

STAND. COM. REP. NO.

492

Honolulu, Hawaii

Feb 18, 2011

RE: H.B. No. 1243
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 Health, to which was referred H.B. No. 1243, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO REPACKAGED DRUGS AND COMPOUND MEDICATIONS,"

begs leave to report as follows:

The purpose of this bill is to help mitigate unreasonable increases in the cost of prescription drugs, including repackaged prescription drugs and compound medications in Hawaii's workers' compensation insurance system by providing reasonable restrictions on markups similar to those currently authorized for retail pharmacies under state law.

The Department of Human Resources Development, Department of Labor and Industrial Relations, Property Casualty Insurers Association of America, Hawaii Insurers Council, and Hawaii Employers' Mutual Insurance Company, Inc. supported this bill. The Hawaii Injured Worker's Alliance, Workstar Injury Recovery Center, and several concerned individuals opposed this measure.

Your Committee acknowledges the concerns raised by several testifiers that the language in this bill may impede physicians' ability to appropriately practice or dispense medication. As such, your Committee recommends that the Administration continue dialogue on this issue to ensure physicians' ability to appropriately address patient needs and dispense medication.

HB1243 HD2 HSCR HLT HMS 2011-2293

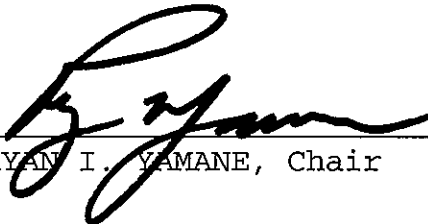


Your Committee has amended this bill by:

- (1) Changing the effective date to July 1, 2050, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1243, 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. 1243, H.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Health,



RYAN I. YAMANE, Chair



