



**STATE OF HAWAII
DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS**

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February 4, 2011

To: The Honorable Karl Rhoads, Chair
and Members of the House Committee on Labor & Public Employment

The Honorable Angus L. K. McKelvey, Chair
And Members of the House Committee on Economic Revitalization & Business

Date: February 4, 2011
Time: 9:00 a.m.
Place: Conference Room 309, State Capitol

From: Dwight Y. Takamine, Interim Director
Department of Labor and Industrial Relations

Re: H.B. No. 1243 Relating to Repackaged Drugs & Compound Medications

I. OVERVIEW OF PROPOSED LEGISLATION

House Bill 1243 proposes to amend Section 386-21, HRS, by restricting the cost of repackaged or relabeled drugs to not exceed the amount that was paid had it not been repackaged or relabeled. The same would apply to any compound medication that is repackaged or relabeled. This bill will also allow prescription reimbursement of the lower of the average wholesale price plus forty percent or the carriers benefit network price.

II. CURRENT LAW

The current Workers' Compensation Medical Fee Schedule Administrative Rule, Section 12-15-55, allows for prescription drugs to be reimbursed at the average wholesale price as listed in Redbook plus forty percent when sold by a physician, hospital, pharmacy, or provider of service other than a physician. All billings for prescriptive drugs must include the national drug code listed in Redbook followed by average wholesale price listed at time of purchase by the provider of service.

The current law does not address the reimbursement of repackaged and relabeled, and compound medications.

III. SENATE BILL

The Department supports the intent of the bill, which opposes excessive or unnecessary added cost of prescription medication. The department continues to work towards insuring that Hawaii's injured workers continue to receive quality medical care, services, supplies, and easy access to filling prescription medication, while insuring providers of services and suppliers who care for Hawaii's injured workers are fairly reimbursed. The department does have an additional concern:

1. The bill is not clear as to its meaning when it specifies that prescription medication will be reimbursed at the lower of the average wholesale price plus forty percent or an insurer's "pharmacy benefit network price". It is not clear what this pharmacy benefit network price is and if this will restrict an injured worker to filling prescriptions at a specific pharmacy.

HEMIC

Hawaii Employers' Mutual Insurance Company, Inc.

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February 2, 2011

The Honorable Karl Rhoads,
Chair, House Committee on Labor & Public Employment

The Honorable Kyle Yamashita
Vice Chair, House Committee on Labor & Public Employment

The Honorable Angus McKelvey,
Chair, House Committee on Economic Revitalization & Business

The Honorable Isaac Choy,
Vice Chair, House Committee on Economic Revitalization & Business

Re: HB 1243 & HB 1433 – Relating to the Drug Repackaging and Compound Medication Bills

Dear Chairman Rhoads, Vice Chairman Yamashita, and Members of the LAB Committee and Chairman McKelvey, Vice Chairman Choy, and Members of the ERB Committee

My name is Paul Naso. I am the General Counsel of the Hawaii Employers' Mutual Insurance Company, Inc. ("HEMIC"). I am here today on behalf of HEMIC, its CEO, Bob Dove, and its President, Jason Yoshimi, to testify in strong support of HB 1243 & HB 1433.

HB 1243 & HB 1433, the Drug Repackaging and Compound Medication bills, are important pieces of legislation. It closes an existing loophole in Hawaii's Medical Fee and Prescription Drug statutes which increasingly impacts the workers' compensation and auto insurance industries.

More specifically, this loophole has enabled drug repackagers and/or drug repackager suppliers and complicit Hawaii physicians dispensing these drugs to abuse the workers' compensation system by establishing exorbitant prices for "re-packaged" prescription drugs and "compound medications." It is an abuse of physician drug dispensing in this state. It unnecessarily increases the cost of prescription medications with no beneficiaries except the repackagers and complicit physicians who distort the fee schedule.

Terminology

Before I continue, it is important to understand what “repackaged drugs” and “compound medications” are.

“Re-packaging” is the practice of breaking a bottle of a larger quantity (of drugs) down to several bottles of smaller quantities. Medications are identified by a three segment number consisting of 11 digits called an NDC (National Drug Code) number. The first segment identifies the manufacturer, the second segment identifies the product and the third identifies the package size.

Compounding is defined as the combining of two or more “raw” ingredients into a unique product to provide therapeutic relief of an injury or illness. They are generally prescribed as a result of a patient’s known allergy of a manufactured product’s inert ingredient (e.g., the dye in a pill) or a patient’s inability to absorb or process a manufactured medication orally.

The Loophole

So here is the crux of the problem. Although a registered re-package company does not manufacture any actual product, they were classified as a manufacturer pursuant to The Federal Drug Listing Act of 1972, which required registered drug establishments to provide the Food and Drug Administration (FDA) with a current list of all drugs manufactured, prepared, propagated, compounded, or processed by it for commercial distribution.

