

STAND. COM. REP. NO.

Honolulu, Hawaii

293

FEB 20 2009

RE: S.B. No. 585
S.D. 1

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fifth State Legislature
Regular Session of 2009
State of Hawaii

Madam:

Your Committee on Health, to which was referred S.B. No. 585
entitled:

"A BILL FOR AN ACT RELATING TO REMOTE DISPENSING,"

begs leave to report as follows:

The purpose of this measure is to expand the ability of
individuals in remote areas of the State to gain access to
prescription medications, including controlled substances and
individuals with health insurance, through the use of remote
dispensing pharmacies.

Your Committee received testimony in support of this measure
from the Department of Human Services and Hawaii Medical Service
Association. Kaiser Permanente submitted testimony in support of
the measure with amendments. Walgreens submitted testimony in
support of the intent of the measure. Comments on the measure
were received from the Department of Public Safety and the Board
of Pharmacy.

Copies of written testimony are available for review on the
Legislature's website.

Your Committee finds that certain areas of the State have
limited or no access to prescription medications. This measure
will improve patient compliance with drug therapies by authorizing
the use of remote dispensing pharmacies for individuals with
health insurance who prescriptions filled for controlled



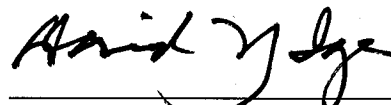
substances, and individuals living in remote areas and areas without a pharmacy.

Your Committee has amended this measure by adopting the recommendations of the Department of Public Safety and Kaiser Permanente by:

- (1) Clarifying that a remote dispensing pharmacy may provide medications to patients with health insurance coverage who reside on an island without a pharmacy or in remote areas where there are no pharmacies within a five mile radius of an existing pharmacy;
- (2) Clarifying that a remote dispensing pharmacy may continue to operate in the same location if a pharmacy is subsequently established on the same island as the remote dispensing pharmacy or in the remote area that is not within a five mile radius of an existing pharmacy; provided that the remote dispensing pharmacy shall no longer be authorized to dispense controlled substances;
- (3) Authorizing remote dispensing pharmacies located at facilities operated by a health maintenance organization regulated pursuant to chapter 432D, Hawaii Revised Statutes, to operate and provide medications to patients with health insurance coverage who are served; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 585, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 585, S.D. 1, and be referred to the Committee on Commerce and Consumer Protection.

Respectfully submitted on
behalf of the members of the
Committee on Health,



DAVID Y. IGE, Chair



The Senate
 Twenty-Fifth Legislature
 State of Hawaii

Record of Votes
Committee on Health
HTH

Bill / Resolution No.:* SB 585	Committee Referral: HTH, CPN	Date: 2-11-9		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
IGE, David Y. (C)	✓			
GREEN, M.D., Josh (VC)	✓			
BAKER, Rosalyn H.	✓			
ESPERO, Will	✓			
NISHIHARA, Clarence K.				✓
HEMMINGS, Fred	✓			
TOTAL	5	0	0	1
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes

Report Title:

Remote Dispensing Pharmacy; Health Insurance; Prescription
Drugs; Remote Areas

Description:

Authorizes remote dispensing pharmacies to provide medications
to patients with health insurance coverage; allows remote
dispensing pharmacies to dispense controlled substances. (SD1)

A BILL FOR AN ACT

RELATING TO REMOTE DISPENSING.

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

1 SECTION 1. The legislature finds that many individuals
2 living in underserved or remote areas need improved access to
3 medications and pharmacy services. Access to medications and
4 pharmacy services is also critical for individuals who are
5 privately insured residing on rural islands and in remote areas
6 where there are no pharmacies. Without access to a pharmacy,
7 individuals face tremendous barriers to obtaining basic, much-
8 needed medications.

9 The purpose of this Act is to permit residents on rural
10 islands and remote areas to have access to a remote dispensing
11 pharmacy for the purpose of obtaining medications regardless of
12 the type of medical insurance that they may have.

13 SECTION 2. Section 461-10.5, Hawaii Revised Statutes, is
14 amended as follows:

15 1. By amending its title and subsections (a), (b), (c),
16 and (d) to read:

1 "~~+~~§461-10.5~~+~~ Remote dispensing pharmacy; operations.

2 (a) A remote dispensing pharmacy shall be under the direct
3 supervision of the registered pharmacist in charge of the
4 responsible pharmacy who shall:

5 (1) Ensure that the remote dispensing pharmacy is in
6 compliance with all laws and rules governing the
7 practice of pharmacy and remote dispensing;

8 (2) Ensure that the remote dispensing pharmacy is
9 appropriately staffed by a qualified remote dispensing
10 technician; and

11 (3) Be responsible for the integrity of the drugs in the
12 remote dispensing machine and ensure that drugs for
13 the remote dispensing machine are provided to the
14 remote dispensing pharmacy only from the responsible
15 pharmacy.

16 (b) [~~Physical set-up.~~] A remote dispensing pharmacy
17 shall:

18 (1) Be effectively secured to prevent unauthorized access
19 at all times [~~, and entry to the remote dispensing~~
20 ~~pharmacy shall be limited]~~ and limit entry to
21 authorized personnel only;

1 (2) Be connected via live computer link, video link, and
2 audio link to the responsible pharmacy [~~and shall use~~]
3 through the information technology system of the
4 responsible pharmacy;

5 (3) Conspicuously display at the remote dispensing
6 machine:

7 (A) A copy of the license of the responsible
8 pharmacy; and

9 (B) A copy of the license of the pharmacist in charge
10 of the responsible pharmacy; and

11 (4) Have a confidential area available for communication
12 between the patient and the pharmacist at the
13 responsible pharmacy.

14 (c) No remote dispensing pharmacy shall operate within a
15 five mile radius of any pharmacy as defined under section 461-1;
16 provided that:

17 (1) This subsection shall not apply to any remote
18 dispensing pharmacy established prior to July 3, 2008
19 that has previously dispensed and will continue to
20 dispense only prescription medications acquired
21 pursuant to section 340B of the Public Health Service
22 Act, Title 42 United States Code section 256b; [~~and~~]

1 (2) If an appropriately designated pharmacy, as defined in
2 section 461-1, is established within a five mile
3 radius of an existing remote dispensing pharmacy
4 exempted by this subsection, all appropriate measures
5 shall be taken to encourage the relocation of the
6 existing remote dispensing machine within the newly
7 established pharmacy[-]; and

8 (3) This subsection shall not apply to any remote
9 dispensing pharmacy established in a facility operated
10 by a health maintenance organization regulated
11 pursuant to chapter 432D for the exclusive use of
12 patients served at the facility.

13 (d) Remote dispensing pharmacies shall not provide
14 medications to patients with health insurance coverage, except
15 for [~~patients~~]:

16 (1) Patients covered by QUEST[-];

17 (2) Patients served at a facility operated by a health
18 maintenance organization regulated pursuant to chapter
19 432D; and

20 (3) Patients residing on an island without a pharmacy or
21 in remote areas where there are no pharmacies within a
22 five mile radius of an existing pharmacy. A remote

1 dispensing pharmacy established pursuant to this
2 subsection may continue to operate in the same
3 location if a pharmacy is subsequently established on
4 the same island as the remote dispensing pharmacy or
5 in the remote area that is not within a five mile
6 radius of an existing pharmacy; provided that the
7 remote dispensing pharmacy shall no longer be
8 authorized to dispense controlled substances."

9 2. By amending subsections (g), (h), (i), and (j) to read:

10 "(g) Each remote dispensing machine shall be operated by
11 only one responsible pharmacy. A responsible pharmacy may
12 operate [~~through~~] more than one remote dispensing machine.

13 (h) The remote dispensing machine shall have the following
14 features to ensure that it is appropriately secure at all times
15 and that all transactions are properly documented:

16 (1) Secure double-locked cabinets;

17 (2) Bar-coding or similar technology that effectively
18 recognizes the product;

19 (3) A cabinet that delivers only one bar-coded unit-of-use
20 container per [~~dispense,~~] dispensation, per
21 prescription;

1 (4) A scanner and printer that, upon releasing the unit-
2 of-use container from the remote dispensing machine,
3 [~~the container is scanned~~] scans the container to
4 confirm it is the correct container, and [~~with that~~
5 ~~confirmation, the printer will print~~] if confirmed,
6 prints a patient-specific label that has a bar code
7 which is scanned to confirm it is the correct label
8 for the prescription; and

9 (5) A video component that allows the patient to have a
10 "face-to-face" consultation with the pharmacist at the
11 responsible pharmacy.

