

MAR 05 2024

SENATE CONCURRENT RESOLUTION

REQUESTING THE AUDITOR TO CONDUCT A SOCIAL AND FINANCIAL
ASSESSMENT OF PROPOSED MANDATORY HEALTH INSURANCE COVERAGE
FOR STEP THERAPY REQUIREMENTS FOR STAGE TWO THROUGH STAGE
FIVE CANCER.

1 WHEREAS, cancer is a group of diseases characterized by
2 uncontrolled growth and spread of abnormal cells; and

3
4 WHEREAS, cancer is the second leading cause of death in the
5 State, with an average of 7,393 diagnoses of invasive cancer and
6 2,393 deaths annually; and

7
8 WHEREAS, many cancers can be cured if detected and treated
9 promptly, and other forms of cancer can be prevented by
10 lifestyle changes; and

11
12 WHEREAS, breast cancer remains the most frequently
13 diagnosed cancer among women while prostate cancer remains the
14 most frequently diagnosed cancer among men; and

15
16 WHEREAS, disparities in cancer incidence are significant
17 among Native Hawaiians, who have the highest lung cancer
18 incidence and mortality rates, and Filipino women, who have the
19 highest incidence for thyroid cancer; and

20
21 WHEREAS, step therapy is a type of prior authorization that
22 requires patients to try a certain, less expensive drug on a
23 health insurance plan that has been proven effective before
24 further treatments are authorized; and

25
26 WHEREAS, however, step therapy may limit full access to
27 effective treatment options at early stages of illness; and

28
29 WHEREAS, section 23-51, Hawaii Revised Statutes, requires
30 that "[b]efore any legislative measure that mandates health
31 insurance coverage for specific health services, specific



1 diseases, or certain providers of health care services as part
2 of individual or group health insurance policies, can be
3 considered, there shall be concurrent resolutions passed
4 requesting the auditor to prepare and submit to the legislature
5 a report that assesses both the social and financial effects of
6 the proposed mandated coverage"; and

7
8 WHEREAS, section 23-51, Hawaii Revised Statutes, further
9 provides that "[t]he concurrent resolutions shall designate a
10 specific legislative bill that:

- 11
12 (1) Has been introduced in the legislature; and
13
14 (2) Includes, at a minimum, information identifying the:
15
16 (A) Specific health service, disease, or provider
17 that would be covered;
18
19 (B) Extent of the coverage;
20
21 (C) Target groups that would be covered;
22
23 (D) Limitations on utilization, if any; and
24
25 (E) Standards of care.

26
27 For purposes of this part, mandated health insurance coverage
28 shall not include mandated optionals."; and

29
30 WHEREAS, section 23-52, Hawaii Revised Statutes, further
31 specifies the minimum information required for assessing the
32 social and financial impact of the proposed health coverage
33 mandate in the State Auditor's report; and

34
35 WHEREAS, Senate Bill No. 2316, introduced in the Regular
36 Session of 2024, proposes to prohibit health insurers that cover
37 treatment for stage two through stage five cancer from the
38 requirement that an insured diagnosed with stage two through
39 stage five cancer to undergo step therapy before covering the
40 drug prescribed to the insured by the insured's health care
41 provider, including:
42



- 1 (1) An investigational new drug; or
- 2
- 3 (2) A prescription drug:
- 4
- 5 (A) That is approved by the United States Food and
- 6 Drug Administration;
- 7
- 8 (B) Whose use is consistent with best practices for
- 9 the treatment of the cancer in its respective
- 10 stage; and
- 11
- 12 (C) That is listed on the insurer's prescription drug
- 13 formulary; and
- 14

15 WHEREAS, the Legislature believes that prohibiting health
16 insurers that cover treatment for stage two through stage five
17 cancer from requiring an insured diagnosed with stage two
18 through stage five cancer to undergo step therapy before
19 covering the drug prescribed to the insured by the insured's
20 health care provider will increase the likelihood of proactive
21 treatment of cancer and save lives; now, therefore,

22
23 BE IT RESOLVED by the Senate of the Thirty-second
24 Legislature of the State of Hawaii, Regular Session of 2024, the
25 House of Representatives concurring, that the Auditor is
26 requested to conduct an impact assessment report in accordance
27 with sections 23-51 and 23-52, Hawaii Revised Statutes, of
28 prohibiting step therapy requirements in health insurance
29 policies, contracts, plans, or agreements that cover the
30 treatment of stage two through stage five cancer as proposed by
31 Senate Bill No. 2316 (Regular Session of 2024); and

32
33 BE IT FURTHER RESOLVED that the Auditor is further
34 requested to include in its assessment the impact of section
35 1311(d)(3) of the federal Patient Protection and Affordable Care
36 Act (PPACA) on Senate Bill No. 2316, or similar legislation,
37 that includes but is not limited to the additional cost of any
38 benefits beyond the essential health benefits of Hawaii's
39 qualified health plans under the PPACA; and

40
41 BE IT FURTHER RESOLVED that the Auditor is also requested
42 to determine how many qualified health plans are available in



S.C.R. NO. 26

1 Hawaii, including plans offered by health maintenance
2 organizations; the individual or group enrollment in these
3 plans; and the actuarial cost of the defrayment to the State for
4 the prohibition of step therapy requirements for health plans
5 that provide coverage of treatment of stage two through stage
6 five cancer; and
7

8 BE IT FURTHER RESOLVED that the Auditor is requested to
9 submit a report on the Auditor's findings and recommendations,
10 including any proposed legislation, to the Legislature no later
11 than twenty days prior to the convening of the Regular Session
12 of 2025; and
13

14 BE IT FURTHER RESOLVED that certified copies of this
15 Concurrent Resolution be transmitted to the Auditor and
16 Insurance Commissioner, who is requested to transmit copies to
17 each insurer in the State that issues health insurance policies.
18
19
20

OFFERED BY: _____

A handwritten signature in black ink, appearing to be "R. B. B.", written over a horizontal line.