

JAN 15 2025

A BILL FOR AN ACT

RELATING TO PHARMACISTS.

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

1 SECTION 1. The legislature finds that there is currently a
2 statewide physician shortage. According to the federal Health
3 Resources and Services Administration, each county in the State
4 contains a region that is a medically underserved area, as
5 defined by the Public Health Service Act of 1944, P.L. 78-410.

6 The legislature further finds that pharmacists can help
7 bridge the gaps created by the physician shortage. A
8 pharmacist's skill set includes educating patients on how and
9 when to check blood sugar, ways to avoid and manage
10 hypoglycemia, how to take their medications correctly to avoid
11 adverse effects, and various medication utilization techniques.
12 Additionally, patients are three times more likely to stay out
13 of the hospital when pharmacists provide clinical services after
14 a hospital discharge.

15 Accordingly, the purpose of this Act is to mandate
16 reimbursement for services provided by pharmacists within their



1 scope of practice by private and public health plans in the
2 State.

3 SECTION 2. Chapter 431, Hawaii Revised Statutes, is
4 amended by adding a new section to article 10A to be
5 appropriately designated and to read as follows:

6 "§431:10A- Services provided by participating
7 registered pharmacists; coverage. (a) Each individual or group
8 policy of accident and health or sickness insurance delivered or
9 issued for delivery in this State after December 31, 2025, shall
10 recognize pharmacists licensed pursuant to chapter 461 as
11 participating providers and shall include coverage for care
12 provided by a participating registered pharmacist practicing
13 within the scope of their license for purposes of health
14 maintenance or treatment to the extent that the policy provides
15 benefits for identical services rendered by another health care
16 provider.

17 (b) For the purposes of this section, "participating
18 registered pharmacist" means a pharmacist licensed pursuant to
19 chapter 461 who has contracted with the insurer to provide
20 health care services to its insureds."



1 SECTION 3. Chapter 432, Hawaii Revised Statutes, is
2 amended by adding a new section to article 1 to be appropriately
3 designated and to read as follows:

4 "§432:1- Services provided by participating registered
5 pharmacists; coverage. (a) Each individual and group hospital
6 or medical service plan contract delivered or issued for
7 delivery in this State after December 31, 2025, by a mutual
8 benefit society shall recognize pharmacists licensed pursuant to
9 chapter 461 as participating providers and shall include
10 coverage for care provided by a participating registered
11 pharmacist practicing within the scope of their license for
12 purposes of health maintenance or treatment to the extent that
13 the plan contract provides benefits for identical services
14 rendered by another health care provider.

15 (b) For the purposes of this section, "participating
16 registered pharmacist" means a pharmacist licensed pursuant to
17 chapter 461 who has contracted with the mutual benefit society
18 to provide health care services to its members."

19 SECTION 4. Section 346-53.64, Hawaii Revised Statutes, is
20 amended by amending subsection (a) to read as follows:



1 "(a) Services eligible for prospective payment system
2 reimbursement are those services that are furnished by a
3 federally qualified health center or rural health clinic that
4 are:

5 (1) Within the legal authority of a federally qualified
6 health center to deliver, as defined in section 1905
7 of the Social Security Act;

8 (2) Actually provided by the federally qualified health
9 center, either directly or under arrangements;

10 (3) Covered benefits under the medicaid program, as
11 defined in section 4231 of the State Medicaid Manual
12 and the Hawaii medicaid state plan;

13 (4) Provided to a recipient eligible for medicaid
14 benefits;

15 (5) Delivered exclusively by health care professionals,
16 including physicians, physician's assistants, nurse
17 practitioners, pharmacists, nurse midwives, clinical
18 social workers, clinical psychologists, and other
19 persons acting within the lawful scope of their
20 license or certificate to provide services;



1 (6) Provided at the federally qualified health center's
2 practice site, a hospital emergency room, in an
3 inpatient setting, at the patient's place of
4 residence, including long term care facilities, or at
5 another medical facility; and

6 (7) Within the scope of services provided by the State
7 under its fee-for-service medicaid program and its
8 medicaid managed care program, on and after August
9 1994, and as amended from time to time."

10 SECTION 5. Section 346-59, Hawaii Revised Statutes, is
11 amended by amending subsection (b) to read as follows:

12 "(b) Rates of payment to providers of medical care who are
13 individual practitioners, including doctors of medicine,
14 dentists, podiatrists, psychologists, osteopaths, optometrists,
15 pharmacists, and other individuals providing services, shall be
16 based upon the Hawaii medicaid fee schedule. The amounts paid
17 shall not exceed the maximum permitted to be paid individual
18 practitioners or other individuals under federal law and
19 regulation, the medicare fee schedule for the current year, the
20 state limits as provided in the appropriation act, or the
21 provider's billed amount.



1 The appropriation act shall indicate the percentage of the
2 medicare fee schedule for the year 2000 to be used as the basis
3 for establishing the Hawaii medicaid fee schedule. For any
4 subsequent adjustments to the fee schedule, the legislature
5 shall specify the extent of the adjustment in the appropriation
6 act."