12 (i) A pharmacist shall be in charge of the remote
13 dispensing machine and shall ensure that:

14 (1) Written policies and procedures are developed [~~prior~~
15 ~~to using the machine~~] before the machine is used that:

16 (A) Ensure the safe and effective dispensing of
17 pharmaceutical products;

18 (B) Ensure that the remote dispensing pharmacy and
19 the remote dispensing machine [~~is~~] are operating
20 safely, accurately, and securely; and

21 (C) Define the conditions for access to the remote
22 dispensing machine and to medications contained

1 within or associated with the machine, including
2 policies that assign, discontinue, or change
3 access to the remote dispensing machine and
4 medications;

5 (2) A pharmacist licensed in this State and employed by
6 the responsible pharmacy has secured access to the
7 drugs in the remote dispensing machine;

8 (3) Access to the [~~medications~~] drugs in the remote
9 dispensing machine complies with state and federal
10 laws, rules, and regulations;

11 (4) No prescription drug is dispensed at the remote
12 dispensing pharmacy until a pharmacist at the
13 responsible pharmacy has verified the finished
14 prescription;

15 (5) Only one prescription is dispensed and labeled from
16 the remote dispensing machine at a time;

17 (6) All prescriptions dispensed have a label affixed to
18 the final drug container that meets the requirements
19 set forth in section 328-16 and includes the address
20 of the remote dispensing pharmacy;

- 1 (7) If a patient refuses the prescription drug at the time
2 it is dispensed, the prescription drug is locked in a
3 secured cabinet;
- 4 (8) There is proper inventory control at the remote
5 dispensing pharmacy and only a registered pharmacist
6 or a remote dispensing technician assigned by the
7 pharmacist in charge of the responsible pharmacy shall
8 stock the remote dispensing machine;
- 9 (9) A reconciliation of the physical inventory of the
10 remote dispensing pharmacy is conducted at least
11 annually;
- 12 (10) All personnel who operate the remote dispensing
13 machine at the remote dispensing pharmacy are properly
14 trained. Training shall ensure the competence and
15 ability of all personnel who operate any component of
16 the remote dispensing machine and the remote
17 dispensing pharmacy. Documentation of training shall
18 be kept by the responsible pharmacy; and
- 19 (11) The remote dispensing machine is stocked accurately
20 and in accordance with established written policies
21 and procedures. The pharmacist shall check the

1 accuracy of the product supplied for stocking the
2 remote dispensing machine.

3 (j) Controlled substances shall not be dispensed from any
4 remote dispensing machine or remote dispensing pharmacy~~[]~~,
5 except:

6 (1) On islands without a pharmacy, or in remote areas not
7 within a five mile radius of an existing pharmacy; and

8 (2) Any remote dispensing pharmacy established in a
9 facility operated by a health maintenance organization
10 regulated pursuant to chapter 432D for the exclusive
11 use of patients served at the facility."

12 3. By amending subsection (o) to read:

13 "(o) This section shall not apply to:

14 (1) Mobile medical clinics, provided that no such clinic
15 shall operate in counties with a population less than
16 ~~[100,000]~~ one hundred thousand persons; or

17 (2) Federally qualified health centers, provided that no
18 remote dispensing pharmacy shall operate within a five
19 mile radius of any pharmacy as defined under section
20 461-1, except for those federally qualified health
21 centers that are exempt under ~~[section~~
22 ~~461-10.5(e)(2)]~~ subsection (c)(1).

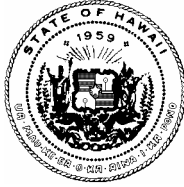
1 As used in this subsection, "mobile medical clinic" means a
2 motor vehicle retrofitted for exclusive use as a medical office
3 or clinic for medical services licensed under chapter 321."

4 SECTION 3. Act 212, Session Laws of Hawaii 2008, is
5 amended by amending section 7 to read as follows:

6 "SECTION 7. This Act shall take effect upon its approval
7 [~~and shall be repealed on January 2, 2013~~].

8 SECTION 4. Statutory material to be repealed is bracketed
9 and stricken. New statutory material is underscored.

10 SECTION 5. This Act shall take effect upon its approval.



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

March 3, 2009

MEMORANDUM

TO: Honorable Rosalyn H. Baker, Chair
Senate Committee on Commerce and Consumer Protection

FROM: Lillian B. Koller, Director

SUBJECT: **S.B. 585, SD1 – RELATING TO REMOTE DISPENSING**

Hearing: Tuesday, March 3, 2009, 9:30 A.M.
Conference Room 229, State Capitol

PURPOSE: The purpose of this bill is to allow persons in remote areas that have no pharmacy to obtain prescription drugs through telepharmacy at a dispensing pharmacy, even if they have health insurance.

