

TESTIMONY

SCR129

Measure Title: REQUESTING THE AUDITOR TO CONDUCT AN IMPACT ASSESSMENT
REPORT ON LEGISLATION MANDATING CERTAIN HEALTH
INSURANCE COVERAGE FOR OUTPATIENT PRESCRIPTION DRUGS.

Report Title: Prescription Drug Coverage; Copayment; Auditor

Description:

Companion:

Package: None

Current Referral: HTH/CPN, WAM

Introducer(s): GREEN, CHUN OAKLAND, SHIMABUKURO, Espero, Fukunaga, Ige,
Ihara, Nishihara, Slom, Wakai

**HTH/CPN, WAM
Committee Hearing
03-27-2012**



Testimony of
John M. Kirimitsu
Legal & Government Relations Consultant

Before:
Senate Committee on Health
The Honorable Josh Green, M.D., Chair
The Honorable Clarence K. Nishihara, Vice Chair

Senate Committee on Commerce and Consumer Protection
The Honorable Rosalyn H. Baker, Chair
The Honorable Brian T. Taniguchi, Vice Chair

March 27, 2012
1:47 pm
Conference Room 229

**Re: SCR 129 REQUESTING THE AUDITOR TO CONDUCT AN IMPACT
ASSESSMENT REPORT ON LEGISLATION MANDATING CERTAIN
HEALTH INSURANCE COVERAGE FOR OUTPATIENT
PRESCRIPTION DRUGS**

Chairs, Vice Chairs, and committee members, thank you for this opportunity to provide testimony on this resolution regarding insurance coverage for outpatient prescription drugs.

Kaiser Permanente Hawaii supports this request.

Kaiser Permanente's position on proposed legislative mandates of health coverage is that they are usually not a good idea, for several reasons:

1. First, because they generally tend to raise the cost of delivering health care, thereby resulting in higher premiums and increased cost to the purchasers and payors of health plan coverage, whether they be employer groups or individuals;
2. Second, because they often tend to dictate how medicine should be practiced, which sometimes results in medicine that is not evidence based and interferes

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with the role and expertise of the practicing physician and other health care professionals who provide medical treatment and services; and

3. Finally, because they often lock in statutory requirements that become outdated and do not keep pace with the ever evolving and advancing fields of medicine and medical technology.

Accordingly, Kaiser supports requesting the legislative auditor to conduct an impact assessment report, as required pursuant to Sections 23-51 and 23-52 of the Hawaii Revised Statutes, to assess among other things:

- a) the extent to which this mandated insurance coverage would be reasonably expected to increase the insurance premium and administrative expenses of policy holders; and
- b) the impact of this mandated coverage on the total cost of health care.

Thank you for the opportunity to comment.

Green4 - Mailene

From: mailinglist@capitol.hawaii.gov
Sent: Thursday, March 22, 2012 6:03 PM
To: HTHTestimony
Cc: wailua@aya.yale.edu
Subject: Testimony for SCR129 on 3/27/2012 1:47:00 PM

Testimony for HTH/CPN 3/27/2012 1:47:00 PM SCR129

Conference room: 229
Testifier position: Support
Testifier will be present: No
Submitted by: Wailua Brandman APRN-Rx BC FAANP
Organization: Individual
E-mail: wailua@aya.yale.edu
Submitted on: 3/22/2012

Comments: