

# HB7

# HD1

Measure Title:  
RELATING TO THE I-SAVERX PRESCRIPTION DRUG PROGRAM.

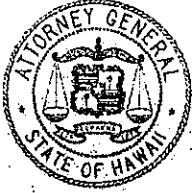
Report Title:  
Prescription Drugs; I-SaveRx; Governor; Reimportation

Description:  
Directs the Governor to establish the State of Hawaii's participation in the I-SaveRx prescription drug program to provide residents with increased access to affordable drugs.  
(HB7 HD1)

Companion:  
SB817

Introducer(s):  
TAKUMI, GREEN, THIELEN

Current Referral:  
HTH, CPH



## TESTIMONY OF THE STATE ATTORNEY GENERAL TWENTY-FOURTH LEGISLATURE, 2008

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**ON THE FOLLOWING MEASURE:**

H.B. NO. 7 H.D. 1, RELATING TO I-SAVERX PRESCRIPTION DRUG PROGRAM.

**BEFORE THE:**

SENATE COMMITTEE ON HEALTH

**DATE:** Wednesday, March 19, 2008 **TIME:** 1:15 PM

**LOCATION:** State Capitol, Room 016  
*Deliver to: Committee Clerk, Room 215, 1 Copy*

**TESTIFIER(S):** Mark J. Bennett, Attorney General  
or Cori K. Woo, Deputy Attorney General.

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Chair Ige and Members of the Committee:

The Attorney General has serious concerns regarding this bill, specifically, the ability of the State to execute its provisions within federal restrictions.

The purpose of the bill is to direct the Governor to establish Hawaii's participation in the I-SaveRx prescription drug program to provide residents with increased access to affordable drugs. Hawaii residents would have access to the I-SaveRx program through an Internet website and a toll-free twenty-four-hour telephone number run by Illinois' pharmacy benefit manager, Pegasus Health Services Limited, which has existing relationships with licensed pharmacies in Canada, the United Kingdom, Australia, and New Zealand.

We have identified several legal problems with this bill concerning FDA requirements and approval.

First, importing a drug into the United States that is unapproved or does not comply with the labeling requirements in the Federal Food, Drug, and Cosmetic Act ("FFDCA") is prohibited under 21 U.S.C. section 331(a), (c), and (d). Under the same section of the FFDCA, the interstate shipment of any prescription drug that lacks required FDA approval is also illegal. Interstate shipment includes importation

such as bringing drugs from a foreign country, like Canada, into the United States.

Second, the drug distribution network for legal prescription drugs in the United States is a "closed" system that involves several players who move drug products from the point of manufacture to the end user, and provides the American public with multiple levels of protection against receiving unsafe, ineffective, or poor quality medications. Even if the drug was manufactured in the United States and approved by the FDA, then shipped to a purchaser in a foreign country and brought back in through Illinois, once it leaves the United States it loses its FDA approval. Therefore, pursuant to 21 U.S.C. section 381(d)(1), it is illegal for any person other than the original manufacturer of a drug to import into the United States a drug that is originally manufactured in the United States and sent to another country. Failure to comply with the applicable federal law would expose any individual involved with this program to both civil and criminal liability pursuant to 21 U.S.C. sections 331, 332, 333, and 381(d)(1) and 18 U.S.C. sections 2 and 371.

The Attorney General would like this Committee to be informed on these issues. Thank you for this opportunity to testify.

LINDA LINGLE  
GOVERNOR



LILLIAN B. KOLLER, ESQ.  
DIRECTOR

HENRY OLIVA  
DEPUTY DIRECTOR

STATE OF HAWAII  
DEPARTMENT OF HUMAN SERVICES  
P. O. Box 339  
Honolulu, Hawaii 96809-0339

March 19, 2008

MEMORANDUM

TO: Honorable David Y. Ige, Chair  
Senate Committee on Health

FROM: Lillian B. Koller, Director

SUBJECT: **H.B. 7, H.D. 1 – RELATING TO THE I-SAVERX PRESCRIPTION  
DRUG PROGRAM**

Hearing: Wednesday, March 19, 2008, 1:15 PM.  
Conference Room 016, State Capitol

PURPOSE: The purpose of this bill is to direct the Governor to establish the State of Hawaii's participation in the I-SaveRx prescription drug program to provide residents with increased access to affordable drugs.