DEPARTMENT'S POSITION: The Department of Human Services believes that Hawaii residents should have increased access to prescription medications independent of health insurance.

Because of Hawaii's unique geography and population distribution, certain areas have limited access to prescription medications. Every Island has at least one pharmacy but, unfortunately, individuals living in underserved or remote areas have limited access to medications and pharmacy services. Beginning a remote dispensing pilot for

areas with limited pharmacy access seems in the interest of patients with potential benefits exceeding potential harms. Increasing access to prescription medications is an important step to improving health outcomes.

All persons should have access to the remote dispensing pharmacy including participants of both QUEST and QUEST Expanded Access, as well as those with other public insurance (i.e. Medicare), private insurance, or those paying out of pocket, understanding that their cost-share may vary based on their health insurer's (if applicable) contractual relationship with the pharmacy responsible for overseeing the remote dispensing pharmacy.

A remote dispensing pharmacy should have all protections to ensure patients receive the appropriate medication, dose, and supply. Patients should also have the ability to receive counseling, which should be offered at the time of dispensing. This bill simply requires that there is a confidential area for counseling, not that counseling be offered to each individual obtaining medications. In addition, the medications, particularly narcotics, should be secured and monitored.

Remote dispensing pharmacy policy should not negatively impact a provider's ability to dispense medications in underserved areas, and mail order pharmacy should be available and perhaps encouraged for medications for chronic conditions.

Thank you for the opportunity to comment on this bill.

**PRESENTATION OF THE
BOARD OF PHARMACY**

**TO THE SENATE COMMITTEE ON COMMERCE AND CONSUMER
PROTECTION**

**TWENTY-FIFTH LEGISLATURE
Regular Session of 2009**

**Tuesday, March 3, 2009
9:30 a.m.**

**WRITTEN COMMENTS ON SENATE BILL NO. 585, S.D. 1, RELATING TO
REMOTE DISPENSING.**

**TO THE HONORABLE ROSALYN H. BAKER, CHAIR,
AND MEMBERS OF THE COMMITTEE:**

My name is Dr. Elwin Goo, Chair of the Board of Pharmacy ("Board"). I appreciate the opportunity to present written comments on behalf of the Board. The Board supports Senate Bill No. 585, S.D. 1 that would allow: 1) The utilization of a remote dispensing pharmacy on an island that does not have a permitted pharmacy or in remote areas where there are no pharmacies within a five mile radius of an existing pharmacy; 2) Allow a remote dispensing pharmacy located on an island that does not have a permitted pharmacy or a remote area where there are no pharmacies within a five mile radius to continue to operate in the same location if a pharmacy is subsequently established on the same island or not within a five mile radius of an existing pharmacy; 3) Allow the remote dispensing pharmacy on an island without a pharmacy or in a remote area where there are no pharmacies within a five mile radius to dispense drugs to patients with any health insurance coverage; 4) Allow the dispensing of controlled substances from a remote dispensing pharmacy; and 5) Allow a remote

Testimony on Senate Bill No. 585, S.D. 1
Tuesday, March 3, 2009
Page 2

dispensing pharmacy to be established at facilities operated by a health maintenance organization regulated pursuant to chapter 432D, Hawaii Revised Statutes ("HRS").

The Board however, defers to the Department of Public Safety, Narcotics Enforcement Division, on the dispensing of controlled substances from a remote dispensing pharmacy as they are the appropriate state agency that has the authority over Chapter 329, HRS, the Uniform Controlled Substances Act.

The Board supports the practice of remote dispensing and believes it is technology that should be available throughout the State so all residents of this State can be afforded improved access to prescription medications and pharmacy services to meet their healthcare needs.

Thank you for the opportunity to provide comments on Senate Bill No. 585, S.D. 1.

HMSA



An Independent Licensee of the Blue Cross and Blue Shield Association

March 3, 2009

The Honorable Rosalyn Baker, Chair
The Honorable David Ige, Vice Chair

Senate Committee on Commerce and Consumer Protection

Re: SB 585 SD1 – Relating to Remote Dispensing

Dear Chair Baker, Vice Chair Ige and Members of the Committee:

The Hawaii Medical Service Association (HMSA) appreciates the opportunity to testify in support of SB 585 SD1 which expands the scope and use of remote pharmacies in Hawaii.

