

SCR 64 / SR 31

Measure Title: REQUESTING THE AUDITOR TO CONDUCT AN IMPACT ASSESSMENT REPORT ON LEGISLATION MANDATING CERTAIN HEALTH INSURANCE COVERAGE FOR OUTPATIENT PRESCRIPTION DRUGS.

Report Title: Outpatient Prescription Drugs; Health Insurance Coverage; Auditor

Description:

Companion:

Package: None

Current Referral: CPN, WAM

Introducer(s): GREEN



NEIL ABERCROMBIE
GOVERNOR

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LT. GOVERNOR

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TO THE SENATE COMMITTEE ON COMMERCE AND CONSUMER PROTECTION

TWENTY-SEVENTH LEGISLATURE
Regular Session of 2014

Friday, March 21, 2014
9:30 a.m.

WRITTEN TESTIMONY ONLY

TESTIMONY ON SENATE CONCURRENT RESOLUTION NO. 64 AND SENATE RESOLUTION 31 – REQUESTING THE AUDITOR TO CONDUCT AN IMPACT ASSESSMENT REPORT ON LEGISLATION MANDATING CERTAIN HEALTH INSURANCE COVERAGE FOR OUTPATIENT PRESCRIPTION DRUGS.

TO THE HONORABLE ROSALYN H. BAKER, CHAIR, AND MEMBERS OF THE COMMITTEE:

My name is Gordon Ito, State Insurance Commissioner, testifying on behalf of the Department of Commerce and Consumer Affairs ("Department"). The Department takes no position on this resolution, and submits the following comments.

The purpose of this resolution is to require the Auditor to conduct an impact assessment report of the social and financial impacts of mandating certain health insurance coverage for outpatient prescription drugs. Senate Bill No. 2173 would mandate that policies of insurers, mutual benefit societies, fraternal benefit societies, and health maintenance organizations that include coverage for prescription drugs and use a specialty drug tier limit copayment or coinsurance applicable to specialty drugs to \$150 per month for each such drug by amending several sections of the insurance code, as well as prohibit placing all drugs in a given class of drugs on a specialty drug tier.

S.C.R. No. 64 and S.R. No. 31
DCCA Testimony of Gordon Ito
Page 2

The Insurance Division does not regulate or oversee these types of contractual provisions or requirements between health insurers, insureds, pharmacies, and medical providers. This is also a medical matter that is outside our area of expertise. The Insurance Division does not have the medical expertise to regulate classes of drugs and specialty drug tiers.

We thank this Committee for the opportunity to present testimony on this matter.

SR31

Submitted on: 3/19/2014

Testimony for CPN on Mar 21, 2014 09:30AM in Conference Room 229

Submitted By	Organization	Testifier Position	Present at Hearing
Dale Marczak	Individual	Support	No

Comments: We need a place to buy medical marijuana.

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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