DEPARTMENT'S POSITION: The Department of Human Services appreciates the intent of the Legislature to lower the cost of prescription drugs for the citizens of Hawaii but we must oppose this bill because it will require State funds that will adversely impact the priorities in the Executive Supplemental Budget.

There will be costs to implement and administer the I-SaveRx program and this bill has no appropriation for the administering of this program. This bill proposes to place the I-SaveRx program in chapter 346 which covers DHS. Even though this bill proposes that Hawaii's I-SaveRx program will be administered by the State of Illinois,

DHS will still require new positions to gather the information for Illinois and to monitor the I-SaveRx program as required by this bill. Also, since Illinois is the primary administrator of the pharmacy benefits management agreement for this program, DHS will also have costs to pay to the State of Illinois as a participating State.

The Department needs to point out that the State of Hawaii would be prohibited from utilizing Federal Medicaid matching funds to purchase prescription drugs from the I-SaveRx Prescription Drug Program because these drugs are purchased from Canada and Europe. The U.S. Food and Drug Administration (FDA) considers imported prescription drugs as unapproved new drugs, and Federal Medicaid rules clearly indicate that only FDA approved drugs can be prescribed.

The Department also has a concern as to the appropriateness of the placement of this type of non-Medicaid program in the Department of Human Services statutes in chapter 346.

Inasmuch as this bill will require additional State appropriations, the Department opposes this bill and respectfully requests that such funding not adversely impact nor replace the priorities in the Executive Supplemental Budget.

The Department defers to the Department of the Attorney General as to the legality of this bill.

Thank you for the opportunity to comment on this bill.

POLICY ADVISORY BOARD FOR ELDER AFFAIRS (PABEA)  
NO.1 CAPITOL DISTRICT  
150 SOUTH HOTEL STREET, SUITE 406  
HONOLULU, HAWAII 96813

TO: SENATE-SGT-AT- ARMS

March 15, 2008  
Fax 586-6659

FROM: Bruce McCullough  
Legislative Committee, PABEA

FOR: Committee on Health  
Senator David Y. Ige, Chair  
Senator Carol Fukunaga, Vice Chair

RE: HB 7, HD 1 Relating to the I-SaveRX Prescription Drug Program

DATE: Wednesday, March 19, 2008

TIME: 1:15 PM

PLACE: RM 016 (I will be testifying in person).

I am offering testimony on behalf of PABEA, which is a State appointed Board tasked with advising the Executive Office on Aging (EOA). My testimony does not represent the views of the EOA, but of the board.

PABEA is in strong support of this proposed legislation.

I-SaveRx is a prescription drug reimportation program developed by the State of Illinois that allows Illinois consumers to refill prescriptions for the most common brand-name prescription drugs used to treat chronic illness at affordable prices from pharmacies in Canada and the United Kingdom.

This bill amends Chapter 346 of the Hawaii Revised Statutes by inserting a new section to enable Hawaii to participate in the I-Save Rx program that is

currently in effect in the State of Illinois as well as several other states that are participating in the program.

Since Illinois implemented the I-Save Rx prescription drug program,, Wisconsin, Missouri, Kansas, and Vermont have joined the program as participating states.

DEPARTMENT OF COMMUNITY SERVICES  
CITY AND COUNTY OF HONOLULU

715 SOUTH KING STREET, SUITE 311 • HONOLULU, HAWAII 96813 • AREA CODE 808 • PHONE: 768-7762 • FAX: 768-7792



MUFI HANNEMANN  
MAYOR

DEBORAH KIM MORIKAWA  
DIRECTOR

ERNEST Y. MARTIN  
DEPUTY DIRECTOR

March 19, 2008

The Honorable David Y. Ige, Chair  
The Honorable Carol Fukunaga, Vice Chair  
and Members of the Committee on Health  
The Honorable Jill N. Tokuda, Chair  
The Honorable J. Kalani English, Vice Chair  
and Members of the Committee on Agriculture and Hawaiian Affairs  
The Honorable Ron Menor, Chair  
The Honorable Gary L. Hooser, Vice Chair  
and Members of the Committee on Energy and Environment  
The Senate  
State Capitol  
Honolulu, Hawaii 96813

Dear Chairs Ige, Tokuda, Menor, Vice Chairs Fukunaga, English, Hooser, and Members:

Subject: Support of HB7, HD1, Relating to the I-SaveRx Prescription Drug Program

The Elderly Affairs Division is an Area Agency on Aging designated by the State Executive Office on Aging under the Older Americans Act of 1965. We support HB7, HD1, Relating to the I-SaveRx Prescription Drug Program.

