

To: **THE HOUSE COMMITTEE ON HEALTH**
The Honorable Josh Green, MD., Chair
The Honorable John Mizuno, Vice Chair

From: Representative Ezra R. Kanoho (Ret)
Board Member, Hoola Lahui Hawaii (HLH)

Monday, March 24, 2008

Testimony in Strong Support of **SB 2459 SD2, Relating to Remote dispensing**

1. The **Primary Purpose** of this measure is to enable timely delivery of acute medication to the low-income uninsured/underinsured who would likely be deprived of critically needed prescription drugs due to financial and/or transportation constraints.
2. **SB 2459 SD2:**
 - a. **Completely addresses concerns** of both 1) DCCA, Professional and Vocational Licensing Division and 2) Board of Pharmacy, as expressed in written testimony on SB 2459 SD1
 - b. **Contains all safeguards; safeguards which had been employed by Hoola Lahui Hawaii (HLH)** during the one and one-half year period (Oct. 2005 through April 2007) of operating two remote dispensing machines, at its Waimea and Kapaa Clinics from its Lihue Pharmacy
3. As in its prior operation **only 340-B critically needed medication would be stored and therefore dispensed** from its two remote dispensing units, which means:
 - a. **Nearby pharmacies would not be affected** since none of these pharmacies are designated as Federally Qualified Health Center Pharmacies (340-B) and cannot qualify for drugs purchased and dispensed at reduced rates; only for patients who qualify to receive 340-B medication.
 - b. **Low rate of dispensing;** averaging approximately 1 to 1-1/2 per day at Waimea and 3 to 4 at Kapaa for the Oct. 2005 – April 2007 period of 566 days. (380 days of pharmacy operation).
 - c. **The requirement for a certified pharmacist at the remote location is unnecessary and unrealistic,** as imposed by the Board of Pharmacy in 2007 mandating operations to cease.
4. The current language is silent on the type of medication which can be dispensed from remote dispensing machines, which is immaterial to Hoola Lahui. Realistically, these machines would not be used for volume dispensing because a) the maintenance, refilling and other costs would render such usage to be prohibitively inconvenient and expensive; and b) it would be substantially more cost-effective and convenient to utilize nearby pharmacies for non 340-B medication

Your favorable consideration of this bill will be very deeply appreciated for all the reasons cited above but more especially by certain groups of citizens whose health, well being and life could otherwise be jeopardized.

Mahalo ke Akua.

Ezra Hawaii

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HAWAII STATE HEALTH PLANNING AND DEVELOPMENT AGENCY
Kauai County Subarea Health Planning Council

Representative Josh Green, Chair
Representative John Mizuno, Vice Chair
Senate Committee on Health

Kauai County Subarea Health Planning Council: Alan Kimura, Chair, Lili-Bryan Conant,
Zachary Octavio, Elizabeth Ubay

March 25, 2008

Subject: **Testimony in Strong Support – SB2459 SD2 Relating to Remote Dispensing**

Until recently, many underserved, rural Kauai County patients received discounted essential medications via telepharmacy at two federally qualified health centers (Hoola Lahui Hoola) in Waimea and Kapaa. Affordability of and accessibility to essential medications are long-standing barriers to good health for the underserved.

We, therefore, **STRONGLY SUPPORT SB2459 SD2**

Remote Dispensing may also have the potential to assist many insured patients statewide who are struggling with the high cost of drugs and its accessibility from outlying areas.

Thank you for the opportunity to testify.

cc: Senator Gary Hooser, 7th Senatorial District
Representative Hermina Morita, 14th Representative District
Representative James Tokioka, 15th Representative District
Representative Roland Sagum, 16th Representative District

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**PRESENTATION OF THE
BOARD OF PHARMACY**

TO THE HOUSE COMMITTEE ON HEALTH

TWENTY-FOURTH LEGISLATURE
Regular Session of 2008

Tuesday, March 25, 2008
9:00 a.m.

**TESTIMONY ON SENATE BILL NO. 2459, S.D. 2, RELATING TO REMOTE
DISPENSING.**

TO THE HONORABLE JOSH GREEN, M.D., CHAIR,
AND MEMBERS OF THE COMMITTEE:

My name is Dr. Elwin Goo, Chair of the Board of Pharmacy ("Board") and I appreciate the opportunity to present testimony on behalf of the Board. Subject to amendments to Senate Bill No. 2459, S.D. 2, which would allow the Board to keep track of those remote dispensing pharmacies and other amendments for clarification, the Board would support this bill.

Section 4 of the bill directs the Department of Commerce and Consumer Affairs ("DCCA") to submit an annual report to the legislature on the use of the remote dispensing machines. However, this bill does not include any reporting or notification requirement of the whereabouts of the remote dispensing sites. Therefore, we request that Section 5 of the original S.B. No. 2459, which included amendments to Chapter 461, HRS, that of which requires pharmacies that manage remote dispensing pharmacies shall notify the Board of all locations. This section was eliminated in the S.D 1, but it is imperative that the Board be aware of all pharmacies utilizing the remote dispensing technology. Moreso, as

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an extension of the permitted pharmacy, it is important that the Board have information on every location from which drugs are dispensed in this State. Also, in order for the DCCA to report on the use of remote dispensing machines, it is necessary to know the whereabouts of the remote dispensing machines.

Also, this bill provides a separate definition for a "remote dispensing technician". This was purposely provided to distinguish the "remote dispensing technician" from a "pharmacy technician" due to their work location, duties, and supervision by a pharmacist. A "remote dispensing technician" assists the pharmacist with activities specific to that remote dispensing pharmacy, away from the pharmacy, and is supervised through live video and telecommunication. Whereas a "pharmacy technician" works in the pharmacy under the "immediate supervision" of a registered pharmacist that is physically present at the pharmacy. These are two very distinct technicians with different duties and responsibilities. Therefore, in Section 2 of the bill, page 8, line 1, we recommend that the term "technician" be amended to reflect "remote dispensing technician" for clarification.

In closing, the Board supports the practice of remote dispensing and believes it is a technology that should be afforded to all pharmacies so that all residents of this State can be afforded easier access to prescription medications to meet their healthcare needs. The Board understands and sympathizes with the concerns of the legislature of the financial impact on the small independent

Testimony on Senate Bill No. 2459, S.D. 2
Tuesday, March 25, 2008
Page 3

pharmacies, however, this bill is not about financial gain or the prosperity of a business, but of the safe dispensing of prescription medications.

Thank you for the opportunity to testify on Senate Bill No. 2459, S.D. 2, and we ask for your consideration to reinsert the language from Section 5 of the original S.B. No. 2459 regarding the notification by the responsible pharmacies of the use of all remote dispensing pharmacies to the Board, and to clarify reference to "technician" with "remote dispensing technician".

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Testimony of
Phyllis Dendle
Director of Government Affairs

Before:
House Committee on Health
The Honorable Josh Green M.D., Chair
The Honorable John Mizuno, Vice Chair

March 25, 2008
9:00 am
Conference Room 329

SB 2459 SD2 RELATING TO REMOTE DISPENSING

Chair Green and committee members, thank you for this opportunity to provide testimony on SB 2459 SD2 permitting the remote dispensing of pharmaceuticals.

Kaiser Permanente Hawaii supports this bill.

We support legislating remote dispensing because we think we will see improved compliance with drug therapy if patients have immediate access to their prescriptions and this will offer access to medication in places where a pharmacist is unavailable onsite. With a nationwide shortage of pharmacists it is not just geographically isolated locations that would not have a pharmacist or a pharmacy available.

This bill seeks to safeguard the patient by requiring multiple safety features. Its details were worked out collaboratively by the Hawaii Pharmacists Association, the departments of health, commerce and consumer affairs and public safety, pharmacies and health care organizations. Kaiser Permanente was pleased to a part of this effort.

We urge you to pass this bill and thank you for your consideration.

711 Kapiolani Blvd
Honolulu, Hawaii 96813
Telephone: 808-432-5210
Facsimile: 808-432-5906
Mobile: 808-754-7007
E-mail: phyllis.dendle@kp.org

000016

March 24, 2008

SUBMITTED BY: RICHARD BETTINI
CHIEF EXECUTIVE OFFICER
WAIANAE COAST COMPREHENSIVE HEALTH CENTER

TESTIMONY TO: COMMITTEE ON HEALTH

BILL NUMBER: SB 2459 SD 2; RELATING TO REMOTE DISPENSING

The Health Center **supports** SB 2459 SD 2.

Federally Qualified Health Centers in several remote areas on several islands, including the Waianae Coast Comprehensive Health Center on Oahu, already have Remote Dispensing equipment and systems ready to serve patients. We understand the needs of our communities, are prepared to meet the needs of our patients, and are responsible for addressing barriers that impact the health of our patients.

For the Waianae Coast Comprehensive Health Center, that provides over \$100,000 in free medicines to patients each year, remote dispensing is part of the answer to help get much needed medicines to the homeless and those with limited transportation options, the majority who are faced with multiple chronic conditions. It is more effective than hiring additional pharmacists which are in short supply in rural areas and medical control is assured as our systems are integrated with electronic medical records and telemedicine links.

The top priority for the Health Center is to bring pharmacy services to its Nanakuli Clinic. Distance restrictions for Oahu could preclude this from occurring. The Health Center has no desire to reduce the financial viability of independent pharmacies. The legislature could protect smaller pharmacies by limiting only distance minimums to the neighbor islands or by limiting remote dispensing to 340B pharmacies that also service low income safety net populations.

This technology will make use of digital capability and reduce the cost of serving low income people while making low cost pharmaceuticals available to the vulnerable populations being served.

Thank you for considering the importance of SB 2459 SD 2 for our community.

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mizuno1-Edgar

From: David Peters [dpkauai@hoolalahui.org]
Sent: Thursday, March 20, 2008 5:08 PM
To: HLTtestimony
Subject: Testimony

Date: March 25, 2008

To: HOUSE COMMITTEE ON HEALTH
Rep. Josh Green, MD, Chair
Rep. John Mizuno, Vice Chair

From: David Peters
 Chief Executive Officer
 Ho`ola Lahui Hawai`i

TESTIMONY IN SUPPORT
SB 2459, SD2 Relating to Remote Dispensing
Tuesday March 25, 2008, 9am Conference Room 329

We strongly **SUPPORT** this bill which will restore telepharmacy services at Ho`ola Lahui Hawai`i, a federally qualified health center and a Native Hawaiian Health Care System. This critical service provides acute medications to patients directly at each of the two clinic sites operated by HLH. This is especially important for uninsured patients who would not otherwise obtain the drugs they need to improve their immediate health. HLH provides these medications at a reduced cost to those who otherwise would not be able to afford these medications. The technology allows HLH to reduce costs further by having a central pharmacy location dispense using the machines to dispense acute medications at each clinic.

The telepharmacy service that Ho`ola Lahui Hawai`i started in October 2005 was stopped in April of 2007 due to a clarification made by the Hawaii Board of Pharmacy. The clarification stated that a pharmacist must be onsite to dispense medications from the machines negating the need for the technology, increasing the costs to dispense the necessary medications, and decreasing the patient's access to the medications.

This bill is necessary for Ho`ola Lahui Hawai`i to resume this needed service in our health centers.

Thank you for the opportunity to testify in strong support of this bill.

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3/24/2008

To: **The House Committee on Health**
The Honorable Josh Green, MD, Chair
The Honorable John Mizuno, Vice Chair

Testimony in SUPPORT of Senate Bill 2459 SD2
Relating to Remote Dispensing

Submitted by Grace Kamai, Ho`ola Lahui Hawai`i, Board Director
March 25, 2008, 9:00 a.m. agenda, Room 329

I strongly **support** this bill which will restore telepharmacy services at Ho`ola Lahui Hawai`i (HLH), a Federally Qualified Health Center and a Native Hawaiian Health Care System. This critical service provides acute medication to patients directly at each of the two clinic sties operated by HLH. This is especially important for uninsured patients who would not otherwise obtain the drugs they need to improve their immediate health. HLH provides these medications at a reduced cost to those who otherwise would not be able to afford these medications. The technology allows HLH to reduce costs further by having a central pharmacy location dispense using the machines to dispense acute medications at each clinic.

The telepharmacy service was stopped in April of 2007 due to a change in clarification made by the Hawaii Board of Pharmacy which stated that a pharmacist must be onsite to dispense medications from the machines negating the need for the technology, increasing the costs to dispense the necessary medications, and decreasing the patients' access to the medications.

This bill is necessary for Ho`ola Lahui Hawai`i to resume this needed service in our health centers.

Thank you for the opportunity to testify in strong support of this bill.

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mizuno1-Edgar

From: Garrett Lau [glau@hoolalahui.org]
Sent: Monday, March 24, 2008 4:10 PM
To: HLTtestimony
Subject: Letter in support of SB 2459, SD2 Telepharmacy

To: HOUSE COMMITTEE ON HEALTH
Rep. Josh Green, Chair
Rep. John Mizuno, Vice Chair

From: Garrett A. Lau, RPh.
 Director of Pharmacy
 Ho`ola Lahui Hawai`i
 3501 Rice Street, Suite #209
 Lihue, HI 96766
 (808) 240-0204

March 24, 2008

Testimony in Support
SB 2459, SD2 Relating to Remote Dispensing
Tuesday March 25, 2008, 9:00am, Conference Room 329

I strongly support SB 2459, SD2 relating to remote dispensing.

I have over 13 years of retail pharmacy business experience in both a large retail chain drug store and in a small independent pharmacy. Although I have no complaints of either setting, both experiences were not personally rewarding as both businesses were primarily money driven. After all is said and done, making a profit was the bottom line. I understand the opposition to why Telepharmacy should not be allowed because of the fear of competition and potential loss of business and revenue, but what needs to be ultimately considered is the accessibility of affordable 340B medications to the uninsured and underinsured population. In this day and age, cash paying customers account for a very small percentage of the retail pharmacy business, a population whose needs have been "forgotten". The concept of giving these cash paying customers discounts and/or deviating from the U&C charge is addressed in Insurance by-laws as "illegal" and subject to penalties.

Can the use of Telepharmacy put an end to the independent pharmacy and the pharmacy profession as we know it?

In theory; yes. In reality; no. No one can replace an actual human being and the personal service of a real pharmacist. Skeptics of this technology argue that there is a loss of patient care when in actuality patient care is increased. Consultation by a licensed pharmacist is available and if there are further questions the physician and his team is there as well. The patient has access to all healthcare providers involved and receives the acute medication needed without leaving the clinic. Another reason I feel that Telepharmacy will not replace a traditional pharmacy is that the work involved is very labor and time intensive to be profitable. With reimbursements from insurance companies continuously shrinking, the only way to compensate for this shortfall is to increase volume, a task that is counterproductive of Telepharmacy.

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3/24/2008

One thing to remember is that it is always the patients' choice to receive medications from the Telepharmacy unit, and given the many obstacles faced by our less fortunate (money, transportation), options to receiving medications are a blessing. They would no longer be forced to purchase medications at regular price at the only pharmacy they have access to and have the option of receiving it at a more affordable price.

How do FQHC effectively dispense 340B medications to the population in which it was intended for?

I was told by an independent pharmacy owner that 340B entities should contract with a "regular" pharmacy to dispense these medications; Our goal at HLH as a non-profit organization is to become a self sustaining pharmacy that can continue to provide 340B medications to those in need. Any revenue generated would help subsidize the cost of medications given at a discount to the uninsured.

Telepharmacy is a secure and safe method of providing acute 340B medications to those who qualify. Telepharmacy is not a walk-up vending machine. Units are located in a secure, non-public area with limited access by authorized healthcare providers only.

I humbly ask for your consideration on this bill so that we can provide this valuable service to the members of our community in need.

Sincerely,
Garrett A. Lau, RPh

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HMSA



An Independent Licensee of the Blue Cross and Blue Shield Association

March 25, 2008

The Honorable Josh Green, M.D., Chair
The Honorable John Mizuno, Vice Chair

House Committee on Health

Re: SB 2459 SD2 – Relating to Remote Dispensing

Dear Chair Green, Vice Chair Mizuno and Members of the Committee:

The Hawaii Medical Service Association (HMSA) appreciates the opportunity to testify on SB 2459 SD2 which would permit the operation of remote dispensing pharmacies. HMSA supports this measure.

