
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 the department of
2 health reports cancer as the second leading cause of death among
3 Hawaii residents, claiming more than two thousand two hundred
4 Hawaii residents each year. The legislature further finds that
5 cancer patients should have full access to effective treatment
6 options at early stages of their illnesses. Step therapy
7 policies delay getting cancer patients the right drug or
8 treatment at the right time, and treatments are far too often
9 health plan- or provider-centered, rather than patient-centered.

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



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

4 "§431:10A- Step therapy prohibited; stage two through
5 stage four cancer. (a) No individual policy of accident and
6 health or sickness insurance issued or renewed in the State
7 after December 31, 2020, that provides coverage for the
8 treatment of stage two through stage four cancer shall require
9 an insured who is diagnosed with a stage two through stage four
10 cancer to undergo step therapy prior to covering the drug
11 prescribed by the insured's health care provider if the
12 prescribed drug is a prescription drug:

- 13 (1) That is approved by the United States Food and Drug
14 Administration;
15 (2) Whose use is consistent with best practices for the
16 treatment of the cancer or treatment of side effects
17 of the cancer;
18 (3) That is listed in one of the approved compendia;
19 (4) That is supported by a published peer reviewed study
20 as a recognized off-label use for the treatment of the
21 cancer or treatment of side effects of the cancer; or



1 (5) That is listed on the insurer's prescription drug
2 formulary.

3 (b) For the purposes of this section, "step therapy" means
4 a protocol that requires an insured to use a prescription drug
5 or sequence of prescription drugs, other than the drug that the
6 insured's health care provider recommends for the insured's
7 treatment, before the insurer provides coverage for the
8 recommended prescription drug."

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

12 "§431:10A- Step therapy prohibited; stage two through
13 stage four cancer. (a) No group policy of accident and health
14 or sickness insurance issued or renewed in the State after
15 December 31, 2020, that provides coverage for the treatment of
16 stage two through stage four cancer shall require an insured who
17 is diagnosed with a stage two through stage four cancer to
18 undergo step therapy prior to covering the drug prescribed by
19 the insured's health care provider if the prescribed drug is a
20 prescription drug:



- 1 (1) That is approved by the United States Food and Drug
2 Administration;
- 3 (2) Whose use is consistent with best practices for the
4 treatment of the cancer or treatment of side effects
5 of the cancer;
- 6 (3) That is listed in one of the approved compendia;
- 7 (4) That is supported by a published peer reviewed study
8 as a recognized off-label use for the treatment of the
9 cancer or treatment of side effects of the cancer; or
- 10 (5) That is listed on the insurer's prescription drug
11 formulary.

12 (b) For the purposes of this section, "step therapy" means
13 a protocol that requires an insured to use a prescription drug
14 or sequence of prescription drugs, other than the drug that the
15 insured's health care provider recommends for the insured's
16 treatment, before the insurer provides coverage for the
17 recommended prescription drug."

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



1 "§432:1- Step therapy prohibited; stage two through
2 stage four cancer. (a) No individual or group hospital or
3 medical service plan contract issued or renewed in the State
4 after December 31, 2020, that provides coverage for the
5 treatment of stage two through stage four cancer shall require a
6 subscriber or member who is diagnosed with a stage two through
7 stage four cancer to undergo step therapy prior to covering the
8 drug prescribed by the subscriber's or member's health care
9 provider if the prescribed drug is a prescription drug:

10 (1) That is approved by the United States Food and Drug
11 Administration;

12 (2) Whose use is consistent with best practices for the
13 treatment of the cancer or treatment of side effects
14 of the cancer;

15 (3) That is listed in one of the approved compendia;

16 (4) That is supported by a published peer reviewed study
17 as a recognized off-label use for the treatment of the
18 cancer or treatment of side effects of the cancer; or

19 (5) That is listed on the mutual benefit society's
20 prescription drug formulary.



1 (b) For the purposes of this section, "step therapy" means
2 a protocol that requires a subscriber or member to use a
3 prescription drug or sequence of prescription drugs, other than
4 the drug that the subscriber's or member's health care provider
5 recommends for the subscriber's or member's treatment, before
6 the mutual benefit society provides coverage for the recommended
7 prescription drug."

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

11 "§432D- Step therapy prohibited; stage two through
12 stage four cancer. (a) No policy, contract, plan, or agreement
13 issued or renewed in the State after December 31, 2020, that
14 provides coverage for the treatment of stage two through stage
15 four cancer shall require an enrollee who is diagnosed with a
16 stage two through stage four cancer to undergo step therapy
17 prior to covering the drug prescribed by the enrollee's health
18 care provider if the prescribed drug is a prescription drug:

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



- 1 (2) Whose use is consistent with best practices for the
- 2 treatment of the cancer or treatment of side effects
- 3 of the cancer;
- 4 (3) That is listed in one of the approved compendia;
- 5 (4) That is supported by a published peer reviewed study
- 6 as a recognized off-label use for the treatment of the
- 7 cancer or treatment of side effects of the cancer; or
- 8 (5) That is listed on the health maintenance
- 9 organization's prescription drug formulary.
- 10 (b) For the purposes of this section, "step therapy" means
- 11 a protocol that requires an enrollee to use a prescription drug
- 12 or sequence of prescription drugs, other than the drug that the
- 13 enrollee's health care provider recommends for the enrollee's
- 14 treatment, before the health maintenance organization provides
- 15 coverage for the recommended prescription drug."

16 SECTION 6. This Act does not affect rights and duties that
17 matured, penalties that were incurred, and proceedings that were
18 begun before its effective date.

19 SECTION 7. New statutory material is underscored.

20 SECTION 8. This Act shall take effect on July 1, 2020.



Report Title:

Health Care Insurance; Step Therapy

Description:

Prohibits a health care insurer, mutual benefit society, or health maintenance organization from requiring an insured, subscriber, member, or enrollee diagnosed with stage two through stage four cancer to undergo step therapy prior to covering the insured for the drug prescribed by the insured's health care provider, under certain conditions, for health insurance policies and contracts issued or renewed after 12/31/2020.
(SD1)

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