JOSH GREEN, M.D. GOVERNOR KE KIA'ĀINA



#### STATE OF HAWAII KA MOKU'ĀINA O HAWAI'I

#### **DEPARTMENT OF HUMAN SERVICES**

KA 'OIHANA MĀLAMA LAWELAWE KANAKA
Office of the Director
P. O. Box 339
Honolulu, Hawaii 96809-0339

February 9, 2025

RYAN I. YAMANE DIRECTOR KA LUNA HOʻOKELE

JOSEPH CAMPOS II
DEPUTY DIRECTOR
KA HOPE LUNA HO'OKELE

TRISTA SPEER
DEPUTY DIRECTOR
KA HOPE LUNA HO'OKELE

TO: The Honorable Senator San Buenaventura, Chair

Senate Committee on Health and Human Services

FROM: Ryan I. Yamane, Director

SUBJECT: SB 324 – RELATING TO PHARMACISTS.

Hearing: February 10, 2025, Time 1:20 p.m.

Conference Room 225 & Via Videoconference, State Capitol

<u>DEPARTMENT'S POSITION</u>: The Department of Human Services (DHS) appreciates the intent of this bill and provides comments. For reasons stated below, we respectfully request an amendment that the effective date for implementation be contingent on federal approval and that Section 4, amending section 346-53.64, Hawaii Revised Statutes, be deleted from the measure.

Also, we note that this is identical to SB 1245, which was heard by this committee on January 31, 2025, and passed with amendments.

<u>PURPOSE</u>: Beginning 1/1/2026, mandates reimbursement for services provided by participating registered pharmacists practicing within their scope of practice by private and public health plans in the State.

DHS appreciates the importance of whole-person integrated health care as well as the current shortage of health care professionals in our state making timely access to that care challenging. For Medicaid, licensed pharmacists acting within their scope of practice are currently able to bill for their services under a pharmacy's billing number. If this bill aims to

mandate that pharmacists be able to bill independently, DHS will need to implement some technical changes to the provider enrollment system as well as policy changes in the Medicaid State plan.

Section 8 mandates that DHS submit any necessary State Plan Amendments within an unspecified timeframe. DHS requests that no date be specified given the complicated timeframe for drafting the amendment(s), consulting with the Centers for Medicare and Medicaid Services (CMS), publishing and seeking public comment, and incorporating public comments before the amendment can be submitted to CMS.

We also note that if we do not receive CMS approval for the change, we cannot implement it, which may put DHS in non-compliance with the proposed state law. Thus, we request an amendment that the effective date for implementation be contingent on federal approval.

Section 3 adds a pharmacist to a list of providers who are "Qualified Providers" who can bill for their services in the Federally Qualified Health Center's unique prospective payment system (PPS). As background, a PPS rate pays the same amount for each eligible encounter regardless of the service, with a defined set of services eligible for the PPS encounter rate and a defined set of qualified providers who are allowed to bill for the PPS encounter. Pharmacists can be employed by FQHCs but are classified as "qualified non-physician providers." Thus, pharmacists can contribute to services that are billable but cannot bill independently in the FQHC setting and, therefore, should not be added to the list of providers who can. For this reason, DHS also requests that Section 4 amending section 346-53.64, Hawaii Revised Statutes, be deleted from the measure.

Thank you for the opportunity to provide comments on this measure.



JOSH GREEN, M.D. GOVERNOR | KE KIA'ĀINA

**SYLVIA LUKE**LIEUTENANT GOVERNOR | KA HOPE KIA'ĀINA

## STATE OF HAWAII | KA MOKUʻĀINA 'O HAWAIʻI OFFICE OF THE DIRECTOR DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS KA 'OIHANA PILI KĀLEPA

NADINE Y. ANDO
DIRECTOR | KA LUNA HO'OKELE

DEAN I. HAZAMA

DEAN I. HAZAMA
DEPUTY DIRECTOR | KA HOPE LUNA HO'OKELE

335 MERCHANT STREET, ROOM 310 P.O. BOX 541 HONOLULU, HAWAII 96809 Phone Number: (808) 586-2850 Fax Number: (808) 586-2856 cca.hawaii.gov

#### **Testimony of the Department of Commerce and Consumer Affairs**

Before the
Senate Committee on Health and Human Services
Monday, February 10, 2025
1:20 p.m.
State Capitol, Conference Room 225 & via Videoconference

## On the following measure: S.B. 324, RELATING TO PHARMACISTS

Chair San Buenaventura and Members of the Committee:

My name is Jerry Bump, and I am the Acting Insurance Commissioner of the Department of Commerce and Consumer Affairs' (Department) Insurance Division. The Department offers comments on this bill.

The purpose of this bill is to mandate 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 new sections of HRS chapter 431, article 10A and chapter 432, article 1, created in Sections 2 and 3 of the bill, respectively, include subsections (a) that provide in part that health plans "shall recognize pharmacists licensed pursuant to chapter 461 as *participating providers*[.]" (page 2, lines 9 to 11 and page 3, lines 8-9) (emphasis added)). The term "participating provider" seems as if it could be reasonably interpreted to mean a provider who has contracted with a health plan. However, the subsections (b) include the definition "participating registered pharmacist' means a pharmacist

Testimony of DCCA S.B. 324 Page 2 of 2

licensed pursuant to chapter 461 who has contracted with the . . ." health plan (page 2, lines 17 to 20 and page 3, lines 15 to 18). With this "participating registered pharmacist" definition defined by the existence of a contract, it is unclear what is meant by "participating provider". This issue may lead to confusion and statutory interpretation issues.

Thank you for the opportunity to testify.



LESLIE H. KONDO State Auditor

(808) 587-0800 lao.auditors@hawaii.gov

#### SENATE COMMITTEE ON HEALTH AND HUMAN SERVICES

The Honorable Joy A. San Buenaventura, Chair The Honorable Henry J.C. Aquino, Vice Chair

#### S.B. NO. 324, RELATING TO PHARMACISTS

Hearing: Monday, February 10, 2025, 1:20 p.m.

The Office of the Auditor offers comments on S.B. No. 324, which will mandate coverage for services provided by registered pharmacists practicing within their scope of practice under private and public health insurance plans in the State.

We were asked to assess the social and financial impacts of an almost identical health insurance proposal introduced in the 2023 Regular Session as S.B. No. 165 and issued Report No. 23-12, *Proposed Mandatory Health Insurance Coverage for Pharmacists Services*. We determined that the bill did not mandate health insurers to cover services provided by registered pharmacists because S.B. No. 165 applied only to those pharmacists who contracted with insurers. The bill, however, did not require insurers to contract with pharmacists. Insurers had complete discretion whether to contract – or not – with a pharmacist, meaning insurers would control whether their policies provided coverage for services provided by registered pharmacists. We determined that the proposed mandated coverage is not new insurance coverage. See Report No. 23-12, https://files.hawaii.gov/auditor/Reports/2023/23-12.pdf.

Because of the similarities between S.B. No. 324 and the bill that we reviewed in 2023, we do not believe the mandate, *in its current form*, requires the Legislature to request another assessment under Section 23-51, HRS.



February 10. 2025

The Honorable Joy A. San Buenaventura, Chair The Honorable Henry J.C. Aquino, Vice Chair Senate Committee on Health and Human Services

Re: SB324 – RELATING TO PHARMACISTS

Dear Chair San Buenaventura, Vice Chair Aquino, and Members of the Committee:

Hawaii Medical Service Association (HMSA) appreciates the opportunity to provide comments on SB324, which mandates reimbursement for services provided by participating registered pharmacists practicing within their scope of practice by private and public health plans in the State.

HMSA values Hawaii's pharmacists and their critical role they play in caring for patients and members. We want to ensure that we support pharmacists to maximize their skillset and practice to the top of their license, however, we believe this bill could unintentionally create confusion, overlap, and prevent the ideal team-based care model (pharmacists working with physicians as part of a holistic care team), which could have unintended consequences. The current bill language also lacks any mechanism to strategically define how a pharmacist will work within a managed care team or to select what services pharmacists should be reimbursed for further adding to the potential confusion noted previously.

We note that we participated in and provided data for the State Auditor's sunrise analysis of proposed mandatory health insurance coverage for pharmacist service in 2023, Report No. 23-12. As some of the flexibility and waivers from the PHE are set to expire, as this bill impacts Hawaii's telehealth statute, we are still analyzing the potential broader impacts to telehealth laws in Hawaii.

We request that this bill be deferred since an identical bill was already heard last week in this committee, SB1245, which we shared our same concerns for.

Thank you for the opportunity to provide comments on SB324.

Sincerely,

Dawn Kurisu

Assistant Vice President

Community and Government Relations

#### **Testimony of the Board of Pharmacy**

Before the
Senate Committee on Health and Human Services
Monday, February 10, 2025
1:20 p.m.
Conference Room 225 and Videoconference

### On the following measure: S.B. 324, RELATING TO PHARMACISTS

Chair San Buenaventura and Members of the Committee:

My name is James Skizewski, and I am the Executive Officer of the Board of Pharmacy (Board). The Board supports this bill.

The purpose of this bill is to mandate reimbursement for services provided by participating registered pharmacists practicing within their scope of practice by private and public health plans in the State beginning July 1, 2026.

The Board would like to stress the challenges the State currently faces regarding the shortage of healthcare providers, especially in rural areas and the neighbor islands. Pharmacies are geographically dispersed throughout the community with extended hours of operation, making access to health care provided through pharmacies convenient for patients in each locality. Patients have established relationships of trust with and recognize pharmacists as healthcare professionals. This measure will aide in the development of access to quality health care across the State, most importantly, in underserved rural areas of Hawaii.

The Board would like to further emphasize that this measure will only mandate reimbursements of pharmacists practicing within their scope. Pharmacists provide services such as: dispensing emergency contraception, performing immunizations, ordering routine drug therapy related tests, consultations, and prescribing and dispensing opioid antagonists. In response to the COVID-19 pandemic, pharmacists aided in ordering and administering COVID-19 tests and vaccines in pharmacies across the State, safely expanding patient access to care.

This measure will help ensure pharmacists are able to continue to serve their communities and provide access to quality health care across the State. Other States

Testimony of the Board of Pharmacy S.B. 324
Page 2 of 2

that have enacted similar legislation include, but are not limited to, California, Colorado, Idaho, Nevada, Ohio, Oregon, Texas, Virginia, Washington, and Wisconsin.

The Board acknowledges the requirements outlined in Hawaii Revised Statue 23-51 which requires a social and financial audit but would like to highlight that Advanced Practice Nurses (APRN) were added as a sole provider via Act 169 of 2009 without such an audit.

Thank you for the opportunity to testify on this bill.



#### Testimony presented before the Senate Committee on Health and Human Services February 10, 2025

Dr. Corrie L. Sanders on behalf of The Hawai'i Pharmacists Association (HPhA)

Honorable Chair San Buenaventura, Vice Chair Aguino, and Members of the Committee,

The Hawai'i Pharmacists Association (HPhA) is in strong support of SB324 that mandates reimbursement for services provided by registered pharmacists practicing within their scope of practice under the medical benefit by both private and public health plans. The current lack of a payment pathway for our profession significantly hinders pharmacists from providing services outside of medication dispensing and vaccination, despite having years more training in pharmacotherapy and medication management than any other healthcare profession.

The University of Hawai'i Daniel K. Inouye School of Pharmacy was established to train and retain local talent, yet we have not created a model that reimburses for many services instilled in pharmacists during four years of doctoral-level training. By aligning financial incentives and reimbursing pharmacists for their services under the medical benefit, similar to any other healthcare provider, there will be greater access to the vital services pharmacists are trained to provide. Without such a pathway, other healthcare professionals will continue to serve in place of pharmacists as medication experts despite significant gaps in education and training.

