

JAN 19 2007

A BILL FOR AN ACT

RELATING TO PRESCRIPTION DRUGS.

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

1 SECTION 1. Section 346-314, Hawaii Revised Statutes, is
2 amended by amending subsection (a) to read as follows:

3 "(a) A drug manufacturer or labeler that sells
4 prescription drugs in the State [~~may~~] shall enter into a rebate
5 agreement with the department for this purpose. The rebate
6 agreement shall require the manufacturer or labeler to make
7 rebate payments to the department each calendar quarter or
8 according to a schedule established by the department."

9 SECTION 2. Section 346-314, Hawaii Revised Statutes, is
10 amended by amending subsection (e) to read as follows:

11 "(e) With respect to rebates effective July 1, [~~2005,~~]
12 2007, the administrator shall use the administrator's best
13 efforts to obtain a rebate amount equal to or greater than the
14 amount of any discount, rebate, or price reduction for
15 prescription drugs provided to the federal government."

16 SECTION 3. Section 346-315, Hawaii Revised Statutes, is
17 amended by amending subsection (b) to read as follows:



S.B. NO. 811

1 "(b) The department or administrator [~~may~~] shall also
 2 provide to health care providers information about the relative
 3 cost of drugs produced by manufacturers that enter into rebate
 4 agreements compared to the cost of drugs produced by those that
 5 do not enter into rebate agreements. The department shall adopt
 6 rules under chapter 91 creating procedures for the
 7 implementation of this section."

8 SECTION 4. Statutory material to be repealed is bracketed
 9 and stricken. New statutory material is underscored.

10 SECTION 5. This Act shall take effect upon its approval.

11

INTRODUCED BY:

David Ylze
 Carol Johnson
 Jim
 Suzanne Chun Calhoun
Norman Sakonfo
 Anne Meredith
 Rosaly de Boken
Michael J.
 Lucia Sanchez
 Clarence Nishikawa



Report Title:

Rx Plus

Description:

Makes rebate agreements between drug manufacturers and department of human services mandatory. Requires the department to inform health care providers about drug costs for manufacturers with rebate agreements and those without rebate agreements.

