

# HB2145 HD1

**Measure Title:** RELATING TO MEDICATION SYNCHRONIZATION.

**Report Title:** Medication; Insurance; Prescriptions;  
Synchronization

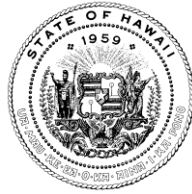
**Description:** Requires health insurance and hospital and medical service plans that provide prescription drug benefits to apply prorated daily cost-sharing rates for prescriptions dispensed by pharmacies. (HB2145 HD1)

**Companion:**

**Package:** None

**Current  
Referral:** CPH, WAM

**Introducer(s):** MIZUNO, BELATTI, CREAGAN, DECOITE,  
KOBAYASHI, MCKELVEY, Learmont



DAVID Y. IGE  
GOVERNOR

DOUGLAS S. CHIN  
LIEUTENANT 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  
cca.hawaii.gov

CATHERINE P. AWAKUNI COLÓN  
DIRECTOR

JO ANN M. UCHIDA TAKEUCHI  
DEPUTY DIRECTOR

**TO THE SENATE COMMITTEE ON  
COMMERCE, CONSUMER PROTECTION, AND HEALTH**

**TWENTY-NINTH LEGISLATURE  
Regular Session of 2018**

Tuesday, March 20, 2018  
9:00 a.m.

**TESTIMONY ON HOUSE BILL NO. 2145, H.D. 1, RELATING TO MEDICATION  
SYNCHRONIZATION.**

TO THE HONORABLE ROSALYN H. BAKER, CHAIR, AND MEMBERS OF THE  
COMMITTEE:

The Department of Commerce and Consumer Affairs (“Department”) appreciates the opportunity to testify on H.B. 2145, H.D.1, Relating to Medication Synchronization. My name is Gordon Ito, and I am the Insurance Commissioner for the Department’s Insurance Division. The Department appreciates the intent of this bill and submits the following comments.

The purpose of this bill is to facilitate synchronization of prescription medication dispensation. H.D. 1 removes language requiring a prescriber or pharmacist to determine whether partial medication fills or refills are in a patient’s best interest and changes the effective date to July 1, 3000, to encourage further discussion.

This bill will encourage improved medication adherence rates for patients with chronic conditions. Better adherence and coordination may lead to improved health outcomes for patients, thereby helping to reduce healthcare costs.

The term “network pharmacy” is used on page 3, lines 2-3 and 9; page 4, line 17; and page 5, line 5. However, this measure provides on page 3, line 13 and page 5, line 9 that insurers shall “[a]uthorize a pharmacy to override any denial codes” without the

term “network.” Unless this phrase is intended to apply to pharmacies in general and not “network pharmacies,” the Department suggests that this measure be amended to include “network” to avoid confusion.

In addition, this bill amends Hawaii Revised Statutes (“HRS”) chapters 431 and 432 by adding new sections. To promote consistency and a level playing field, the Department recommends this bill be further amended by adding the same provisions to a new section in HRS chapter 432D, Health Maintenance Organization Act.

Thank you for the opportunity to testify on this measure.

**PRESENTATION OF THE  
BOARD OF PHARMACY**

TO THE SENATE COMMITTEE ON  
COMMERCE, CONSUMER PROTECTION AND HEALTH

TWENTY-NINTH LEGISLATURE  
Regular Session of 2018

Tuesday, March 20, 2018  
9:00 a.m.

**TESTIMONY ON HOUSE BILL NO. 2145, H.D. 1, RELATING TO MEDICATION  
SYNCHRONIZATION.**

TO THE HONORABLE ROSALYN H. BAKER, CHAIR, AND MEMBERS OF THE  
COMMITTEE:

My name is Lee Ann Teshima, and I am the Executive Officer for the Board of Pharmacy ("Board"). Thank you for the opportunity to testify on H.B. 2145, H.D. 1, which is similar to S.B. 2656. The Board appreciates the intent of this measure and offers comments.

