

**PRESENTATION OF THE  
BOARD OF PHARMACY**

TO THE HOUSE COMMITTEE ON  
CONSUMER PROTECTION AND COMMERCE

TWENTY-FIFTH LEGISLATURE  
Regular Session of 2010

Wednesday, March 24, 2010  
2:00 p.m.

**TESTIMONY ON SENATE BILL NO. 2770, S.D.1, H.D.1, RELATING TO  
REMOTE DISPENSING PHARMACY.**

TO THE HONORABLE ROBERT N. HERKES, CHAIR,  
AND MEMBERS OF THE COMMITTEE:

My name is Patrick Adams and I am a member of the Board of Pharmacy ("Board") and I appreciate the opportunity to present testimony on behalf of the Board. The Board supports this bill with amendments. This bill amends the definitions of "remote dispensing machine" and "remote dispensing pharmacy" by deleting the restriction that the drugs acquired for dispensation from a "remote dispensing machine" and from a "remote dispensing pharmacy" be acquired pursuant to section 340B of the Public Health Service Act, Title 42 United States code section 256b. This would allow prescription drugs to be more accessible for individuals living in underserved or remote areas and for health maintenance organizations ("HMOs") to utilize this technology so that they may better serve their members.

The House Committee on Health amended this bill by deleting "an institutional facility, including" under the definition of "Remote dispensing pharmacy". We believe that this deletion would restrict the location of a "remote

Testimony on Senate Bill No. 2770, S.D.1, H.D.1  
Wednesday, March 24, 2010  
Page 2

dispensing pharmacy” to only “federally qualified health centers” that would make the availability of prescription drugs more exclusive. We respectfully request that “an institutional facility, including” language be restored.

Thank you for the opportunity to present testimony on Senate Bill No. 2770, S.D.1, H.D.1.

Testimony of  
Phyllis Dendle  
Director Government Relations

Before:  
House Committee on Consumer Protection and Commerce  
The Honorable Robert N. Herkes, Chair  
The Honorable Glenn Wakai, Vice Chair

March 24, 2010  
2:00 pm  
Conference Room 325

**SB 2770 SD1 HD1 RELATING TO REMOTE DISPENSING PHARMACY**

Chair Herkes and committee members, thank you for this opportunity to provide testimony on SB2770 SD1 HD1 which amends the definitions relating to remote dispensing pharmacy to permit the implementation of Act 96-2009.

**Kaiser Permanente Hawaii supports this bill with amendment.**

In 2009 the legislature passed and the governor signed Act 96 which was SB 585 making amendments to the remote dispensing law to permit remote dispensing in rural areas and by HMO's in their own facilities. It has not been possible to implement this law because two definitions are too narrowly written. This bill removes the requirement that only drugs acquired under the federal 340B program be remotely dispensed. Drugs gotten under this program are only available to people without insurance. The intent of SB 585 was to provide better availability of medication for patients regardless of whether or not they have insurance.

We would like to ask for the following amendments to this draft of the bill.

On Page 2 line 3-4 we request that the language that was in earlier drafts be put back in the bill so that "an institutional facility, including" would not be stricken.

Page 2 Line 12 we request that the effective date be changed to "upon approval"

We also request that you remove the sunset on two definitions that have a direct relationship to remote dispensing pharmacy.

The definitions for "Institutional facility" and "unit of use container" were originally placed into law with a section that permits, under certain circumstance, the return of unused drugs to be used by other patients (461-11.5 HRS). This section and the definitions place into the law with it are due to sunset July 1, 2010. The remote dispensing law was passed originally in 2008 four years after the return of prescription drugs section. Remote dispensing made use of two definitions also used for return of prescriptions drugs. We would like to keep these two definitions that affect remote dispensing.

We support remote dispensing as a way to have improved compliance with drug therapy because patients will have immediate access to their prescriptions. This secure technology will supply necessary medication when and where patients need it and ultimately improve their health.

We urge you to pass this bill with these amendments so that remote dispensing can be implemented as the legislature intended. Thank you for your consideration.



55 Merchant Street  
Honolulu, Hawai'i 96813-4333

## HAWAI'I PACIFIC HEALTH

Kapi'olani • Pali Momi • Straub • Wilcox

808-535-7401  
www.hawaiipacifichealth.org

**Wednesday – March 24, 2010 – 2:00pm**  
**Conference Room 325**

### The House Committee on Consumer Protection and Commerce

To: Representative Robert Herkes, Chair  
Representative Glenn Wakai, Vice Chair

From: Michael Robinson, Executive Director - Government Relations

Re: **SB 2770 SD1 HD1/Testimony in Support with Proposed Amendments**

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My name is Michael Robinson, Executive Director Government Relations at Hawai'i Pacific Health (HPH). Hawai'i Pacific Health is a nonprofit health care system and the state's largest health care provider, committed to providing the highest quality medical care and service to the people of Hawai'i and the Pacific Region through its four affiliated hospitals, 44 outpatient clinics and more than 2,200 physicians and clinicians. The network is anchored by its four nonprofit hospitals: Kapi'olani Medical Center for Women & Children, Kapi'olani Medical Center at Pali Momi, Straub Clinic & Hospital and Wilcox Memorial Hospital.

We are writing in support of SB 2770 SD1 HD1 which amends the definitions of remote dispensing machine and remote dispensing pharmacy permitting the implementation of Act 96-2009. In 2009 the legislature passed and the governor signed Act 96 which was SB 585 making amendments to the remote dispensing law to permit remote dispensing in remote areas and by HMO's in their own facilities. This bill simply clarifies definitions to make them consistent with the intent of Act 96.

However, in its current draft, SB 2770 SD1 HD1 further amends the definition of "remote dispensing pharmacy" to exclude an institutional facility. This exclusion would have the unintended effect of restricting access to those residing in underserved or remote areas. Therefore, we respectfully suggest that the language of the bill be returned to its original form so that the definition of "remote dispensing pharmacy" reads:

"Remote dispensing pharmacy" means the area in an institutional facility, including a federally qualified health center, ~~providing~~ that provides outpatient medical care in any county, ~~by dispensing~~ where prescription drugs ~~[that are acquired pursuant to section 340B of the Public Health Service Act, Title 42 United States Code section 256b,]~~ are dispensed through the use of a remote dispensing machine."

Additionally, we note that the definitions of "institutional facility" and "unit of use container" will sunset on July 1, 2010. Because both definitions are necessary to the application of the law regarding remote dispensing pharmacies, we ask that the sunset provision of July 1, 2010 be deleted as follows:

Act 190, Session Laws Hawaii, Regular Session of 2004 is amended by amending section 11 to read as follows:

"This Act shall take effect on July 1, 2004, and shall be repealed on July 1, 2010 with the exception of the definitions of "institutional facility" and "unit of use container" which shall not be subject to repeal on July 1, 2010; provided that sections 328C-1, 328C-2, and 461-1, Hawaii Revised Statutes, shall be reenacted in the form in which they read on the day before the effective date of this Act."

We ask that this measure become effective upon approval. We urge you to pass this bill with the



Affiliates of Hawai'i Pacific Health

suggested amendments. Thank you for your consideration.