HB7, HD1 would allow the implementation of the I-SaveRx drug reimportation program developed by the State of Illinois in 2006. Since that time, other states including Kansas, Missouri, and Wisconsin have also implemented the program. Participation in the program is voluntary and offers participants access via the internet and toll-free telephone number to drugs from licensed pharmacies in Australia, Canada, New Zealand, and the United Kingdom saving users approximately 20-50%.

Availability of more options for seniors to access lower cost drugs would be beneficial and we urge passage of HB7, HD1. Thank you for the opportunity to submit this testimony.

Sincerely,

A handwritten signature in black ink, appearing to read "Karen K. Miyake".

Karen K. Miyake  
County Executive on Aging  
Elderly Affairs Division

PT:ab  
cc: Office of the Mayor





Hawaii's Voice for a Better Future

COMMITTEE ON HEALTH

Senator David Y. Ige, Chair

Senator Carol Fukunaga, Vice Chair

March 19, 2008

**Re: HB7 — Relating to the I-SaveRX Prescription Drug Program**

**In Support**

According to a CBS News report:

*It may come as no surprise that the pharmaceutical industry is the most profitable business in the country. American drug prices are the highest in the world, so more than a million Americans now buy their medications in Canada.*

Personal import of prescription drugs is growing rapidly. Since the federal government won't take any action that opposes the interests of US drug manufacturers, it has fallen to the states to take action on behalf of their citizens.

Several states (Illinois, Kansas, Wisconsin, Missouri and Vermont) have joined forces in a purchasing program that imports prescription medications from overseas. Recently, Illinois Governor Rod R. Blagojevich announced that the State of Illinois will expand its innovative I-SaveRx drug importation program to state employees and dependents. The saving for employees and retirees alone is estimated at \$94.9 to \$112.9 million a year.

The program is voluntary, not mandatory. Those who can find an even cheaper way to purchase a particular medication can do that. Those who have no choice will benefit—particularly seniors, those with disabilities, the uninsured and the underinsured.

Through its expansion of the program Illinois expects to reduce its annual prescription drug costs and reduce, and sometimes even eliminate, co-payments for state employees and dependents.

Hawaii residents can reap the same benefits. Please pass this bill so that Hawaii can join other states in the I-SaveRx program.

Larry Geller, President

*Larry Geller*  
Kokua Council

HB7  
HTH  
Wednesday, March 19, 2008  
1:15 p.m.  
Room 016



**HAWAII GOVERNMENT EMPLOYEES ASSOCIATION**

AFSCME LOCAL 152, AFL-CIO

888 MILILANI STREET, SUITE 601 • HONOLULU, HAWAII 96813-2991



Randy Perreira *Executive Director*  
Tel: 808 543-0011 Fax: 808 528-0922

Nora A. Nomura *Deputy Executive Director*  
Tel: 808 543-0003 Fax: 808 528-0922

Derek M. Mizuno *Deputy Executive Director*  
Tel: 808 543-0055 Fax: 808 523-6879

The Twenty-Fourth Legislature, State of Hawaii  
The Senate  
Committee on Health  
Committee on Agriculture and Hawaiian Affairs  
Committee on Energy and Environment

Testimony by  
Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO  
Wednesday, March 19, 2008

H.B. 7, H.D.1 – RELATING TO THE I-SAVERX  
PRESCRIPTION DRUG PROGRAM

The Hawaii Government Employees Association (HGEA), AFSCME Local 152, AFL-CIO supports H.B. 7, HD1, which directs the Governor to enter into a written agreement to participate in the I-SaveRx prescription drug program. The I-SaveRx program is a prescription drug reimportation program developed by the State of Illinois in 2004. Through this program, Illinois consumers are allowed to use licensed pharmacies from Canada, Australia and New Zealand to purchase lower-priced prescription drugs. Since Illinois implemented the program, Wisconsin, Missouri, Kansas and Vermont have joined as participating states.

While the reimportation of prescription drugs is not a long-term, comprehensive solution to making drugs more affordable, it will help Hawaii consumers with an interim option to obtain safe and less expensive medications. Consumers in the United States pay more for medicines than the rest of the world. Estimates are that program participants will save between 25 -50% on the cost of their medications. The I-Save Rx program will be especially beneficial for those without drug insurance.