H.B. 2145, H.D. 1 allows the synchronization of plan participants' medications. It also requires plans, policies, contracts, or agreements offered by certain entities to apply prorated daily cost-sharing rates for prescriptions dispensed by pharmacies for less than a thirty-day supply. It includes reimbursement to a network pharmacy that may partially fill a prescription, provided the patient requests or agrees to less than a thirty days' supply to synchronize the insured patient's medications. Unlike S.B. 2656, S.D. 2, this bill does not: (1) include language under Hawaii Revised Statutes ("HRS") chapter 432D for health maintenance organizations; and (2) address medications dispensed in an unbreakable package, or "anchor prescriptions."

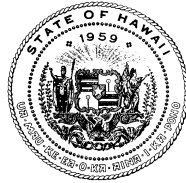
The Board recommends that should the Committee amend this bill to include anchor prescriptions, the Committee should include the following language in HRS section 431:10A: "A network pharmacy shall identify an anchor prescription to which all other prescriptions may be subject to medication synchronization; provided that any medication dispensed in an unbreakable package shall **not** be considered the anchor

prescription for purposes of this section.” This amendment would clarify the intent of an “anchor prescription.” Medications dispensed in an unbreakable package may not be prescribed for a thirty-day supply and therefore should not be considered the anchor prescription to which all other prescriptions may be subject to medication synchronization.

In addition, as this bill does not define “network pharmacy” or “contracted pharmacy,” the Board is concerned these terms will prohibit a pharmacy, as defined in HRS section 461-14, from receiving reimbursement for medication synchronization.

Finally, to promote consistency and a level playing field, the Department recommends this bill be further amended by adding the same provisions to a new section in HRS chapter 432D, Health Maintenance Organization Act. This would allow health maintenance organizations to be reimbursed for purposes of synchronizing medications.

Thank you for the opportunity to provide comments on H.B. 2145, H.D. 1.



STATE OF HAWAII  
DEPARTMENT OF HEALTH  
P. O. Box 3378  
Honolulu, HI 96801-3378  
doh.testimony@doh.hawaii.gov

**Testimony in SUPPORT of HB2145 HD1  
RELATING TO MEDICATION SYNCHRONIZATION.**

SENATOR ROSALYN H. BAKER, CHAIR  
SENATE COMMITTEE ON COMMERCE, CONSUMER PROTECTION, AND HEALTH  
Hearing Date: March 20, 2018 Room Number: 229

1 **Fiscal Implications:** N/A.

2 **Department Testimony:** The Department of Health supports HB2145 HD1, which is the  
3 consensus recommendation of a working group requested by HCR164 SD1 SLH 2017. DOH  
4 generally endorses the premise that medication synchronization may improve patient health,  
5 reduce health care costs, and promote efficient health care operations.

6 **Offered Amendments:** N/A.

Testimony of  
John M. Kirimitsu  
Legal & Government Relations Consultant

Senate Committee on Commerce, Consumer Protection, and Health  
The Honorable Rosalyn H. Baker, Chair  
The Honorable Jill N. Tokuda, Vice Chair

March 20, 2018  
9:00 am  
Conference Room 229

**Re: HB 2145 HD1, Relating to Medication Synchronization**

Chair, Vice-Chair, and committee members thank you for this opportunity to provide testimony on this bill relating to medication synchronization for management of chronic diseases.

**Kaiser Permanente Hawaii supports this bill.**

Kaiser Permanente Hawaii supports this bill to synchronize the dispensing of medications for the management of chronic diseases.

In 2017, the legislature adopted House Concurrent Resolution 164 establishing a Medical Synchronization Working Group, in which Kaiser Permanente was an invited participant. Therefore, we appreciate that this bill was the product of the collaborative efforts of that Working Group.

Thank you for your consideration.



**SanHi**

GOVERNMENT STRATEGIES

A LIMITED LIABILITY LAW PARTNERSHIP

DATE: March 19, 2018

TO: Senator Rosalyn Baker  
Chair, Committee on Commerce, Consumer Protection, and Health  
*Submitted Via Capitol Website*

RE: **H.B. 2145, H.D.1 Relating to Medication Synchronization**  
**Hearing Date: Tuesday, March 20, 2018 at 9:00 a.m.**  
**Conference Room: 229**

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Dear Chair Baker and Members of the Committee on Commerce, Consumer Protection, and Health:

We submit this testimony on behalf of Walgreen Co. ("Walgreens"). Walgreens operates stores at more than 8,200 locations in all 50 states, the District of Columbia, and Puerto Rico. In Hawaii, Walgreens now has 19 stores on the islands of Oahu, Maui, and Hawaii.

