ACT 220 S.B. NO. 1245

A Bill for an Act Relating to Pharmacists.

Be It Enacted by the Legislature of the State of Hawaii:

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

The legislature further finds that 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 significantly less likely to be readmitted to the hospital when pharmacists provide clinical services after a hospital discharge.

Accordingly, the purpose of this Act is to require private and public health plans issued in the State to recognize licensed pharmacists as participating providers and mandate payment or reimbursement for services provided by participating registered pharmacists within their scope of practice to the extent that the policy or plan provides coverage for the same service rendered by another health care provider.

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 the State on or after July 1, 2026, shall:

(1) Recognize pharmacists licensed pursuant to chapter 461 as participating providers;

(2) Include coverage for a service provided by a participating registered pharmacist practicing within the scope of the participating registered pharmacist's license for purposes of health maintenance or treatment to the extent that the policy provides coverage for the same service rendered by another health care provider; and

(3) Pay or reimburse a pharmacist or pharmacy for the cost of a service provided by a pharmacist within the scope of the pharmacist's practice.

(b) For the purposes of this section, "participating registered pharmacist" means a registered 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 or group hospital or medical service plan contract delivered or issued for delivery in the State on or after July 1, 2026, shall:

(1) Recognize pharmacists licensed pursuant to chapter 461 as participating providers;

(2) Provide coverage for a service provided by a participating registered pharmacist practicing within the scope of the participating registered pharmacist's license for purposes of health maintenance or treatment to the extent that the plan contract provides coverage for the same service rendered by another health care provider; and

(3) Pay or reimburse a pharmacist or pharmacy for the cost of a service performed by a pharmacist within the scope of the pharmacist's practice.

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

SECTION 4. Chapter 432D, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

"§432D- Services provided by participating registered pharmacists; coverage. (a) Each health maintenance organization policy, contract, plan, or agreement that is issued, amended, or renewed in the State on or after July 1, 2026, shall:

(1) Recognize pharmacists licensed pursuant to chapter 461 as participating providers;

(2) Provide coverage for a service provided by a participating registered pharmacist practicing within the scope of the participating registered pharmacist's license for purposes of health maintenance or treatment to the extent that the plan contract provides coverage for the same service rendered by another health care provider; and

(3) Pay or reimburse a pharmacist or pharmacy for the cost of a service provided by a pharmacist within the scope of the pharmacist's practice.

(b) For the purposes of this section, "participating registered pharmacist" means a registered pharmacist licensed pursuant to chapter 461 who has contracted with the health maintenance organization to provide health care services to its enrollees or subscribers."

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

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

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

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

"(g) For the purposes of this section:

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

"Health care provider" means a provider of services, as defined in title 42 United States Code section 1395x(u), a provider of medical and other health services, as defined in title 42 United States Code section 1395x(s), other practitioners licensed by the State and working within their scope of practice, and any other person or organization who furnishes, bills, or is paid for health care in the normal course of business, including but not limited to primary care providers, mental health providers, oral health providers, physicians and osteopathic physicians licensed under chapter 453, advanced practice registered nurses licensed under chapter 457, psychologists licensed under chapter 465, pharmacists licensed under chapter 461, and dentists licensed under chapter 448.

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

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

"Telehealth" means the use of telecommunications services, as defined in section 269-1, to encompass four modalities: store and forward technologies, remote monitoring, live consultation, and mobile health; and which shall include but not be limited to real-time video conferencing-based communication, secure interactive and non-interactive web-based communication, and secure asynchronous information exchange, to transmit patient medical information, including diagnostic-quality digital images and laboratory results for medical interpretation and diagnosis, for the purpose of delivering enhanced health care services and information while a patient is at an originating site and the health care provider is at a distant site. Except as provided through an interactive telecommunications system, standard telephone contacts, facsimile transmissions, or e-mail text, in combination or alone, do not constitute telehealth services."

SECTION 7. The department of human services shall apply to the United States Department of Health and Human Services for any amendment to the state medicaid plan or for any medicaid waiver necessary to implement sections 5 and 6 of this Act.

SECTION 8. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.

SECTION 9. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.[1]

SECTION 10. This Act shall take effect upon its approval; provided that sections 5 and 6 shall take effect upon approval of the Hawaii medicaid state plan by the Centers for Medicare and Medicaid Services; provided further that the amendments made to section 346-59.1, Hawaii Revised Statutes, by section 6 of this Act shall not be repealed when that section is reenacted on December 31, 2025, pursuant to section 8 of Act 107, Session Laws of Hawaii 2023.

(Approved June 25, 2025.)

Note

1. Edited pursuant to HRS §23G-16.5.