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# 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, among other things,  
14 prescription drug benefits plan beneficiaries to opt out of a  
15 requirement to purchase prescription drugs from a mail-order  
16 pharmacy.



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

4 "CHAPTER

5 PRESCRIPTION DRUG BENEFITS

6 § -1 Prescription drugs; mail order opt out option. (a)  
7 Individual beneficiaries enrolled in any prescription drug  
8 benefits plan within the State may opt out of a plan requirement  
9 to purchase prescriptions by mail order to alternatively  
10 purchase prescriptions drugs at a retail pharmacy.

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

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

19 § -2 Violations; penalties. (a) The insurance  
20 commissioner may assess a fine of up to \$10,000 for each  
21 violation upon a pharmacy benefit management company or any  
22 other provider of prescription drug benefits who is in violation



1 of this chapter. In addition, the insurance commissioner may  
2 direct the pharmacy benefit management company to cease and  
3 desist prohibited activity, take specific affirmative corrective  
4 action, or make restitution of money, property, or other assets.

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

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

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



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 on July 1, 2050.



**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. Effective July 1, 2050. (HB65 HD1)

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