This measure would expand the ability of individuals in remote areas 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 today.

Sincerely,

A handwritten signature in black ink, appearing to read 'JD', with a long horizontal stroke extending to the right.

Jennifer Diesman
Assistant Vice President
Government Relations

Testimony of
Phyllis Dendle
Director of Government Affairs

Senate Committee on Commerce and Consumer Protection
The Honorable Rosalyn H. Baker, Chair
The Honorable David Y. Ige, Vice Chair

March 3, 2009
9:30 am
Conference Room 229

SB 585 SD1 RELATING TO REMOTE DISPENSING PHARMACIES

Chair Baker and committee members, thank you for this opportunity to provide written testimony on this bill which would provide greater access to medications and pharmacy services through remote dispensing.

Kaiser Permanente Hawaii supports this bill as currently amended.

We support remote dispensing because we think we will see improved compliance with drug therapy if patients have immediate access to their prescriptions. This secure technology will offer access to medication when a pharmacy is unavailable on island or is not open. It will be particularly helpful for our members on Lanai where there is no pharmacy. Currently many have to travel to Maui to get their prescriptions filled.

With a nationwide shortage of pharmacists it is not just geographically isolated locations that would not have a pharmacist or a pharmacy available. Sometimes it is time rather than location that makes it difficult for patients to get their prescriptions.

For example, increasingly Kaiser Permanente Hawaii is expanding the access to care for patients by extending the hours that clinics are open. In our smaller, more rural clinics such as those in Kahuku, Waimea, and Kapolei, we do not have a pharmacy located at the clinic. As a convenience for our members we have arranged for them to get their medication from local pharmacies. These pharmacies are not open the same hours as the clinic. However, we always have pharmacist at the hospital who could supervise the remote dispensing in these clinics.

With that in mind we especially support the amendments made by the Committee on Health which permit health maintenance organizations regulated under chapter 432D HRS to have remote dispensing in our facilities. This would be used exclusively for our patients getting treatment at our facilities. These proposed amendments to the law follow.

We believe this will permit better service and access for KP members that we hope will translate into better medication compliance by patients and ultimately to their improved health.

Tuesday – March 03, 2009, Conference Room 229 - 9:30am

The Senate Committee on Commerce & Consumer Protection

To: Senator Rosalyn H. Baker, Chair
Senator David Ige, Vice Chair

From: Shirley Samonte
Manger, Clinical Operations
Straub Lanai Family Health Center

RE: **Testimony in Support of SB 585 SD1
Relating to Remote Dispensing Pharmacies
With Proposed clarifying language**

My name is Shirley Samonte, Manager of Clinical Operations for Straub Lanai Family Health Center. The Straub Lanai Family Health Center is an affiliate of Hawaii Pacific Health (HPH), which is the four-hospital system of Kapi'olani Medical Center for Women & Children, Kapi'olani Medical Center at Pali Momi, Straub Clinic & Hospital, and Wilcox Hospital/Kauai Medical Clinic.

Since December 1991, the Straub Lanai Family Health Center has been providing both primary and access to specialized care for the entire Lanai community. The services provided by the Center include the treatment of illness and injury for infants, children, adolescents and adults; periodic physical examinations and preventive health maintenance; Pre-marital and gynecological examinations; Minor surgical procedure; Well-baby and well-child services; and selected specialty consultations available in: cardiology, dermatology, obstetrics/gynecology, ophthalmology, orthopedics, pediatrics, physical therapy, and nephrology. The Straub Lanai Family Health Center provides care to more than 12,000 visits annually.

A common challenge faced by all healthcare providers is providing timely and quality healthcare to communities facing geographic barriers to access. Lanai is a community particularly affected by the inherent diseconomies involved with delivering healthcare to remote areas. With a population base of approximately 3,500 located on an island geography, ensuring that Lanai residents receive timely and adequate care has been the mission of the Straub Lanai Family Health Center.