Physicians in Hawai'i do not have the financial resources to cover their own practices, let alone consider expansion. The capitated reimbursement model is intended for 'many hands to make light work,' and yet, there remains only a single revenue stream. In order for 'many hands to make light work' there need to be additional revenue streams to reflect the value of the hands that are serving our patients with the highest quality care possible. The economic and administrative challenges that have been reported repeatedly by physicians year after year indicate that the financial structure of a single revenue source system restricts, rather than supports, access to care. We are detracting from what seems to be an innovative care model by financially handcuffing pharmacists while allowing only selective providers a means to leverage their expertise.

SB324 was previously introduced in 2023 as SB693 and triggered a financial audit through SCR17 that concluded pharmacist-provided services would not add additional costs to the state. We remain strong in advocating for a payer-agnostic assessment that shows no favoritism towards one billing model over another. This uniformity across payment plans is instrumental so pharmacists in community settings can provide critical care to a diverse population of patients spanning all areas of need. There is no other provider in the state whose ability to bill is limited in this way. And as the most accessible healthcare professionals in the state, pharmacists should not be the exception.

The pharmacy profession has drastically evolved over the past twenty years, and it's time for Hawai'i statute to reflect this evolution in knowledge and skill. Payment for pharmacist clinical services under the medical benefit is the missing piece for pharmacists to contribute to a true team-based care model. Not only is SB324 needed for pharmacists to be financially

leveraged to utilize our training as medication experts, SB324 is critical to ensuring that our patients and ohana receive the level of care they deserve.

We are in full support of this initiative as it stands but are also amenable to the amendments made to a duplicative measure, SB1245, upon previous hearing in this committee on January 31. Please note that many of our members and community stakeholders submitted testimony for SB1245 as the first moving vehicle.

On behalf of The Hawai'i Pharmacists Association, mahalo for this opportunity to testify.

Very Respectfully,

Conva Lander

Corrie L. Sanders, PharmD., BCACP, CPGx

President, Hawai'i Pharmacists Association



To: The Honorable Joy San Buenaventura, Chair The Honorable Henry Aquino, Vice Chair

Members, Senate Committee on Health & Human Services

From: Jacce Mikulanec, Director, Government Relations, The Queen's Health Systems

Date: February 10, 2025

Re: Support for SB324 – Relating to Pharmacists

The Queen's Health Systems (Queen's) is a nonprofit corporation that provides expanded health care capabilities to the people of Hawai'i and the Pacific Basin. Since the founding of the first Queen's hospital in 1859 by Queen Emma and King Kamehameha IV, it has been our mission to provide quality health care services in perpetuity for Native Hawaiians and all of the people of Hawai'i. Over the years, the organization has grown to four hospitals, and more than 10,000 affiliated physicians, caregivers, and dedicated medical staff statewide. As the preeminent health care system in Hawai'i, Queen's strives to provide superior patient care that is constantly advancing through education and research.

Queen's supports the intent of SB324, which mandates reimbursement for services provided by participating registered pharmacists practicing within their scope of practice by private and public health plans in the State. We believe this measure will ultimately provide greater access to health care services, particularly for our neighbor island patients; QHS hospitals, Molokai General Hospital and North Hawaii Community Hospital, serve rural communities that have limited access to care in many cases.

Allowing reimbursement to registered pharmacists to safely provide certain health care services is a cost-effective measure that brings us closer to meeting the health care needs of our community and helps strengthen the integrated care team model that has proven so effective for many of our most vulnerable patients.

Thank you for the opportunity to testify on this measure.



# Testimony to the Senate Committee on Health and Human Services Monday, February 10, 2025; 1:20 p.m. State Capitol, Conference Room 225 Via Videoconference

RE: SENATE BILL NO. 0324, RELATING TO PHARMACISTS.

Chair San Buenaventura, Vice Chair Aquino, and Members of the Committee:

The Hawaii Primary Care Association (HPCA) is a 501(c)(3) organization established to advocate for, expand access to, and sustain high quality care through the statewide network of Community Health Centers throughout the State of Hawaii. The HPCA <u>SUPPORTS</u> Senate Bill No. 0324, RELATING TO PHARMACISTS.

By way of background, the HPCA represents Hawaii's Federally Qualified Health Centers (FQHCs). FQHCs provide desperately needed medical services at the frontlines to over 150,000 patients each year who live in rural and underserved communities. Long considered champions for creating a more sustainable, integrated, and wellness-oriented system of health, FQHCs provide a more efficient, more effective and more comprehensive system of healthcare.

This bill, as received by your Committee, would mandate reimbursement for services provided by pharmacists within their scope of practice by private and public health plans in the State.

We note that this measure is substantively similar to a measure that was heard by this Committee on January 31, 2025 -- Senate Bill No. 1245.

Due to significant and longstanding shortages in Hawaii's health care work force, most primary care providers have had to find new ways of delivering services to meet the ever present needs of patients. This has especially been the case in dealing with chronic diseases such as asthma, diabetes, and heart maladies to name a few.

Testimony on Senate Bill No. 0324 Monday, February 10, 2025; 1:20 p.m. Page 2

FQHCs have found patient education and constant interaction between providers and patients to be extremely effective in improving health care outcomes. Because of physician shortages, FQHCs have begun to rely on teams consisting of a physician, advanced practice registered nurse, pharmacist, and medical assistants to oversee the patient's management of chronic diseases. Each professional has a specific role that complements the activities of others. In this arrangement, the pharmacist does more than merely dispense medication.

For example, in diabetes management, the pharmacist meets with the patient to explain when and how to use diagnostic tools such as glucose monitors, and instructs the patient on the use of injectable medications. These activities supplement and reinforces the therapeutic treatments that are conducted by the physician and advanced practice nurse. The medical assistants provide logistical and other support services needed by the patient and partner providers.

In the case of pharmacists, because these types of services are currently not eligible for insurance reimbursement, FQHCs have had to find other resources to offset these costs. As such, there are limits to the number of patients who can be serviced in this manner. Yet, due to the benefits demonstrated in patient outcomes, it is clear that this approach works, and will be how health care is provided moving forward.

#### Because of this, the HPCA urges your favorable consideration of this measure

Thank you for the opportunity to testify. Should you have any questions, please do not hesitate to contact Public Affairs and Policy Director Erik K. Abe at 536-8442, or eabe@hawaiipca.net.



Monday, February 10, 2025 at 1:20 PM Via Video Conference; Conference Room 225

#### **Senate Committee on Health and Human Services**

To: Senator Joy San Buenaventura, Chair Senator Henry Aquino, Vice Chair

From: Michael Robinson

Vice President, Government Relations & Community Affairs

Re: Testimony in Support of SB 324

**Relating to Pharmacists** 

My name is Michael Robinson, and I am the Vice President of Government Relations & Community Affairs at Hawai'i Pacific Health. Hawai'i Pacific Health is a not-for-profit health care system comprised of its four medical centers – Kapi'olani, Pali Momi, Straub and Wilcox and over 70 locations statewide with a mission of creating a healthier Hawai'i.

HPH writes in SUPPORT of SB 324 which mandates reimbursement for services provided by participating registered pharmacists practicing within their scope of practice by private and public health plans in the State. The mandate would become effective as of January 1, 2026.

Hawai'i continues to face a shortage of healthcare providers, particularly in rural areas and the neighbor islands. Each county within the State contains a region that is a medically underserved area. While stakeholders across the healthcare community are working together to attract and retain qualified providers in the state, there are other steps which can be taken to fully utilize existing resources. One such resource is the pharmacists already practicing in our local healthcare communities.

Pharmacists can help bridge the gaps created by the physician shortage. A pharmacist's skill set includes educating patients on how and when to check blood sugar, ways to avoid and manage hypoglycemia, how to take their medications correctly to avoid adverse effects, and various medication utilization techniques. Additionally, patients are three times more likely to stay out of the hospital when pharmacists provide clinical services after a hospital discharge.

Through the COVID-19 pandemic pharmacists have demonstrated how invaluable their services are. Pharmacists practicing at local pharmacies in every community are more accessible and provide a wide range of health care services. The practice of pharmacy

has evolved to encompass a greater focus on the provision of services. As such, pharmacists should be reimbursed for the patient care they provide.

Thank you for the opportunity to testify.



1050 Bishop St. #508 Honolulu, HI 96813 808-864-1776 info@grassrootinstitute.org

Removing barriers to Hawaii's prosperity

Feb. 10, 2025 1:20 p.m.

Hawaii State Capitol

Conference Room 225 and Videoconference

To: Senate Committee on Health and Human Services Sen. Joy A. San Buenaventura, Chair Sen. Henry J.C. Aquino, Vice-Chair

From: Grassroot Institute of Hawaii

Ted Kefalas, Director of Strategic Campaigns

COMMENTS IN <u>SUPPORT</u> OF SB324 — RELATING TO PHARMACISTS

Aloha Chair San Buenaventura, Vice Chair Aguino and other members of the Committee,

The Grassroot Institute of Hawaii would like to offer its **support** for <u>SB324</u>, which would mandate reimbursement by both public and private health plans for services provided by pharmacists acting within their scope of practice.

Enactment of this bill would be another step toward providing more healthcare options and access for Hawaii residents. Moreover, it would give lawmakers more flexibility to explore expanding pharmacist scope of practice in the future without creating confusion about reimbursement issues.

<u>Research</u> indicates that state scope-of-practice restrictions — such as restrictions on the ability of pharmacists to independently prescribe and adapt certain medications — can impede the delivery of optimal care.

In some cases, increasing the scope of practice for pharmacists would provide alternatives for patients seeking help with simple issues, such as quitting the use of tobacco, which in turn would reduce the burden on local doctors and lower the cost of care.

This could be especially beneficial in rural areas, where Hawaii's doctor shortage contributes to limited options and longer waits for care.

Providing a mechanism to encourage broader use of pharmacists would be a good way to help reduce healthcare costs in our state while improving overall care.

Thank you for the opportunity to testify.

Ted Kefalas Director of Strategic Campaigns Grassroot Institute of Hawaii



DATE: February 9, 2025

TO: Senator Joy A. San Buenaventura

Chair, Senate Committee on Health and Human Services

FROM: Tiffany Yajima

RE: S.B. 324 - Relating to Pharmacists

Hearing Date: Monday, February 10, 2025 at 1:20 p.m.

**Conference Room: 225** 

Dear Chair San Buenaventura, Vice Chair Aquino, and Members of the Committee on Health and Human Services:

We submit this testimony on behalf of Walgreen Co. ("Walgreens"). Walgreens operates stores at more than 9,000 locations in all 50 states, the District of Columbia, and Puerto Rico. In Hawaii, Walgreens has 13 stores on the islands of Oahu and Maui.

Walgreens **supports** S.B. 324, which mandates reimbursement for services provided by registered pharmacists practicing within their scope of practice by private and public health plans in the State. Walgreens also offers suggested amendments for consistency and clarity. Specifically, these amendments incorporate language that more explicitly imposes payment and reimbursement obligations on health plans.

The practice of pharmacy has evolved alongside significant changes in healthcare delivery. Patient demand on the healthcare system is expected to increase significantly and outpace current provider supply over the next few years. As a result, pharmacists today play a vital role in health care and are increasingly providing patient care services beyond the traditional prescription dispensing function.

Pharmacists are now offering patient care services such as medication therapy management, immunizations, health screenings, chronic disease management, and patient education and counseling. In addition, over the past decade the legislature has expanded on pharmacy services and given pharmacists the ability to perform tasks such as prescribing and dispensing contraceptive supplies (Act 67 (2017)), ordering and performing certain CLIA-waived tests (Act 103 (2023)), and most recently, allowing pharmacists the ability order immunizations and for pharmacists, pharmacy technicians and pharmacy interns the ability to administer minor immunizations (Act 104 (2024)).

This measure is the next step to ensure that pharmacists are fairly reimbursed by health plans in the State for the clinical services they provide within their scope of practice. This will also help to ensure that pharmacies can continue to serve our communities. Pharmacists are accessible, especially in underserved areas, making them a vital resource for healthcare delivery. They also help with cost savings by preventing hospital readmissions and managing chronic conditions thereby reducing overall healthcare costs and increasing positive patient outcomes.

It is for these reasons that Walgreens is in strong support of this measure and asks you to pass this with the amendments below.

Thank you for the opportunity to submit this testimony.

#### **Proposed amendments:**

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

"§431:10A- Services provided by participating registered pharmacists; coverage. (a) Each individual or group policy of accident and health or sickness insurance delivered or issued for delivery in this State after December 31, 2025, shall (1) recognize pharmacists licensed pursuant to chapter 461 as participating providers; and

(2) shall include provide coverage for a care service provided by a participating registered pharmacist practicing within the scope of their license for purposes of health maintenance or treatment to the extent that the policy provides benefits coverage for identical the same services rendered by another health care provider;

- (3) Shall pay or reimburse a pharmacist or pharmacy for the cost of a service performed by a pharmacist practicing within the scope of their license.
- (b) For the purposes of this section, "participating registered pharmacist" means a pharmacist licensed pursuant to chapter 461 who has contracted with the insurer to provide health care services to its insureds."

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

"§432:1- Services provided by participating registered

pharmacists; coverage. (a) Each individual and group hospital

or medical service plan contract delivered or issued for

delivery in this State after December 31, 2025, by a mutual

benefit society shall:

- (1) recognize pharmacists licensed pursuant to chapter 461 as participating providers;
- (2) and shall include provide coverage for eare a service provided by a participating registered pharmacist practicing within the scope of their license for purposes of health maintenance or treatment to the extent that the plan contract provides benefits coverage for identical the same services rendered by another health care provider;
- (3) Shall pay or reimburse a pharmacist or pharmacy for the cost of a service performed by a pharmacist practicing within the scope of their license.



February 10, 2025

## To: Chair San Buenaventura, Vice Chair Aquino, and Members of the Senate Committee on Health and Human Services (HHS)

From: Hawaii Association of Health Plans Public Policy Committee

Date/Location: February 10, 2025; 1:20 pm/Conference Room 225 & Videoconference

Re: Testimony with comments on SB 324 - Relating to Pharmacists

The Hawaii Association of Health Plans (HAHP) appreciates the opportunity to share our comments on SB 324. HAHP is a statewide partnership that unifies Hawaii's health plans to improve the health of Hawaii's communities together. A majority of Hawaii residents receive their health coverage through a plan associated with one of our organizations.

HAHP thanks the legislature for its efforts to increase access to health care services in Hawaii. While we support reimbursement of in-network pharmacists practicing within their scope, this bill as written lacks clarity on the specific scope of services that pharmacists would be reimbursed for.

Thank you for the opportunity to testify on SB 324.

Sincerely,

HAHP Public Policy Committee cc: HAHP Board Members

**SB-324** 

Submitted on: 2/5/2025 10:12:17 AM

Testimony for HHS on 2/10/2025 1:20:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Alysa Lavoie	Individual	Support	Written Testimony Only

#### Comments:

I strongly support SB324. Clinical pharmacists play a vital role in improving patient outcomes, particularly in managing chronic diseases, while also helping to reduce overall healthcare costs.

At our local health center, pharmacists have successfully managed care in key areas such as Hepatitis C, anticoagulation, and medication adherence. Research indicates that every dollar invested in clinical pharmacy services can yield a return of up to ten dollars in cost savings, depending on the service. Recognizing and appropriately compensating pharmacists for their expertise will allow Hawaii to improve care for individuals with chronic conditions while promoting a more cost-effective healthcare system.

Thank you for your time and consideration of this important legislation.

**SB-324** 

Submitted on: 2/5/2025 10:06:38 AM

Testimony for HHS on 2/10/2025 1:20:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Michael Sylva	Individual	Support	Written Testimony Only

#### Comments:

Conpensation for providing a service by participating registered pharmacists practicing within their scope of practice by private and public health plans is essential for several reasons including patient access to care, recognition of clinical expertise, enhancing healthcare outcomes, reducing long term health care costs, and maintaining workforce sustainability. I strongly support SB324.

<u>SB-324</u> Submitted on: 2/4/2025 5:17:02 PM

Testimony for HHS on 2/10/2025 1:20:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Ronald Taniguchi, Pharm.D., MBA	Individual	Support	Written Testimony Only

#### Comments:

I fully support SB324. Mahalo

**SB-324** 

Submitted on: 2/8/2025 3:08:28 PM

Testimony for HHS on 2/10/2025 1:20:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Melissa Bumgardner	Individual	Support	Remotely Via Zoom

#### Comments:

Honorable Members of the Hawaii State Legislature,

I am writing to express my strong support for the proposed bill mandating reimbursement for services provided by participating registered pharmacists practicing within their scope of practice by private and public health plans in Hawai'i. Clinical pharmacists play a pivotal role in enhancing patient outcomes, particularly in the management of chronic diseases, and also reducing overall healthcare costs.

#### **Impact on Chronic Disease Management:**

There is ample evidence that interventions and care from pharmacists are associated with improved clinical outcomes. For example: a systematic review by Chisholm-Burns et al. (2010) found that pharmacist involvement in patient care was associated with improved hemoglobin A1c, blood pressure, and lipid levels.

#### The Role of Clinical Pharmacy in Improving Medication Management

#### **Reduction in healthcare expenditures:**

Investing in clinical pharmacy services yields significant cost savings. A study published in the *Journal of the American Medical Association Network Open* estimated that a hypertension management program delivered through pharmacists resulted in cost savings of \$10,000 per patient. This program, if implemented at a population level (assuming 50% intervention uptake) was estimated to save \$1.1 trillion in cost of care and 30.2 million life years over 30 years. Previous literature has cited an average return on investment (ROI) in pharmacy services of \$4 – for every \$1 spent on pharmacy services, an average of \$4 is saved in health care expenses. More recent literature published January 2025 looking specifically at pharmacy services provided in non-hospitalized patients found ROI ranging from \$1.29 to \$18.50.

<u>Cost-Effectiveness of Pharmacist Prescribing for Managing Hypertension in the United States |</u> Health Policy | JAMA Network Open | JAMA Network

Evidence of the economic benefit of clinical pharmacy services: 1996-2000 - PubMed

Return on investment of pharmacists' services among non-hospitalized patients: A scoping review - ScienceDirect

#### **Pharmacist Accessibility:**

Research has demonstrated that patients find pharmacists to be readily accessible and trusted health professionals. A study published in the *Journal of the American Medical Association Network Open* found that patients were nearly twice as likely to visit pharmacists than their primary healthcare provider. The authors noted that primary care provider and pharmacist collaboration could benefit chronic disease management and prevention in light of patient preferences. An additional survey conducted in 2022 found that the majority of adults surveyed favored obtaining a more healthcare services at their local pharmacy and that such services should be covered by their insurance in the same manner as other provider services.

<u>Evaluation of Frequency of Encounters With Primary Care Physicians vs Visits to Community</u> Pharmacies Among Medicare Beneficiaries - PMC

2023 forecast: Pharmacists push for greater role in patient care

#### **Support for the Proposed Bill:**

Implementing reimbursement for pharmacist-provided services aligns with evidence supporting the positive impact of clinical pharmacists on patient outcomes and healthcare costs. By recognizing and compensating pharmacists for their contributions, Hawai'i can enhance the quality of care for individuals with chronic diseases while achieving cost-effective healthcare delivery.

Thank you for considering this important legislation.