7 SECTION 6. Section 346-59.1, Hawaii Revised Statutes, is
8 amended by amending subsection (g) to read as follows:

9 "(g) For the purposes of this section:

10 "Distant site" means the location of the health care
11 provider delivering services through telehealth at the time the
12 services are provided.

13 "Health care provider" means a provider of services, as
14 defined in title 42 United States Code section 1395x(u), a
15 provider of medical and other health services, as defined in
16 title 42 United States Code section 1395x(s), other
17 practitioners licensed by the State and working within their
18 scope of practice, and any other person or organization who
19 furnishes, bills, or is paid for health care in the normal
20 course of business, including but not limited to primary care
21 providers, mental health providers, oral health providers,



1 physicians and osteopathic physicians licensed under
2 chapter 453, advanced practice registered nurses licensed under
3 chapter 457, psychologists licensed under chapter 465,
4 pharmacists licensed under chapter 461, and dentists licensed
5 under chapter 448.

6 "Interactive telecommunications system" has the same
7 meaning as the term is defined in title 42 Code of Federal
8 Regulations section 410.78(a).

9 "Originating site" means the location where the patient is
10 located, whether accompanied or not by a health care provider,
11 at the time services are provided by a health care provider
12 through telehealth, including but not limited to a health care
13 provider's office, hospital, critical access hospital, rural
14 health clinic, federally qualified health center, a patient's
15 home, and other nonmedical environments such as school-based
16 health centers, university-based health centers, or the work
17 location of a patient.

18 "Telehealth" means the use of telecommunications services,
19 as defined in section 269-1, to encompass four modalities:
20 store and forward technologies, remote monitoring, live
21 consultation, and mobile health; and which shall include but not



1 be limited to real-time video conferencing-based communication,
2 secure interactive and non-interactive web-based communication,
3 and secure asynchronous information exchange, to transmit
4 patient medical information, including diagnostic-quality
5 digital images and laboratory results for medical interpretation
6 and diagnosis, for the purpose of delivering enhanced health
7 care services and information while a patient is at an
8 originating site and the health care provider is at a distant
9 site. Except as provided through an interactive
10 telecommunications system, standard telephone contacts,
11 facsimile transmissions, or e-mail text, in combination or
12 alone, do not constitute telehealth services."

13 SECTION 7. Section 432D-23, Hawaii Revised Statutes, is
14 amended to read as follows:

15 **"§432D-23 Required provisions and benefits.**

16 Notwithstanding any provision of law to the contrary, each
17 policy, contract, plan, or agreement issued in the State after
18 January 1, 1995, by health maintenance organizations pursuant to
19 this chapter, shall include benefits provided in sections
20 431:10-212, 431:10A-115, 431:10A-115.5, 431:10A-116,
21 431:10A-116.2, 431:10A-116.5, 431:10A-116.6, 431:10A-119,



1 431:10A-120, 431:10A-121, 431:10A-122, 431:10A-125, 431:10A-126,
2 431:10A-132, 431:10A-133, 431:10A-134, 431:10A-140, and
3 [~~431:10A-134~~] 431:10A- , and chapter 431M."

4 SECTION 8. The department of human services shall apply to
5 the United States Department of Health and Human Services for
6 any amendment to the state medicaid plan or for any medicaid
7 waiver necessary to implement sections 4 through 6 of this Act.
8 The office shall submit the medicaid state plan amendment no
9 later than .

10 SECTION 9. This Act does not affect rights and duties that
11 matured, penalties that were incurred, and proceedings that were
12 begun before its effective date.

13 SECTION 10. Statutory material to be repealed is bracketed
14 and stricken. New statutory material is underscored.

15 SECTION 11. This Act shall take effect upon its approval;
16 provided that:

17 (1) Sections 4 through 6 of this Act shall take effect
18 upon approval of the Hawaii medicaid state plan by the
19 Centers for Medicare and Medicaid Services; and

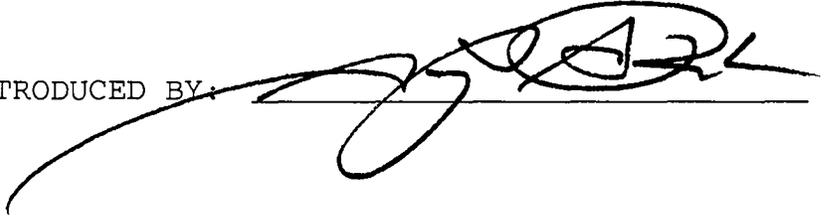
20 (2) The amendments made to section 346-59.1(g), Hawaii
21 Revised Statutes, by section 6 of this Act shall not



1 be repealed when that section is reenacted on
2 December 31, 2025, pursuant to section 8 of Act 107,
3 Session Laws of Hawaii 2023.

4

INTRODUCED BY:

A handwritten signature in black ink, written over a horizontal line. The signature is stylized and appears to be the name of the representative who introduced the bill.

S.B. NO. 324

Report Title:

Insurance Coverage; Pharmacists; Reimbursement

Description:

Mandates reimbursement for services provided by participating registered pharmacists practicing within their scope of practice by private and public health plans in the State beginning January 1, 2026.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

