefit coverage, shall include coverage for outpatient
4 prescription drugs for the member or any dependent of the
5 member.

6 (b) Each individual and group accident and health or
7 sickness policy, contract, plan, or agreement issued or renewed
8 in this State after December 31, 2012, that covers outpatient
9 prescription drugs:

10 (1) Shall not require coinsurance as a basis for cost
11 sharing with the member for outpatient prescription
12 drug benefits; and

13 (2) Shall not require a member to pay a copayment for
14 outpatient prescription drugs in excess of \$150 for a
15 one-month supply of a prescription drugs, or its
16 equivalent for a longer period, as adjusted for
17 inflation.

18 (c) If an individual and group accident and health or
19 sickness policy, contract, plan, or agreement provides for a
20 limit on the annual out-of-pocket expenses for a member, the
21 member's out-of-pocket costs for covered outpatient prescription
22 drugs shall be included in that limit.



1 (d) As used in this section, unless the context clearly
2 requires otherwise:

3 "Coinsurance" means a cost-sharing payment by a member that
4 is based on a percentage of the cost for a prescription drug.

5 "Copayment" means a flat dollar amount a member is required
6 to pay in cost sharing for covered health services, items,
7 supplies, including prescription drugs, after any applicable
8 deductible. The term shall not be construed to include any
9 other forms of cost sharing.

10 (e) Nothing in this section shall be construed to require
11 an individual and group accident and health or sickness policy,
12 contract, plan, or agreement to provide coverage not otherwise
13 required by law for any outpatient prescription drug."

14 SECTION 4. Section 432D-23, Hawaii Revised Statutes, is
15 amended to read as follows:

16 **"§432D-23 Required provisions and benefits.**

17 Notwithstanding any provision of law to the contrary, each
18 policy, contract, plan, or agreement issued in the State after
19 January 1, 1995, by health maintenance organizations pursuant to
20 this chapter, shall include benefits provided in sections
21 431:10-212, 431:10A-115, 431:10A-115.5, 431:10A-116,
22 431:10A-116.5, 431:10A-116.6, 431:10A-119, 431:10A-120,



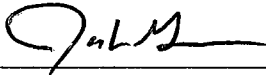
S.B. NO. 2106


1 431:10A-121, 431:10A-125, 431:10A-126, [~~and~~] 431:10A-122, and
 2 431:10A- , and chapter 431M."

3 SECTION 5. Statutory material to be repealed is bracketed
 4 and stricken. New statutory material is underscored.

5 SECTION 6. The Act shall take effect upon its approval and
 6 shall apply to policies contracts, plans, and agreements of
 7 health insurance issued or reserved after December 31, 2012.

8

INTRODUCED BY: 
Suzanne Chun Cleveland


 Will Egan



Report Title:

Mandatory Insurance Coverage; Outpatient Prescription Drugs;
Copayments; Coinsurance

Description:

Requires health insurers to provide outpatient prescription drug coverage. Prohibits health insurers from requiring coinsurance as a basis for cost sharing with the insured for outpatient prescription drug benefits. Limits the amount of copayments an insured must pay for prescription drugs.

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