Meeting the pharmaceutical needs of the Lanai community is no exception to these challenges. There are currently no pharmacies located on the island of Lanai. The Straub Lanai Family Health Center operates a *dispensary* – which means that it is only authorized to provide pharmaceuticals prescribed by Straub Lanai Family Health Center physicians. Therefore, Lanai residents traveling to Oahu or any of the other neighbor islands with prescriptions ordered by non-Lanai Family Health Center physicians are

unable to have their prescriptions filled on Lanai. In instances when non-Straub physicians visit the islands - (dentist, psychiatrist, podiatrist, etc.) to provide care to Lanai residents, their patients are also not able to receive their medications prescribed by these healthcare professionals. In these instances, Straub Lanai Family Health Center staff must assist patients with setting up pharmaceutical accounts with their insurance company's mail order pharmacy. As you can imagine, this creates unnecessary hardship and inconvenience for many Lanai residents. The Straub Lanai Family Health Center receives more than 1,000 of these types of requests every month.

One of the strategies to overcome the challenge of delivering pharmaceuticals to remote areas is to utilize existing technologies such as *remote dispensing*. Remote dispensing allows a licensed pharmacist from another location the ability to dispense pharmaceuticals prescribed by a physician at another location. Last year Act 212 was signed into law with the purpose to improve access to medications and pharmacy services by authorizing the operation of remote pharmaceutical drug dispensing machines in the state. While this bill was a helpful step to address providing pharmaceutical access to many remote populations – by limiting access to remote dispensing only to patients enrolled in Quest and Medicaid – the statute as currently written denies Lanai patients the right to participate since approximately 90% of all Lanai residents are **not** enrolled in either Quest or Medicaid.

SB 585 SD1 will allow Lanai residents, and residents of any other islands that do not have a pharmacy, to participate in Act 212. In order to assure these aims are met we are proposing the following clarifying language on **Page 4/Line 20**:

“(3) Patients with any type of insurance residing on an island without a pharmacy or in remote areas where there are no pharmacies within a five mile radius of an existing pharmacy. A remote dispensing pharmacy established pursuant to this subsection may continue to operate in the same location if a pharmacy is subsequently established on the same island as the remote dispensing pharmacy or in the remote area that is not within a five mile radius of an existing pharmacy; provided that the remote dispensing pharmacy shall no longer be authorized to dispense controlled substances.”

Thank you for the opportunity to provide this testimony. We ask that you pass SB 585 SD1 from this committee.



March 1, 2009

Senator Rosalyn Baker
Chair, Senate Committee on Commerce and Consumer Protection

Re: S.B. 585, SD1 – Relating to Remote Dispensing

Hearing: Tuesday, March 3, 2009 at 9:30 a.m., Room 229

Dear Chair Baker and Members of the Committee on Commerce and Consumer Protection:

I am Mihoko Ito, an attorney with Goodsill Anderson Quinn & Stifel, testifying on behalf of Walgreen Co. (“Walgreens”). Walgreens operates more than 6,600 locations in 49 states, the District of Columbia and Puerto Rico. Walgreens also operates 217 Take Care Health Clinics in 15 states within select Walgreens stores, employing Advance Practice Nurses and Physician Assistants.

Walgreens **supports the intent of** S.B. 585, SD1, which authorizes remote dispensing pharmacies to provide medications to patients with health insurance coverage and allows remote dispensing pharmacies to dispense controlled substances. S.B. 581, S.D.1 makes amendments to authorize remote dispensing pharmacies at Chapter 432D health maintenance organizations for its members, without distance or insurance coverage restrictions.

Walgreens supports the intent of S.B. 585 because it expands access to medications for those living on the remote outer islands, and allows those with health insurance to utilize this technology. However, Walgreens believes that the allowance of remote dispensing without geographical and socioeconomic restrictions on these islands should also be expanded to apply to all islands. Under the present law, Hawai‘i Revised Statutes (“HRS”) § 461-10.5, remote dispensing pharmacies are not permitted within a five mile radius of another pharmacy, with certain exceptions, and can only provide medications to patients covered by QUEST medical coverage.

Walgreens believes that geographical and socioeconomic restrictions for remote dispensing systems hinder access to prescription drugs for Hawai‘i residents, and do nothing to ensure patient safety. HRS § 461-10.5 already contains patient safety provisions so that users will receive access to prescription drugs via a method that is safe and secure, in consultation with a pharmacist. Accordingly, Walgreens respectfully requests that the geographic and socioeconomic restrictions in HRS § 461-10.5 be removed to allow not only remote outer island residents, but all Hawai‘i residents the ability to obtain their prescription drugs in a safe, efficient and convenient manner.

Thank you very much for the opportunity to testify.

*Walgreen Co. Government and Community Relations 104 Wilmot Road, MS 1444 Deerfield, IL 60015
847-315-4653 FAX 847-315-4417 www.walgreens.com*