

Honolulu, Hawaii March 2, , 2017

RE: H.B. No. 1181 H.D. 2

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

Sir:

Your Committee on Finance, to which was referred H.B. No. 1181, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO WORKERS' COMPENSATION PRESCRIPTION DRUG REIMBURSEMENT,"

begs leave to report as follows:

The purpose of this measure is to bring Hawaii closer to the rest of the nation in terms of its dispensing policies and reimbursement rates for prescription drugs and compounds in the workers' compensation system by:

- (1) Amending the reimbursement rate; and
- (2) Restricting the provision of physician-dispensed prescription drugs following injury.

The Chamber of Commerce Hawaii; Hawaiian Electric Co. Inc. and its subsidiaries Maui Electric Company, LTD. and Hawaii Electric Light Company, Inc.; National Association of Mutual Insurance Companies; Property Casualty Insurers Association of America; and Hawaii Insurers Council testified in support of this measure. The Hawaii Medical Association, Automated HealthCare Solutions, Work Injury Medical Association of Hawaii, Maui Pain Clinic, Kaloko Pain Center, WorkStar Injury Recovery Center, and numerous individuals testified in opposition. The Department of



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Labor and Industrial Relations, Department of Human Resources Development, City and County of Honolulu, National Council on Compensation Insurance, Inc., Solera Integrated Medical Solutions, and International Longshore and Warehouse Union Local 142 provided comments.

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 H.B. No. 1181, H.D. 2, and recommends that it pass Third Reading.

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

SYLVIA LUKE, Chair



State of Hawaii House of Representatives The Twenty-ninth Legislature



Record of Votes of the Committee on Finance

| Bill/Resolution No.: HB 1181, HD 2 | Committee Referral: LAB, CPC, FIN Date: 2/22/17 | | | | |
|---|--|--------------|-----------|--|---------------------------------------|
| θ The committee is reconsidering its previous decision on the measure. | | | | | |
| The recommendation is to: θ Pass, unamended (as is) θ Pass, with amendments (HD) θ Hold | | | | | |
| θ Pass short form bill with HD to recommit for future public hearing (recommit) | | | | | |
| FIN Members | | Ayes | Ayes (WR) | Nays | Excused |
| 1. LUKE, Sylvia (C) | | | | | |
| 2. CULLEN, Ty J.K. (VC) | | \checkmark | | | |
| 3. CACHOLA, Romy M. | | | | | |
| 4. CHOY, Isaac W. | | | | | |
| 5. DeCOITE, Lynn | | | | | |
| 6. GATES, Cedric Asuega | | | | | |
| 7. HOLT, Daniel | · | \checkmark | | - | |
| 8. KEOHOKALOLE, Jarrett | | \checkmark | - | | |
| 9. KOBAYASHI, Bertrand | | | | | |
| 10. LoPRESTI, Matthew S. | | | | | |
| 11. LOWEN, Nicole E. | | < | | lan yang ang ang ang ang ang ang ang ang ang | |
| 12. NAKAMURA, Nadine K. | | ~ | | | |
| 13. TOKIOKA, James Kunane | · : | | | | |
| 14. QUINLAN, Sean | | | | | · · · · · · · · · · · · · · · · · · · |
| 15. YAMASHITA, Kyle T. | | | | | |
| 16. TUPOLA, Andria P.L. | · · · · · · · · · · · · · · · · · · · | | | | |
| 17. WARD, Gene | | | | | |
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| TOTAL (17) | | Ś | 3 | 3 | 3 |
| The recommendation is: Ø Adopted Ø Not Adopted If joint referral, | | | | | |
| Vice Chair's or designee's signature: <u>Jugg./C.</u> | | | | | |
| Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO | | | | | |