

Honolulu, Hawaii

February 15, 2013

RE: H.B. No. 62
H.D. 1

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

Sir:

Your Committee on Health, to which was referred H.B. No. 62
entitled:

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

begs leave to report as follows:

The purpose of this measure is to prohibit pharmacy benefits managers from using a patient's prescription drug benefits claim information to market or advertise to that patient the services of a preferred pharmacy network that is owned by the pharmacy benefits manager.

Hawaii Community Pharmacists Association, Walgreen Co., Hawaii Food Industry Association, and several individuals supported this measure. Hawaii Medical Service Association, Express Scripts, and CVS Caremark Corporation opposed this measure.

Your Committee has amended this measure by:

- (1) Prohibiting a pharmacy benefit management company from restricting a patient's choice of pharmacy from which to receive prescription drug benefits, including the use of an individual's prior prescription drug benefits claim information, unless use of the information is:
 - (A) Medically necessary to the health and safety of the individual; or



- (B) The individual has consented to use of the information;
- (2) Changing its effective date to July 1, 2050, to facilitate further discussion; and
- (3) 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. 62, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 62, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

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

Della A. Belatti

DELLA AU BELATTI, Chair



