

Hawaii State Legislature  
House Committee on Labor and Public Employment  
Hawaii State Capitol  
415 South Beretania Street  
Honolulu, HI 96813

February 5, 2017

*Filed via electronic testimony submission system*

**RE: HB 1117, WC Prescription Drugs Dispensing Cost Cap - NAMIC's Written Testimony in SUPPORT**

Dear Representative Aaron Ling Johanson, Chair; Representative Daniel Holt, Vice-Chair; and honorable committee members:

Thank you for providing the National Association of Mutual Insurance Companies (NAMIC) an opportunity to submit written testimony to your committee for the February 7, 2017, public hearing. Unfortunately, I will not be able to attend the public hearing, because of a previously scheduled professional obligation. NAMIC's written comments need not be read into the record, so long as they are referenced as a formal submission and are provided to the committee for consideration.

The National Association of Mutual Insurance Companies (NAMIC) is the largest property/casualty insurance trade association in the country, with more than 1,400 member companies. NAMIC supports regional and local mutual insurance companies on main streets across America and many of the country's largest national insurers. NAMIC members represent 40 percent of the total property/casualty insurance market, serve more than 170 million policyholders, and write nearly \$225 billion in annual premiums. NAMIC has 84 members who write property/casualty/workers' compensation in the State of Hawaii, which represents 28% of the insurance marketplace.

The proposed legislation states:

Section 1 (c), In no instance shall the prescription supply be for more than thirty days and payment shall not exceed \$1,000 in a thirty day period.

Section 1 (e), Reimbursement for any drug under schedule II of 8 chapter 329, Uniform Controlled Substances Act, which is dispensed directly by a physician to an injured employee shall be limited to an initial thirty-day supply, commencing upon the first visit with that physician.

NAMIC is pleased to submit written testimony in support of this worker's compensation prescription drug prescribing and dispensing injured worker safety legislation. Misuse and abuse of prescription drug use is at an epidemic level in the nation, and thoughtful legislative action like what is being proposed in this bill is important to the health and welfare of the citizens of the State of Hawaii.

In addition to the laudable pro-public safety objective of the bill, NAMIC also fully supports HB 1117, because it is a reasonable workers' compensation cost-containment measure that will help prevent over-pricing and over-prescribing of medication to injured workers, that adversely impacts the cost of workers' compensation insurance.

Thank you for your time and consideration. Please feel free to contact me at 303.907.0587 or at [crataj@namic.org](mailto:crataj@namic.org), if you would like to discuss NAMIC's written testimony.

Respectfully,



Christian John Rataj, Esq.  
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