

STAND. COM. REP. NO. 2479

Honolulu, Hawaii

FEB 16 2018

RE: S.B. No. 2656
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Twenty-Ninth State Legislature
Regular Session of 2018
State of Hawaii

Sir:

Your Committee on Commerce, Consumer Protection, and Health, to which was referred S.B. No. 2656 entitled:

"A BILL FOR AN ACT RELATING TO MEDICATION SYNCHRONIZATION,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Allow the synchronization of plan participants' medications; and
- (2) Require plans, policies, contracts, or agreements that are offered by health insurers, mutual benefit societies, and health maintenance organization and provide prescription drug benefits, to apply prorated daily cost-sharing rates for prescriptions dispensed by network pharmacies for less than a thirty-day supply.

Your Committee received testimony in support of this measure from the Department of Health, Hawaii Medical Association, Walgreen Co., American Cancer Society Cancer Action Network, and eighteen individuals. Your Committee received comments on this measure from the Department of Commerce and Consumer Affairs, Board of Pharmacy, and Hawaii Medical Service Association.

Your Committee finds that medication synchronization allows a pharmacist to review a patient's medications and sync medication



refills so all the refills are able to be picked up on a single day each month. This process, which involves short fills of less than a thirty days' supply, can be challenging at first, as it may take a few refills of smaller quantities to get all of a patient's prescription medications aligned on the same refill or "sync" day. However, the long term-convenience of medication synchronization is popular with patients and leads to increased adherence to prescription medications for chronic conditions. According to testimony received by your Committee, evidence shows that patients who have synced their chronic medications are about thirty percent more adherent than patients who are not in a medication synchronization program.

Your Committee further finds that this measure facilitates synchronization of prescription medication dispensation for Hawaii patients, which will encourage better medication adherence and lead to improved health outcomes for patients.

Your Committee has amended this measure by:

- (1) Clarifying that plans, policies, contracts, or agreements shall permit and apply daily cost-sharing rates for less than a thirty-day supply of a prescription for the purpose of medication synchronization and if a patient requests or agrees to less than a thirty-day supply;
- (2) Clarifying that health insurers, mutual benefit societies, and health maintenance organizations shall not deny coverage for the dispensing of a partial supply of a maintenance medication for the purpose of medication synchronization and if a patient requests or agrees to the partial supply;
- (3) Clarifying that the ability of a network pharmacy to override any denial codes indicating a prescription is being refilled too soon applies only for purposes of medication synchronization;
- (4) Specifying that a network pharmacy shall identify an anchor prescription to which all other prescriptions may be synced for the purposes of medication synchronization and clarifying that any medication dispensed in an



unbreakable package shall be considered the anchor prescription;

- (5) Inserting a definition of "unbreakable package";
- (6) Clarifying that the term "practice of pharmacy" includes the interpretation and evaluation of prescription orders to adjust days' supply dispensed for purposes of conducting medical synchronization for a patient's medications;
- (7) Inserting a repeal date of July 1, 2023; and
- (8) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2656, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2656, S.D. 1, and be referred to your Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committee on Commerce, Consumer
Protection, and Health,



ROSALYN H. BAKER, Chair