We represent over 9,000 retired HGEA members who depend upon benefits received upon retirement. The I-SaveRx prescription drug program will result in savings to these retired members on the cost of their medications at a minimal cost to the State. It will also provide members accessibility in obtaining safe and affordable prescription drugs through the Internet and through a twenty-four hour toll-free telephone number. The program is voluntary and allows members to refill prescriptions equal to a three-month supply. Reimportation yields considerable savings for individuals and state government programs.

Thank you for the opportunity to testify in support of this important measure.

Respectfully submitted,

Nora A. Nomura  
Deputy Executive Director



# Statement



In Opposition to House Bill 7, H.D. 1

March 18, 2008

**Position: The Pharmaceutical Research and Manufacturers of America (PhRMA) respectfully opposes House Bill 7, H.D. 1 (HB 7, H.D. 1) because it would likely jeopardize the health and well-being of patients and compromise the integrity of the prescription drug supply in the United States.**

HB 7, H.D. 1 would allow the State of Hawaii and its residents to join an illegal importation website called "I-SaveRx" which is currently utilized by a limited number of states as a way to facilitate the distribution of potentially unsafe and illegal drugs to state residents from foreign pharmacies.

PhRMA and its member companies realize the importance of providing patients with access to life-sustaining and cost-effective pharmaceuticals. However, PhRMA urges Hawaii legislators to consider the safety and liability concerns associated with importing and facilitating the importation of pharmaceuticals from abroad.

## **Patient Safety Is Jeopardized**

On January 11th, 2007, the National Association of Boards of Pharmacy (NABP) released a press statement entitled, *2006 Unprecedented Year of Increased Fake Drug Production, Introduction into U.S. Drug Supply*. In its press release, the NABP states that "one of Canada's largest internet pharmacies is selling counterfeit versions of Lipitor, Crestor, Celebrex and seven other drugs." Additionally, the NABP discussed the 2005 case in the United Kingdom where 10,000 packs of Lipitor were found to have been mixed with counterfeit packs and at least 2,500 of these used by patients before it was determined that they were counterfeit.

Internet pharmacies that claim to be Canadian, Irish, or British may have no ties at all to Canada, Ireland, or the United Kingdom. Many internet pharmacies actually based in these countries obtain their drugs from third-world sources such as India, Thailand, and the Philippines. Furthermore, the Canadian equivalent of the US FDA is not designed to provide oversight on products that merely pass through Canada destined for patients in the US. Patient health is further jeopardized when licensed pharmacists are replaced by questionable internet sites.

The US Food and Drug Administration (FDA) estimates that approximately 1% or less of drugs in the United States are tainted or counterfeit.<sup>1</sup> Assuming that is accurate, that means approximately 3,500,000 U.S. prescriptions may be potentially affected by counterfeit drugs each year.<sup>2</sup> Recent discoveries in counterfeit drugs in the United States have included AIDS/HIV therapy, over-the-counter pain medications, antibiotics, insulin, cholesterol drugs, hormone replacement therapy, cardiac drugs, antihistamines, and many more.<sup>3</sup> The use of counterfeit drugs can cause harm in variety of ways including ingesting the wrong drug which means the patient is not being treated for their condition; getting the wrong concentration or dose which can result in death; taking a drug with no active ingredients which means the patient's condition is not being treated; and ingesting dangerous materials used to make the fake drugs.<sup>4</sup>

In a May 20, 2005, letter to Governor Kenny Guinn of Nevada, the FDA stated that importation of foreign drugs is illegal and outlined numerous safety concerns. In this letter, FDA Associate Commissioner for Policy and

<sup>1</sup> Bryan A. Liang, *Over the Virtual and Geographic Borders: Understanding Importation and Counterfeit Drugs*, 36 Cal. W. Int'l L.J., 11 (2005), citing Paul M. Rudolph & Ilisa B.G. Bernstein, *Counterfeit Drugs*, 350 New Eng. J. Med. 1384 (2004).

<sup>2</sup> Id. at 11.

<sup>3</sup> Id.

<sup>4</sup> Id. at 11-12.

Planning Randall W. Lutter indicated, “We cannot provide adequate assurance to the American public that the drug products delivered to consumers in the United States from foreign countries are the same products approved by the FDA.”<sup>5</sup>

### **Legal Concerns and Potential Liability for Public Entities**

In addition to safety concerns, the FDA indicates that states and/or other entities that encourage, act, or even cause illegal importation run afoul of the Federal Food, Drug, and Cosmetic Act (“FDCA”)<sup>6</sup>. FDCA violations have already triggered Department of Justice enforcement actions. As a practical matter, FDA believes that, “it is extremely unlikely that any program in [a state or municipality] could ensure that all of the applicable legal requirements are met.” The administration and costs to a state associated with attempting to create and maintain a program that could oversee the distribution of foreign drugs to its residents, often on an individual basis, would likely be so substantial that a state would be unable to adequately protect against all possible civil and criminal violations.

If a state provides Canadian and other foreign drugs directly or facilitates their distribution, such as through contracting with foreign pharmacies, importing directly or participating in a website (such as I-Save-Rx) that will provide imported drugs to state residents, state tort liability acts would apply. Hawaii attempts to shield itself from liability to any resident who may be injured by an imported prescription drug by giving itself immunity under Section 346-L on page 10 of the bill.

### **Importation Savings are Negligible and FDA Approved Drugs are Available at Low Cost or No Cost**

On September 19<sup>th</sup>, 2006, the Illinois Auditor General released his state-sponsored audit of I-SaveRx after 19 months in operation. Rather than saving the state of Illinois a windfall from importing prescription drugs, the Auditor General found that I-SaveRx instead cost Illinois taxpayers over \$1 million and reached only 4,000 people. While importation was hailed by some as a means to save money, analysis of actual data continues to show that this is not the case.

PhRMA and the biopharmaceutical industry are committed to working with the FDA and other agencies to keep America’s drug supply safe. We are equally committed to ensuring that every American has access to quality medicines. In April 2005, PhRMA established the Partnership for Prescription Assistance ([www.pparx.com](http://www.pparx.com)) which offers a single point of access to more than 475 public and private patient assistance programs, including more than 180 programs offered by pharmaceutical companies. PPARx brings together America’s pharmaceutical companies, doctors, other health care providers, patient advocacy organizations, and community groups to help qualifying patients who lack prescription coverage get the medicines they need through the public or private program that is right for them. Many will get them free or nearly free. Since its inception, PPARx has matched over 4 million Americans nationally to patient assistance program. In Hawaii alone, nearly 9,000 residents have been matched to at least one patient assistance program.

In addition, PhRMA sponsors [www.BuySafeDrugs.info](http://www.BuySafeDrugs.info) which provides information on safe, legal way that patients can save on prescription medications, educates patients on the risks of importing medicines, and explains why legalizing importation is bad public policy.

It is for all these reasons, PhRMA respectfully opposes passage of HB 7, H.D. 1.

*The Pharmaceutical Research and Manufacturers of America (PhRMA) represents the country's leading pharmaceutical research and biotechnology companies, which are devoted to inventing medicines that allow patients to live longer, healthier, and more productive lives. PhRMA companies are leading the way in the search for new cures. PhRMA members alone invested an estimated \$39.4 billion in 2005 in discovering and developing new medicines. Industry wide research and investment reached a record \$51.3 billion in 2005.*

<sup>5</sup> Randall W. Lutter, FDA Associate Commissioner, Letter to Nevada Governor Kenny Guinn, May 20, 2005.

<sup>6</sup> William K. Hubbard, FDA Associate Commissioner for Policy and Planning, Letter to CA Deputy Attorney General, August 25, 2003.

The Twenty-Fourth Legislature  
Regular Session of 2008

THE SENATE  
Committee on Health  
Senator David Y. Ige, Chair  
Senator Carol Fukunaga, Vice Chair

State Capitol, Conference Room 016  
Wednesday, March 19, 2008; 1:15 p.m.

**STATEMENT OF THE ILWU LOCAL 142 ON H.B. 7, HD1  
RELATING TO THE I-SAVERX PRESCRIPTION DRUG PROGRAM**

The ILWU Local 142 supports H.B. 7, HD1, which directs the Governor to establish the State of Hawaii's participation in the I-SaveRx Prescription drug program to provide residents with increased access to affordable drugs.

Many uninsured individuals in Hawaii had expected the Hawaii Rx Plus program to address the rising cost of prescription drugs with pharmaceutical company rebates negotiated by the State. However, such rebates have not been negotiated and, as a result, those without drug coverage have to bear exorbitant costs for brand-name drugs.

H.B. 7, HD1 would be another vehicle to address the problem of the high cost of prescription drugs. We urge passage of this bill and thank you for the opportunity to provide testimony.

SENATE COMMITTEE ON HEALTH  
The Hon. David Y. Ige, Chair  
The Hon. Carol Fukunaga, Vice Chair

Wednesday, March 19, 2008, 1:15pm Room 016

HB 7, HD1 RELATING TO THE I-SAVERX PRESCRIPTION DRUG PROGRAM.

**SUPPORT**

I am Laura Manis and I wish to add to the support of the passage of HB7 HD1 for the following reasons.

Many families must choose between buying food or paying for their prescription drugs. Others take their drugs less frequently than prescribed or cut their pills in half, thereby jeopardizing their health. Many Medicare patients reach the "doughnut hole" within a few months and have to pay the total costs of their medicines. In the last 10 years, drug companies have consistently been the most profitable companies with an average of 512 times more profit than the average Fortune 500 company.

The I-Save program includes 5 states that have negotiated with Canada for lower prices and have been doing this for the past 5 years with no repercussions from the Federal government.

It is managed by a very reliable company and backed by the state government of Illinois.

I understand that Hawaii has 228,000 individuals in Hawaii who currently do not have prescription drug insurance coverage or are underinsured.

The current state administration charged with negotiating lower Rx costs has shown no inclination to do this.

Laura G. Manis,  
1350 Ala Moana Blvd, #1511  
Honolulu HI 96814  
Phone: 597-8838

## testimony

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**From:** Justin Wong [wongj060@hawaii.rr.com]  
**Sent:** Tuesday, March 18, 2008 10:33 AM  
**To:** testimony  
**Subject:** Testimony in Support of HB7,HD1 Relating to the I-SaveRx Prescription Drug Plan

SENATE COMMITTEE ON HEALTH  
Senator David Ige, Chair  
Senator Carol Fukunaga, Vice Chair

DATE: Wednesday, March 19, 2008  
TIME: 1:15 p.m.  
PLACE: Conference Room 016  
State Capitol  
415 South Beretania Street

Senator Ige and members of the Health Committee, the Hawaii State Teachers Association - Retired, consisting of more than 4,300 retired teachers statewide, supports the passage of HB7,HD1.

Seniors, whose incomes are relatively fixed, are adversely affected by increases in the cost of living, especially the cost of health services and prescription drugs. Seniors use more prescription drugs than the general population and spend a larger portion of their income on them.

We welcome any proposal which would curtail the cost of drugs. We believe that the I-SaveRx is a sensible approach to reducing the cost of prescription drugs.

Please, support HB7,HD1.

Justin Wong, President  
Hawaii State Teachers Association - Retired

*(Testimony in support of HB7, HD1 to Senate Committee on Health, for hearing on March 19, 2008, 1:15 p.m. Conference Room 016, submitted by email, March 17.)*

TO: Chair David Y. Ige, Vice Chair Carol Fukumoto and Members of the Committee

Chair Ige, thank you very much for scheduling a hearing on HB7, HD1.

I'm a citizen, and a proud Democrat, one of thousands who participated in precinct meetings a few weeks ago to help decide our choice of presidential candidates for the Democratic Party. What a truly happy day to see so many Democrats participate in this open process, in spite of the logistical problems. Most of us probably have never submitted testimony on any bills, even on those issues that affect us dearly. We have basically trusted our elected Democrat leaders to take the appropriate actions, based on the history of the Democratic Party to spearhead continuing social, economic and educational changes in Hawaii, for which my family and friends are basically pleased.

This is my first testimony as a citizen and a proud Democrat, although I've submitted testimonies in my other roles in our community. I am convinced that HB7, HD1, I SaveRx Program is a proven program for reducing prescription drug costs for citizens in states like Illinois and others and we in Hawaii can truly benefit from it. This bill simply directs the Governor to establish the State's participation in the I-SaveRx Program, which could result in savings of 25-30% in prescription drug costs. Enactment of this bill will truly help the beneficiaries of this program, many who have very limited income to take care of their daily expenses. The merits of the bill are so clear that the State House passed this bill without a single vote in opposition on March 4.

Now HB7, HD1 is in your court. Favorable action of this bill will demonstrate that this Committee, the Senate and this Democratic legislature are willing to take a leadership role in reducing the cost of prescription drugs in the face of legalistic arguments against this bill by the DHS and the AG and the maintain-the-status quo arguments by PhRMA, which may lose some of its huge profits. Fear of legalistic arguments can lead to inaction. Bold social programs all withstand legal challenges. So please stand up for the social and economic good that this bill will bring. The alternative is to kill this bill and do nothing to reduce drug costs. Should you decide to kill this bill, I would be very disappointed as a citizen and a Democrat because you and my Democratic Party will have let me, and others like me, down on this very important social issue by doing nothing, just like the Governor has done. So please approve HB 7, HD1.

A couple of years ago our Governor stated dramatically that she will work with other states to reduce the cost of prescription drugs. To date she has absolutely nothing to show for her efforts to address this statewide problem. Also her inaction to implement a recently passed state law, Act 60, designed to reduce prescription drug prices has resulted in no real reduction of costs, just the maintenance of the status quo. Big talk, do nothing. Please approve HB7, HB1 as an important step to reduce prescription drug costs and as the right thing to do as the leaders of the majority party for our citizens. Mahalo.

Albert T. Hamai, citizen and proud Democrat. 1457 Ala Aolani Street Honolulu, 96819.



**testimony**

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**From:** Beverly Gotelli [bgotelli@msn.com]  
**Sent:** Sunday, March 16, 2008 3:12 PM  
**To:** testimony  
**Subject:** support HB 7, D1

COMMITTEE ON HEALTH

HB 7, HD 1                      Relating to the I-SaveRX Prescription Drug Program

March 19, 2008

1:15 p.m. Room 016

Chair Ige and Members of the Committee:

My name is Beverly Gotelli and I support HB 7, HD 1 which directs the Governor to establish the State of Hawaii's participation in the I-SaveRx prescription drug program to provide residents with increased access to affordable drugs. As a recent retiree and a member of HSTA-R affordable drugs is something that the State must look into for its aging community.

This is the only prescription drug bill remaining that can make a substantial difference to its beneficiaries. House Bill 7, HD 1 simply directs the Governor to establish the State of Hawaii's participation in I-SaveRX Prescription Drug Program, which could result in savings of 25-30% in prescription drug cost, at minimal cost to the State.

Since Illinois implemented the I-SaveRx Prescription Drug Program in 2006, Wisconsin, Missouri, Kansas and Vermont have joined the program. Program participants have access to the I-SaveRx program through an Internet website and a toll-free 24 hour telephone number, just like many of us contact Precision Rx for our prescriptions. The prescription drugs are ordered from licensed pharmacies in Canada, the United Kingdom, Australia, and New Zealand.

This legislation has the support of the Hawaii Alliance for Retired Americans (HARA) which is made up of retirees and seniors from the following organizations: HGEA, HSTA-R, ILWU, Kokua Council, Machinist, AFT, Americans for Democratic Action Hawaii and UPW Retirees. HB 7, HD1 along with family caregivers legislation that is moving along, are priority concerns of HARA this session.

I urge you to support HD7, HD1 and pass it out of Committee.

Thank you for the opportunity to testify.

**Kanoë Kamañao**

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**From:** Alice Kotake [akotake@hawaii.rr.com]

**Sent:** Tuesday, March 18, 2008 8:46 AM

**To:** Sen. David Ige; 'Senator Carol Fukumoto'

**Subject:** Testimony in support of HB7, HD1 to Senate Committee on Health for hearing on March 19, 2008; 1:15 PM Conference Room 016, submitted by email 3/18/08

TO: Chair David Y. Ige, Vice Chair Carol Fukumoto and Members of the Health Committee

Thank you very much for scheduling a hearing on HB7, HD1.

Having spent 28 years teaching in three different states, I had hopes of spending retirement in relatively comfort and contemplated travel, taking care of grandkids, and all the other "good stuff" of retirement. Now, medical care and elderly responsibilities have taken center stage for the remainder of our lives. Why can't we work together to reduce medical and prescription drug costs? Our Governor promised to work on this and has done absolutely nothing. We have to plead with our legislators to help us. Here is your chance to do so.

Thank you.

Alice Y. Kotake  
26 Kepola Place  
Honolulu, HI 96817