

Honolulu, Hawaii

April 25, 2013

RE: H.B. No. 62
H.D. 2
S.D. 2
C.D. 1

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Seventh State Legislature
Regular Session of 2013
State of Hawaii

Honorable Donna Mercado Kim
President of the Senate
Twenty-Seventh State Legislature
Regular Session of 2013
State of Hawaii

Sir and Madam:

Your Committee on Conference on the disagreeing vote of the House of Representatives to the amendments proposed by the Senate in H.B. No. 62, H.D. 2, S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO PHARMACY BENEFITS MANAGERS,"

having met, and after full and free discussion, has agreed to recommend and does recommend to the respective Houses the final passage of this bill in an amended form.

The purpose of this measure is to protect the privacy of individual health information by prohibiting pharmacy benefits managers from using an individual's health information for the purpose of marketing, selling or disseminating an individual's health information, or directly contacting an individual by any means for the purpose of marketing pharmacies owned by the pharmacy benefits manager in the absence of medical necessity, the express permission of the individual, and, where applicable, the express permission of the relevant employee benefit plan, health benefit plan, or managed care plan.



Your Committee on Conference has amended this measure by:

- (1) Specifying that a pharmacy benefits manager shall not directly contact an individual by any means for the purposes of marketing pharmacy benefits manager-owned pharmacies without express written permission unless the contact is medically necessary to the health and safety of the individual;
- (2) Specifying that an individual may freely revoke the affirmative opt in to the sale or dissemination of health information at any time;
- (3) Adding definitions for "affiliated" and "health information"; and
- (4) Specifying that the effective date of this measure shall be upon approval and the measure shall apply to all plans and contracts issued, renewed, modified, altered, or amended on or after such effective date.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 62, H.D. 2, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 62, H.D. 2, S.D. 2, C.D.1.

Respectfully submitted on behalf
of the managers:

ON THE PART OF THE SENATE

ON THE PART OF THE HOUSE



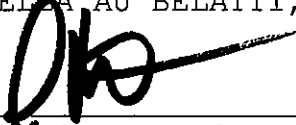
JOSH GREEN, Chair



DELTA AU BELATTI, Co-Chair



ROSALYN H. BAKER, Co-Chair



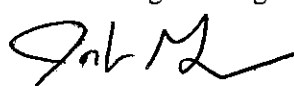
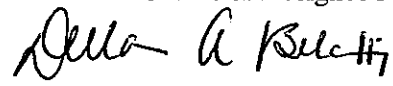
ANGUS L.K. MCKELVEY, Co-Chair



Hawaii State Legislature

CCR 69

Record of Votes of a Conference Committee

Bill / Concurrent Resolution No.: HB 62, HD 2, SD 2					Date/Time: 4/25/13 2¹¹ pm				
<input checked="" type="checkbox"/> The recommendation of the House and Senate managers is to pass with amendments (CD).									
<input type="checkbox"/> The Committee is reconsidering its previous decision.									
<input type="checkbox"/> The recommendation of the Senate Manager(s) is to AGREE to the House amendments made to the Senate Measure					<input type="checkbox"/> The recommendation of the House Manager(s) is to AGREE to the Senate amendments made to the House Measure.				
Senate Managers	A	WR	N	E	House Managers	A	WR	N	E
GREEN, Josh, Chr.	✓				BELATTI, Della Au, Co-Chr.	✓			
BAKER, Rosalyn H., Co-Chr.	✓				MCKELVEY, Angus L.K., Co-Chr.	✓			
GALUTERIA, Brickwood				✓	EVANS, Cindy	✓			
TANIGUCHI, Brian T.	✓				MORIKAWA, Dee	✓			
SLOM, Sam				✓	FUKUMOTO, Beth	✓			
TOTAL	3	0	0	2	TOTAL	5	0	0	0
A = Aye		WR = Aye with Reservations			N = Nay		E = Excused		
Senate Recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted					House Recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Senate Lead Chair's or Designee's Signature: 					House Lead Chair's or Designee's Signature: 				
Distribution:		Original <i>File with Conference Committee Report</i>	Yellow <i>House Clerk's Office</i>	Pink <i>Senate Clerk's Office</i>	Goldenrod <i>Drafting Agency</i>				