

Honolulu, Hawaii

April 27, 2017

RE: H.B. No. 1444
H.D. 2
S.D. 2
C.D. 1

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Ninth State Legislature
Regular Session of 2017
State of Hawaii

Honorable Ronald D. Kouchi
President of the Senate
Twenty-Ninth State Legislature
Regular Session of 2017
State of Hawaii

Sirs:

Your Committee on Conference on the disagreeing vote of the House of Representatives to the amendments proposed by the Senate in H.B. No. 1444, H.D. 2, S.D. 2, entitled:

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

having met, and after full and free discussion, has agreed to recommend and does recommend to the respective Houses the final passage of this bill in an amended form.

The purpose of this measure is to require pharmacy benefit managers to register with the Insurance Commissioner as a first step toward regulating the pharmacy benefit management industry so as to provide transparency and ensure adequate consumer protection for purchasers and consumers of prescription drugs in the State.

Your Committee on Conference has amended this measure by:

- (1) Clarifying that health maintenance organizations that own or manage their own pharmacies are not required to register as pharmacy benefit managers; and



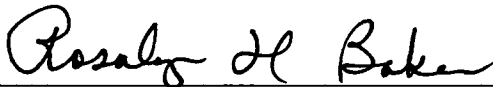
(2) Changing its effective date to July 1, 2017.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 1444, H.D. 2, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1444, H.D. 2, S.D. 2, C.D. 1.

Respectfully submitted on behalf
of the managers:

ON THE PART OF THE SENATE

ON THE PART OF THE HOUSE



ROSALYN H. BAKER
Chair



DELLA AU BELATTI
Co-Chair



BRIAN T. TANIGUCHI
Co-Chair



ROY M. TAKUMI
Co-Chair



BERTRAND KOBAYASHI
Co-Chair



