

---

---

# A BILL FOR AN ACT

RELATING TO HEALTH CARE INSURANCE.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1. The legislature finds that, according to the  
2 department of health, cancer is the second leading cause of  
3 death among Hawaii residents, claiming more than two thousand  
4 two hundred Hawaii residents each year. The legislature further  
5 finds that cancer patients should have full access to effective  
6 treatment options at early stages of their illnesses.

7           The purpose of this Act is to prohibit health insurers that  
8 cover treatment for stage two cancer from requiring an insured  
9 diagnosed with stage two cancer to undergo step therapy prior to  
10 covering the insured for the drug prescribed by the insured's  
11 health care provider, under certain conditions.

12           SECTION 2. Chapter 431, Hawaii Revised Statutes, is  
13 amended by adding a new section to part I of article 10A to be  
14 appropriately designated and to read as follows:

15           "§431:10A-           Step therapy prohibited; stage two cancer.

16           (a) No individual accident and health or sickness policy issued  
17           or renewed in the State after December 31, 2018, that provides



# H.B. NO. 216

1 coverage for the treatment of stage two cancer shall require an  
2 insured who is diagnosed with a stage two cancer to undergo step  
3 therapy prior to covering the drug prescribed by the insured's  
4 health care provider if the prescribed drug is:

5 (1) An investigational new drug; or

6 (2) A prescription drug:

7 (A) That is approved by the United States Food and  
8 Drug Administration;

9 (B) Whose use is consistent with best practices for  
10 the treatment of the stage two cancer; and

11 (C) That is listed on the insurer's prescription drug  
12 formulary.

13 (b) For the purposes of this section:

14 "Investigational new drug" has the same meaning as provided  
15 under 21 Code of Federal Regulations section 312.3.

16 "Step therapy" means a protocol that requires an insured to  
17 use a prescription drug or sequence of prescription drugs, other  
18 than the drug that the insured's health care provider recommends  
19 for the insured's treatment, before the insurer provides  
20 coverage for the recommended prescription drug."



# H.B. NO. 216

1 SECTION 3. Chapter 431, Hawaii Revised Statutes, is  
2 amended by adding a new section to part II of article 10A to be  
3 appropriately designated and to read as follows:

4 "§431:10A- Step therapy prohibited; stage two cancer.

5 (a) No group accident and health or sickness policy issued or  
6 renewed in the State after December 31, 2018, that provides  
7 coverage for the treatment of stage two cancer shall require an  
8 insured who is diagnosed with a stage two cancer to undergo step  
9 therapy prior to covering the drug prescribed by the insured's  
10 health care provider if the prescribed drug is:

11 (1) An investigational new drug; or

12 (2) A prescription drug:

13 (A) That is approved by the United States Food and  
14 Drug Administration;

15 (B) Whose use is consistent with best practices for  
16 the treatment of the stage two cancer; and

17 (C) That is listed on the insurer's prescription drug  
18 formulary.

19 (b) For the purposes of this section:

20 "Investigational new drug" has the same meaning as provided  
21 under 21 Code of Federal Regulations section 312.3.



# H.B. NO. 216

1        "Step therapy" means a protocol that requires an insured to  
2 use a prescription drug or sequence of prescription drugs, other  
3 than the drug that the insured's health care provider recommends  
4 for the insured's treatment, before the insurer provides  
5 coverage for the recommended prescription drug."

6        SECTION 4. Chapter 432, Hawaii Revised Statutes, is  
7 amended by adding a new section to part VI of article 1 to be  
8 appropriately designated and to read as follows:

9        "§432:1- Step therapy prohibited; stage two cancer.

10 (a) No individual or group hospital or medical service plan  
11 contract issued or renewed in the State after December 31, 2018,  
12 that provides coverage for the treatment of stage two cancer  
13 shall require a subscriber or member who is diagnosed with a  
14 stage two cancer to undergo step therapy prior to covering the  
15 drug prescribed by the subscriber's or member's health care  
16 provider if the prescribed drug is:

17        (1) An investigational new drug; or

18        (2) A prescription drug:

19            (A) That is approved by the United States Food and  
20            Drug Administration;



# H.B. NO. 216

1           (B) Whose use is consistent with best practices for  
2           the treatment of the stage two cancer; and  
3           (C) That is listed on the mutual benefit society's  
4           prescription drug formulary.

5           (b) For the purposes of this section:  
6           "Investigational new drug" has the same meaning as provided  
7           under 21 Code of Federal Regulations section 312.3.

8           "Step therapy" means a protocol that requires a subscriber  
9           or member to use a prescription drug or sequence of prescription  
10          drugs, other than the drug that the subscriber's or member's  
11          health care provider recommends for the subscriber's or member's  
12          treatment, before the mutual benefit society provides coverage  
13          for the recommended prescription drug."

14           SECTION 5. Chapter 432D, Hawaii Revised Statutes, is  
15           amended by adding a new section to be appropriately designated  
16           and to read as follows:

17           "§432D-        Step therapy prohibited; stage two cancer. (a)  
18           No policy, contract, plan, or agreement issued or renewed in the  
19           State after December 31, 2018, that provides coverage for the  
20           treatment of stage two cancer shall require an enrollee who is  
21           diagnosed with a stage two cancer to undergo step therapy prior



# H.B. NO. 216

1 to covering the drug prescribed by the enrollee's health care  
2 provider if the prescribed drug is:

3 (1) An investigational new drug; or

4 (2) A prescription drug:

5 (A) That is approved by the United States Food and  
6 Drug Administration;

7 (B) Whose use is consistent with best practices for  
8 the treatment of the stage two cancer; and

9 (C) That is listed on the health maintenance  
10 organization's prescription drug formulary.

11 (b) For the purposes of this section:

12 "Investigational new drug" has the same meaning as provided  
13 under 21 Code of Federal Regulations section 312.3.

14 "Step therapy" means a protocol that requires an enrollee  
15 to use a prescription drug or sequence of prescription drugs,  
16 other than the drug that the enrollee's health care provider  
17 recommends for the enrollee's treatment, before the health  
18 maintenance organization provides coverage for the recommended  
19 prescription drug."



# H.B. NO. 216


1 SECTION 6. This Act does not affect rights and duties that  
2 matured, penalties that were incurred, and proceedings that were  
3 begun before its effective date.

4 SECTION 7. New statutory material is underscored.

5 SECTION 8. This Act shall take effect on July 1, 2019.

6

INTRODUCED BY:

A handwritten signature in black ink, appearing to read "John M. Feltus", written over a horizontal line.

JAN 17 2019



# H.B. NO. 216

**Report Title:**

Health Care Insurance; Step Therapy

**Description:**

Prohibits a health care insurer from requiring an insured diagnosed with stage two cancer to undergo step therapy prior to covering the insured for the drug prescribed by the insured's health care provider, under certain conditions.

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

