
A BILL FOR AN ACT

RELATING TO PRESCRIPTION DRUG BENEFITS.

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

1 SECTION 1. The legislature finds that the cost of
2 prescription drug benefits provided through the employer-union
3 health benefits trust fund must be examined in detail to address
4 the State's unfunded healthcare liability. Determining whether
5 certain factors exacerbate the cost of providing these benefits,
6 and whether these benefits could be provided more efficiently,
7 is essential.

8 The legislature also finds that benefits mandated by the
9 federal Patient Protection and Affordable Care Act deserve extra
10 scrutiny. Prescription drug provider options such as mail order
11 and local buying options could provide additional cost savings.

12 The purpose of this Act is to require the state auditor to
13 conduct an audit of prescription drug benefits provided through
14 the Hawaii employer-union health benefits trust fund.

15 SECTION 2. The auditor shall conduct an audit of
16 prescription drug benefits provided through the Hawaii employer-
17 union health benefits trust fund to both active employees and
18 retirees. The audit shall include:



- 1 (1) A study of the different prescription drug provider
- 2 options that are available;
- 3 (2) An assessment of potential cost savings that may be
- 4 achieved by offering or using various provider
- 5 options; and
- 6 (3) An evaluation of the potential for job creation in the
- 7 State, specifically for graduates of University of
- 8 Hawaii programs, that may be achieved through the
- 9 various provider options.

10 The auditor shall submit findings and recommendations,
 11 including any proposed legislation, to the legislature no later
 12 than twenty days prior to the convening of the regular session
 13 of 2015.

14 SECTION 3. This Act shall take effect on July 1, 2014.

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INTRODUCED BY:

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JAN 17 2014



H.B. NO. 2050

Report Title:

Employer-Union Health Benefits Trust Fund; Prescription Drug Benefits; Audit

Description:

Requires the auditor to conduct an audit of prescription drug benefits provided through the employer-union health benefits trust fund. Requires the auditor to submit findings and recommendations.

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