Walgreens **strongly supports** H.B. 2145 H.D.1, which facilitates medication synchronization by requiring health insurance plans that provide prescription drug benefits to apply prorated daily cost-sharing rates for prescriptions dispensed by pharmacies.

Walgreens supports allowing medication synchronization because it is a proven process that creates better outcomes for patients and means less trips to the pharmacy. Medication synchronization allows a pharmacist to review patient medications and sync medication refills to all be picked up on a single day each month. Aligning refills can improve patient health by simplifying the patient effort needed to comply with medication therapies. Many patients who require long-term maintenance medications miss doses of their regular medications. Studies show that when the timing of medications is synchronized, medication adherence rates rise up to 50% because patients can pick up their prescriptions on a single day.

Pursuant to 2017 House Concurrent Resolution 164, a working group was established which reviewed best practices for medication synchronization, including 90-day fills, pharmacist dispensing fees, patient copays, and recommended draft legislation for a medication synchronization program in Hawaii. The group consisted of six members from the pharmacy industry, health insurance industry, as well as representatives from the Department of Commerce and Consumer Affairs, and the Department of Health. This bill is a result of that collaborative effort.

We are in full support of this version of this bill. However, if the Committee is inclined to consider amendments made in the Senate version of the bill (S.B. 2656, S.D.2) we would offer the following comments:



Unbreakable packaging: In the more than 20 other states that have implemented medication synchronization, unbreakable packaging (i.e. eye drops, inhalers, creams and ointments, etc.) has typically been excluded from medication synchronization, due to their very different nature. If this committee is inclined to address unbreakable packaging, we would recommend exempting it from medication synchronization.

Sunset date: We do not believe that a sunset date is necessary. There have not been any implementation issues in other states where this program has been successfully implemented. In addition, from a public health perspective, it would undermine the purpose of the bill to synch medications to improve patient adherence rates, and then undo the program.

Thank you for the opportunity to submit testimony in support of this measure.

March 20, 2018

The Honorable Rosalyn H. Baker, Chair  
The Honorable Jill N. Tokuda, Vice Chair  
Senate Committee on Commerce, Consumer Protection, and Health

Re: HB 2145, HD1 – Relating to Medication Synchronization

Dear Chair Baker, Vice Chair Tokuda, and Members of the Committee:

The Hawaii Medical Service Association (HMSA) appreciates the opportunity to provide comments on HB 2145, HD1, requiring the health insurance and hospital and medical service plans that provide prescription drug benefits to apply prorated daily cost-sharing rates for prescriptions dispensed by pharmacies.

HMSA participated in the interim medication synchronization working group to examine whether synchronization could be applied effectively and safely in Hawaii. Medication synchronization has been shown to improve medication adherence for individuals with particular chronic conditions; as such, we support the concept but, note the need for appropriate management standards and review processes in order to determine its overall effectiveness.

We offer the following suggested amendments for the Committee to consider:

- The Committee may want to consider having the Bill apply to all recommended medications except for those sold in unbreakable or special packaging (e.g., creams, liquid, unperforated blister sheets, etc.).
- We also suggest including a sunset date of 2021 in order that we may monitor and evaluate the medication synchronization program and make any necessary adjustments or improvements to the policy.

We urge the Committee to also consider whether safeguards should be in place to prevent aggressive marketing practices in the form of medication discounts that would lead to members being enticed to change pharmacies multiple times within a short period and the impact that could have on medication synchronization (partial fills, etc.).

Thank you for allowing us to comment on HB 2145, HD1.