This measure would give individuals in rural areas of the state the ability to gain access to their prescription medications in their own community. Through the use of state-of-the-art telecommunications technology, pharmacists are able to dispense medications to patients at a distance. Telepharmacy will help expand access to quality health care to primarily rural and medically underserved areas.

Thank you for the opportunity to testify on SB 2459 SD2.

Sincerely,

A handwritten signature in cursive script, appearing to read "Jennifer Diesman".

Jennifer Diesman
Assistant Vice President
Government Relations

mizuno1-Edgar

From: Lori Balisacan [lbalisacan@hoolalahui.org]
Sent: Monday, March 24, 2008 2:47 PM
To: HLTtestimony
Cc: lbalisacan@hoolalahui.org
Subject: Testimony in Strong Support of SB 2459, SD2 Relating to Remote Dispensing

To: HOUSE COMMITTEE ON HEALTH
Rep. Josh Green, Chair
Rep. John Mizuno, Vice Chair

From: Lori Balisacan
5650 Kula Mauu St.
Kapa'a, HI 96746

Testimony in Support
SB 2459, SD2 Relating to Remote Dispensing
Tuesday March 25, 2008, 9:00am Conference Room #329

I am writing this letter in support of SB 2459, SD2 Relating to Remote Dispensing. I have been blessed with the opportunity to work as a pharmacy technician for the last 7 years. I have been employed by Ho`ola Lahui Hawai`i for over 2 years. I've been working with the telepharmacy system since 2005. I have come to believe that remote dispensing is a step in the right direction. It saves the patient time and money when they receive their medications from the clinic. Any concerns that the doctor or patient has can be addressed at the time of the appointment. It becomes a one stop shop.

We have served people from all walks of life. The majority of our patients consist of people who are on a fixed income and don't have drug insurance. Some people don't have any income at all. They are faced with the decision of food or medicine. We can eliminate that worry and ensure that they get their medicine right then and there. In this day and age of technology, we are on the verge of a medical phenomenon. We can offer the patient a service like no other.

We have been able to reach out to the community and pay it forward. We are the ground breakers of tomorrow. Please let us pave the way for the next generation and guarantee a future worth living for. I strongly urge you to PASS this bill. I thank you for taking the time to read my testimony.

Sincerely,

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3/24/2008

Lori Balisacan

Lori Balisacan, CPhT
Ho'ola Lahui Hawai'i Pharmacy
3501 Rice St Ste 209
Lihue, HI 96766
lbalisacan@hoolalahui.org

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To: HOUSE COMMITTEE ON HEALTH
Rep. Josh Green, Chair
Rep. John Mizuno, Vice Chair

From: John D. Silva
1429 Kanepoonui Rd
Kapaa, HI 96746

Testimony in Support
SB 2459, SD2 Relating to Remote Dispensing
Tuesday March 25, 2008, 9:00am Conference Room 329

I strongly report SB 2459, SD2 relating to remote dispensing. This bill would assist me and my family in getting needed medications at the clinic where we get our care.

This service is incredibly important especially to those without health insurance to get access to needed prescriptions at the clinic. The use of this equipment is very safe and the pharmacist is available to if (I/we) need them to answer our questions about the medications that have been prescribed.

I have recently become uninsured and on a very tight budget, so for me it is extremely helpful to be able to get medications that I need at the same clinic where I receive my medical care. Two years ago, I came down with Leptospirosis and nearly died. Since then it is crucial for me that when I go to my doctor for my medical care and I need medications, for example antibiotics that I receive them immediately. The Telepharmacy service has been able to provide me with this and has done so in a safe and effective manner. Anytime I had questions, there has always been someone there that could answer them in a professional and educated manner. I humbly ask that you continue to support this service for those people like myself who cannot afford medical insurance or drug coverage.

I would very much like to see this service available in our community.

Mahalo for your consideration,

John D. Silva

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1 OF 2

To Representative JOHN MIZUNO

From Les Krenk
Maui Clinic Pharmacy
808 877 6222

Date: 3-24-08

Attached a faxes of letters opposing SB2459, the signees are clients and employees of Maui Clinic Pharmacy. All of us oppose this bill and I will keep sending these faxes until the bill dies in committee or is voted down on the house floor. If you have any questions please contact me at the above number. Thank you for your time and consideration.

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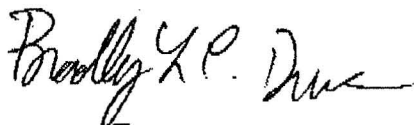
FORM LETTER TESTIMONY SIGNED BY 118
OTHER MAUI RESIDENTS.

Representative _____ I live on Maui and believe I am in your voting district. I made my regular visit to my pharmacist today and he/she made me aware of SB2459 or one of its cross over forms. They also informed me that you have voted in favor of this bill which changes the law to allow robot vending machines supervised by staff who in most case have no more than a high school education, and a video camera to provide my medications. I was told this change is necessary so I can be better served? Is that what you consider service, talking to a member of my medical care team through a video screen? My understanding is that if I need to speak to a pharmacist the video is supposed to satisfy that function. That seems crazy to me! How can you vote to allow such things when my relationship with my pharmacist means so much to me? Is this one of the improvements in healthcare which I have been promised? Who is this person on the video camera? Does he know my family history, or my medical condition? Is he going to be sensitive to my needs when I run short of medication, or need to change the way I take my medication?

This whole thing sounds crazy to me and I voted for you in the past in hope you would protect my interests, one of which is my health. I am sure you were either misinformed about this proposed change in the pharmacy law, or forgot your promises to me. I trust my pharmacist to always keep my best interests and health in mind, but I am no longer sure about you keeping your promises to me.

I hope that I am the one confused here, and need your help in understanding your support of this bill. Please reply to this letter in writing and by telephone to help me better understand how changing the way I get my pharmaceutical care as proposed in this bill, is my best interest. I will be glad to take your explanation back to my pharmacist so they help me understand the positive affects of your vote.

Sincerely,



Name: BRADLEY DURAN, ET. AL. (118 OTHERS)

Telephone: 201-4906

Address: 351 HIOLANI ST.

Date: 3/19/08

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2 OF 2

To Representative JOHN MIZUNO

From Les Krenk
Maui Clinic Pharmacy
808 877 6222

Date: 3-24-08

Attached a faxes of letters opposing SB2459, the signees are clients and employees of Maui Clinic Pharmacy. All of us oppose this bill and I will keep sending these faxes until the bill dies in committee or is voted down on the house floor. If you have any questions please contact me at the above number. Thank you for your time and consideration.

000028

FORM LETTER TESTIMONY SIGNED BY 28
OTHER KAUAI RESIDENTS.

Representative Tokioka
15th Representative District
Hawaii State Capitol, Room 322
415 South Beretania Street
Honolulu, HI 96813
phone 808-586-6270; fax 808-586-6271
Cc: Senator Josh Green, (F) 808-586-9608

Representative Tokioka. I am PAT LENZ living on Kauai, and believe I am in your voting district. Today when I made my regular visit to my pharmacist he/she made me aware of HB2459 or one of its cross over forms. They also let me know that you have voted in favor of this bill which changes the law to allow robot vending machines supervised by staff who in most case have no more than a high school education, and a video camera to provide my medications. I was told this change is necessary so I can be better served? Is that what you consider service, talking to a member of my medical care team through a video screen? My understanding is that if I need to speak to a pharmacist the video is supposed to satisfy that function. That seems crazy to me! How can you vote to allow such things when my relationship with my pharmacist means so much to me? Is one of the improvements in healthcare which I have been promised? Who is this person on the video camera? Does he know my family history, or my medical condition? Is he going to be sensitive to my needs when I run short of medication, or need to change the way I take my medication?

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I hope that I am the one confused here, and need your help in understanding your support of this bill. Please reply to this letter in writing and by telephone to help me better understand how changing the way I get my pharmaceutical care as proposed in this bill is my best interest. I will be glad to take your explanation back to my pharmacist so they help me understand the positive affects of your vote.

Sincerely,

P. M. Lenz

245-2007

4640 Manulele St

Lihue, HI 96766

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