

Honolulu, Hawaii

April 4, 2014

RE: S.B. No. 2365
S.D. 2
H.D. 2

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Seventh State Legislature
Regular Session of 2014
State of Hawaii

Sir:

Your Committee on Finance, to which was referred S.B. No. 2365, S.D. 2, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO INSURANCE CLAIMS,"

begs leave to report as follows:

The purpose of this measure is to limit the reimbursement rates for prescription medications. This measure will prevent drug prices from becoming an unreasonable driver of health care costs in workers' compensation and motor vehicle insurance claims, while maintaining the same standard of service and care for injured employees under the workers' compensation law and injured individuals under the motor vehicle insurance law.

The Department of Human Resources Development; Property Casualty Insurers Association of America; Chamber of Commerce Hawaii; Hawaiian Electric Co. Inc.; Maui Electric Company, LTD.; Hawaii Electric Light Company, Inc.; Hawaii Insurers Council; and the National Association of Mutual Insurance Companies supported this measure. The Department of Commerce and Consumer Affairs; Department of Labor and Industrial Relations; Department of Human Resources City and County of Honolulu; ILWU; Automated Healthcare Solutions; Hawaii Medical Association; GEICO; Work Injury Medical Association of Hawaii; and a concerned individual commented on this measure.



As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2365, S.D. 2, H.D. 2, and recommends that it pass Third Reading.

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

A handwritten signature in black ink, appearing to read 'Sylvia Luke', written over a horizontal line.

SYLVIA LUKE, Chair



