
A BILL FOR AN ACT

RELATING TO PRESCRIPTION DRUGS.

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

1 SECTION 1. The legislature finds that many pharmacy
2 benefit management companies and other prescription drug
3 providers impose certain requirements, including the requirement
4 for beneficiaries to purchase prescription drugs from a mail-
5 order pharmacy. This requirement can cause an inconvenience for
6 a person who needs to purchase prescription medications and may
7 even prevent the person from promptly obtaining urgently needed
8 prescription medications, by requiring the person to wait for
9 mail-order delivery. The legislature finds that the consumer
10 should have the choice to purchase prescription medications
11 either from a mail-order pharmacy or from a local retail
12 pharmacy.

13 The purpose of this Act is to allow prescription drug
14 benefits plan beneficiaries to opt out of a requirement to
15 purchase prescription drugs from a mail-order pharmacy.

16 SECTION 2. The Hawaii Revised Statutes is amended by
17 adding a new chapter to be appropriately designated and to read
18 as follows:



1 "CHAPTER

2 PRESCRIPTION DRUG BENEFITS

3 § -1 Prescription drugs; mail order opt out option. (a)

4 Individual beneficiaries enrolled in any prescription drug
5 benefits plan within the State may opt out of a plan requirement
6 to purchase prescriptions by mail order to alternatively
7 purchase prescriptions drugs at a retail pharmacy.

8 (b) A pharmacy benefit management company shall not
9 restrict a patient's choice of pharmacy from which to receive
10 prescription medications, including requiring patients to
11 receive prescription medications from mail-order pharmacies.

12 (c) A pharmacy benefit manager shall not manipulate the
13 amounts of drug co-payments that it charges in a manner that
14 would encourage beneficiaries to receive prescription
15 medications through a mail-order pharmacy.

16 § -2 Violations; penalties. (a) The insurance
17 commissioner may assess a fine of up to \$10,000 for each
18 violation upon a pharmacy benefit management company or any
19 other provider of prescription drug benefits who is in violation
20 of this chapter. In addition, the insurance commissioner may
21 direct the pharmacy benefit management company to cease and



1 desist prohibited activity, take specific affirmative corrective
2 action, or make restitution of money, property, or other assets.

3 (b) A pharmacy benefit management company or any
4 prescription drug benefits provider may appeal any decision made
5 by the insurance commissioner under this chapter, whereupon the
6 opportunity for an administrative hearing under chapter 91 shall
7 be afforded. Any pharmacy benefit management company or
8 prescription drug benefits provider aggrieved by the final
9 decision and order shall be entitled to judicial review in
10 accordance with chapter 91 or may submit the matter to binding
11 arbitration."

12 SECTION 3. Chapter 87A, Hawaii Revised Statutes, is
13 amended by adding a new section to be appropriately designated
14 and to read as follows:

15 "§87A- Prescription drugs; opt out option. Individual
16 beneficiaries enrolled in a Hawaii employer-union health
17 benefits trust fund health benefits plan may opt out of a plan
18 requirement to purchase prescription drugs from a mail-order
19 pharmacy to alternatively purchase prescription drugs from a
20 retail pharmacy."



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1 SECTION 4. This Act does not affect rights and duties that
2 matured, penalties that were incurred, and proceedings that were
3 begun before its effective date.

4 SECTION 5. New statutory material is underscored.

5 SECTION 6. This Act shall take effect upon its approval.

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INTRODUCED BY:

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JAN 16 2013



H.B. NO. 65

Report Title:

Prescription Drugs; Mail-Order Pharmacy; Opt out

Description:

Allows beneficiaries of prescription drug benefits providers to opt out of the requirement to purchase prescription drugs from a mail-order pharmacy and may alternatively purchase prescription drugs from a retail pharmacy.

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

