



**LATE**

NEIL ABERCROMBIE  
GOVERNOR

SHAN S. TSUTSUI  
LT. GOVERNOR

STATE OF HAWAII  
OFFICE OF THE DIRECTOR  
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS  
335 MERCHANT STREET, ROOM 310  
P.O. Box 541  
HONOLULU, HAWAII 96809  
Phone Number: 586-2850  
Fax Number: 586-2856  
www.hawaii.gov/dcca

KEALI' I S. LOPEZ  
DIRECTOR

JO ANN M. UCHIDA TAKEUCHI  
DEPUTY DIRECTOR

TO THE HOUSE COMMITTEE ON HEALTH

TWENTY-SEVENTH LEGISLATURE  
Regular Session of 2014

Friday, March 21, 2014  
8:30 a.m.

**WRITTEN TESTIMONY ONLY**

**TESTIMONY ON HOUSE RESOLUTION NO. 66 – REQUESTING IMPLEMENTATION OF ACT 226, SESSION LAWS OF HAWAII 2013, RELATING TO PRESCRIPTION DRUG BENEFITS.**

TO THE HONORABLE DELLA AU BELATTI, CHAIR, AND MEMBERS OF THE COMMITTEE:

My name is Gordon Ito, State Insurance Commissioner, testifying on behalf of the Department of Commerce and Consumer Affairs (“Department”). The Department has concerns regarding this resolution, and submits the following comments.

The purpose of this resolution is to facilitate the implementation of Act 226, Session Laws of Hawaii 2013. This Act was codified in Hawaii Revised Statute (“HRS”) 431R, and the law has been in effect since July 2013.

In accordance with HRS 431R-4, the Insurance Division prescribed a report to be filed by each prescription drug benefit plan, health benefits plan under chapter 87A, and pharmacy benefit manager by March 31 of each calendar. The form of this report and instructions are posted on the Department’s website as is the announcement of this form.

**H.R. No. 66**  
**DCCA Testimony of Gordon Ito**  
**Page 2**

In accordance with HRS 431R-2(d), the Insurance Division determined the standards and requirements necessary for a retail community pharmacy to be deemed “otherwise qualified.”

The Department has carried out the mandates of HRS 431R, and the statute has been implemented. Since the law’s enactment, the Health Branch of the Department’s Insurance Division has not received any complaint from an otherwise qualified retail community pharmacy that a prescription drug benefit plan, health benefits plan under chapter 87A, or pharmacy benefit manager has refused to accept the otherwise qualified retail community pharmacy as part of a pharmacy benefit manager’s retail pharmacy network.

We thank the Committee for the opportunity to present testimony on this matter.