Honolulu, Hawaii
March 18 , 2016
RE: S.B. No. 2376
        S.D. 1
        H.D. 1

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Eighth State Legislature
Regular Session of 2016
State of Hawaii

Sir:

Your Committee on Health, to which was referred S.B. No. 2376, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO PRESCRIPTION DRUG BENEFITS,"

begs leave to report as follows:

The purpose of this measure is to authorize a beneficiary of a prescription drug benefit plan whose residence is 10 or more miles away from the nearest retail community pharmacy to obtain a prescription, without penalty, from a non-network retail community pharmacy located within 10 miles of the beneficiary's residence.

An individual testified in support of this measure. The Department of Commerce and Consumer Affairs commented on this measure. The Hawaii Employer-Union Health Benefits Trust Fund Board of Trustees, Express Scripts, Kaiser Permanente Hawaii, Walgreen Company, 'Ohana Health Plan, Hawaii Association of Health Plans, Hawaii Medical Service Association, and CVS Hawaii opposed this measure.

Your Committee has amended this measure by:

(1)   Specifying that the provisions in this measure apply to any county with an area of 2,000 square miles or more;

(2)   Deleting the amount of the dispensing fee to be reimbursed to a non-network retail community pharmacy;

SB2376 HD1 HSCR HLT HMS 2016-2755

(3)   Requiring the Insurance Commissioner to submit reports
       annually to the Legislature prior to the convening of
       the 2017, 2018, 2019, 2020, and 2021 Regular Sessions on
       the effects of this measure on healthcare costs; and

(4)   Changing its effective date to July 1, 2112, repealing
       this measure on June 30, 2021, and reenacting section
       431R-5, Hawaii Revised Statutes, in the form it read the
       day before this measure's effective date.

     Should this measure proceed further in the legislative
process, your Committee respectfully requests the Department of
Human Services to be available to provide information at the next
committee hearing on the dispensing fee reimbursement to non-
network retail community pharmacies, relative to the Medicaid
program.

     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 S.B. No.
2376, S.D. 1, as amended herein, and recommends that it pass
Second Reading in the form attached hereto as S.B. No. 2376, S.D.
1, H.D. 1, and be referred to your Committee on Consumer
Protection & Commerce.

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

                           _____
                           DELLA AU BELATTI, Chair

State of Hawaii
House of Representatives
The Twenty-eighth Legislature

HSCR 1119-16

Record of Votes of the Committee on Health

Bill/Resolution No.: SB 2376, SD1	Committee Referral: HLT, CPC, FIN	Date: 3/16/2016

❑ The committee is reconsidering its previous decision on the measure.

The recommendation is to: ❑ Pass, unamended (as is) ☒ Pass, with amendments (HD) ❑ Hold
❑ Pass short form bill with HD to recommit for future public hearing (recommit)

HLT Members	Ayes	Ayes (WR)	Nays	Excused
1. BELATTI, Della Au (C)	✓			
2. CREAGAN, Richard P. (VC)	✓			
3. HASHEM, Mark J.	✓			
4. JORDAN, Jo	✓			
5. KOBAYASHI, Bertrand		✓		
6. MORIKAWA, Dee	✓			
7. OSHIRO, Marcus R.				✓
8. FUKUMOTO CHANG, Beth				✓
9. TUPOLA, Andria P.L.		✓		
TOTAL (9)	5	2		2

The recommendation is: ☒ Adopted ❑ Not Adopted

If joint referral, _____ did not support recommendation.
committee acronym(s)

Vice Chair's or designee's signature: _____

Distribution: Original (White) – Committee   Duplicate (Yellow) – Chief Clerk's Office   Duplicate (Pink) – HMSO