Sincerely,



Pono Chong  
Vice-President, Government Relations



An Independent Licensee of the Blue Cross and Blue Shield Association



American Cancer Society  
Cancer Action Network  
2370 Nuʻuanu Avenue  
Honolulu, Hawaiʻi 96817  
808.432.9149  
[www.acscan.org](http://www.acscan.org)

Senate Committee on Commerce, Consumer Protection and Health  
Senator Rosalyn Baker, Chair  
Senator Jill Tokuda, Vice Chair

**HB 2145, HD1 – RELATING TO MEDICATION SYNCHRONIZATION**

Cory Chun, Government Relations Director – Hawaii Pacific  
American Cancer Society Cancer Action Network

Thank you for the opportunity to provide testimony in support of HB 2145, HD1, which allows for a pharmacist to provide less than a 30-day prescription for the purpose of synchronizing a patient's medications.

The American Cancer Society Cancer Action Network (ACS CAN) is the nation's leading cancer advocacy organization. ACS CAN works with federal, state, and local government bodies to support evidence-based policy and legislative solutions designed to eliminate cancer as a major health problem.

Patients who are on multiple prescriptions with different fill times can create poor adherence to their medications with different fill dates. Synchronizing medications streamlines the process for patients so that they are able to re-fill all of their prescriptions on the same day each month, making it easier to maintain regular prescription drug use.

This measure reduces the burden of a patient and caregiver that has to make multiple trips to the pharmacy and make it more difficult to keep track of multiple medications. For people faced with chronic diseases and have limited mobility, this can become a barrier to care. We have also reviewed the amendments made by this committee to the senate companion, SB 2656, SD1, and support those amendments as well.

Thank you for the opportunity to provide testimony on this important issue.



## **HAWAII MEDICAL ASSOCIATION**

1360 S. Beretania Street, Suite 200, Honolulu, Hawaii 96814  
Phone (808) 536-7702 Fax (808) 528-2376  
[www.hawaiimedicalassociation.org](http://www.hawaiimedicalassociation.org)

TO:  
**COMMITTEE ON COMMERCE, CONSUMER PROTECTION, AND HEALTH**

Senator Rosalyn H. Baker, Chair  
Senator Jill N. Tokuda, Vice Chair

DATE: Tuesday, March 20, 2018  
TIME: 9:00AM  
PLACE: Conference Room 229  
State Capitol  
415 South Beretania Street

FROM: Hawaii Medical Association  
Dr. Christopher Flanders, DO, Executive Director  
Lauren Zirbel, Government and Community Relations

### **Re: HB 2145 RELATING TO MEDICATION SYNCHRONIZATION**

#### **Position: SUPPORT**

Chairs & Committee Members:

The HMA supports this bill.

Evidence shows that the more medications a person is taking, the less adherent they are. This is in part because they have to keep track of their refills and make multiple visits to the pharmacy for those refills. That's why people taking multiple medications for chronic conditions benefit from medication synchronization.

Plan members taking multiple chronic medications typically refill each of those medications on a different cycle – making multiple trips to the pharmacy. For example, they may refill one medication on the first of the month, but refill a second medication on the 12th, then refill a third the week after that. That's three trips to the pharmacy during each fill cycle.

By working with their pharmacist, that plan member can arrange to pick up all three refills on the same day each fill cycle. The process, which involves "short fills," to synchronize the medication can be challenging in the early stages as it may take a few refills of smaller quantities to get all the drugs aligned on the same refill date or "sync date."

#### **HMA OFFICERS**

President – William Wong, Jr., MD    President-Elect – Jerry Van Meter, MD    Secretary – Thomas Kosasa, MD  
Immediate Past President – Bernard Robinson, MD    Treasurer – Elizabeth A. Ignacio, MD  
Executive Director – Christopher Flanders, DO



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From the sync date forward, the patient is scheduled to pick up all of their refills on the same day each fill cycle. The addition of new drugs to the regimen or other changes, such as an unexpected hospitalization, could de-sync the patient, which would then require re-synchronization. In many ways, synchronization is a continuous effort that must be monitored and maintained but one that has substantially positive implications for patients.

The long-term convenience of medication synchronization is popular with patients and leads to increased adherence to drugs for chronic conditions – positively impacting health outcomes. Evidence shows that patients who have synced their chronic medications are about 30 per cent more adherent than patients who are not in a medication synchronization program.

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