Because of this “manufacturing” classification, a repackager (who again is not a real manufacturer) can re-label an existing product with its own National Drug Code number identifying them as the manufacturer for the product delivered in the bottle. Because of this quirk, re-packagers can establish a new wholesale price for the same product and can periodically change that price as they determine.

The Compound Issue

As with repackagers, physicians often contract with a company that specializes in producing compound medication in large quantities and provides a supply of these compounded medications for the physician to dispense out of their office setting. Some compound medications may be medically necessary. That being said, compound medications present a challenge in how they are reported and identified for billing purposes.

Specifically, unlike re-packaged drug manufacturers who create a unique National Drug Code (NDC), Compound medications, do not have these unique NDCs as they are the combination of several drug products – each with its own NDC. When billing them to a payer, compounds are often identified with a “dummy” NDC of all 9s, (99999-9999-99) with an abbreviated description of the combination of products used in the production of the compound medication.

Since there is no assigned NDC and thus no Average Wholesale Price reported to a pricing source, if a state's workers' compensation fee schedule statutes or administrative rules are not clear in defining compound medications, compounding pharmacies and/or suppliers can exploit this ambiguity to their advantage by unreasonably marking up the costs of such medications.

The Hawaii Component

The Hawaii state fee schedule is the average wholesale Price plus forty (40%). This is currently the highest reimbursement rate for pharmaceuticals in the nation and it certainly makes Hawaii a very attractive target.

More important, current Hawaii statutory law inadvertently enables abuse by the repackager because it fails to differentiate between the original manufacturer and the repackager. The current statute also does not clearly define compound medications thereby allowing for the possibility of some to exploit the ambiguity. Many others will provide you with the specific details of the cost variances that we have experienced as a result of abusive repackaging and compound medication practices. Suffice it to say the cost increases have been substantial and all indicators point to an exponential increase if nothing is done.

National fight

This is truly a battle taking place nationwide. Several states, such as California, Arizona, and Mississippi, have already refined their statutes and administrative rules to demarcate the difference between the original manufacturer and the third party repackager and clearly define compound medications.

The experience in other states has also shown that when a state government closes the re-packaging loophole, re-packaging firms resort to compound medications to unreasonably inflate drug costs and continue with increase their profit margins. Thus this proposed legislation seeks to address both practices at the same time.

Broad support

The experience of other states is that a broad coalition has come together to combat the unreasonable increase in the cost of prescription medications caused by repackaged drugs and compound medications.

We support Physician Dispensing

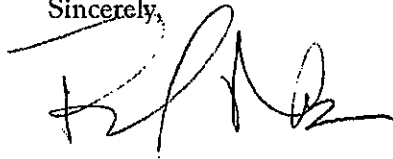
One final point to make, HEMIC supports physician dispensing of medications. We believe it is a good practice that helps everyone in the transaction.

What we are against, and what this legislation seeks to address, is the problem caused by the few who seek to take advantage of the rest, the few who unreasonably inflate the costs of such medications, to increase their profits at the expense of everyone else. There is plenty of room in

Hawaii's generous prescription drug fee schedule to allow physicians to make a fair profit on the medications they dispense. Distorting the fee schedule through the mechanism described above is an abuse that these bills will effectively curtail.

Thank you again for the opportunity to present testimony in strong support of HB 1243 & HB 1433. I respectfully request your support for these bills.

Sincerely,

A handwritten signature in black ink, appearing to read "Paul Naso", written over a horizontal line.

Paul Naso, General Counsel
Hawaii Employers' Mutual Insurance Company, Inc.

PN:rm



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Alison Powers
Executive Director

TESTIMONY OF LINDA O'REILLY

HOUSE COMMITTEE ON LABOR & PUBLIC EMPLOYMENT
Representative Karl Rhoads, Chair
Representative Kyle T. Yamashita, Vice Chair

HOUSE COMMITTEE ON ECONOMIC REVITALIZATION & BUSINESS
Representative Angus L.K. McKelvey, Chair
Representative Isaac Choy, Vice Chair

Friday, February 4, 2011
9:00 a.m.

HB 1243 and HB 1433

Chair Rhoads, Chair McKelvey, and members of the Committees, my name is Linda O'Reilly, Workers' Compensation Claims Manager at First Insurance. I am here representing Hawaii Insurers Council. Hawaii Insurers Council is a non-profit trade association of property and casualty insurance companies licensed to do business in Hawaii. Member companies underwrite approximately 40% of all property and casualty insurance premiums in the state.

Hawaii Insurer Council supports HB 1243 and HB 1433, which would restrict markups of repackaged prescription drugs and compound medications to what is currently authorized for retail pharmacies under state law.

Hawaii's current reimbursement rate for pharmaceuticals is already the highest in the nation for both brand and generic products. The state fee schedule is AWP + 40%, with Redbook being cited as the pricing source. To demonstrate the markups, Exhibit 1 lists commonly dispensed medications that were re-packaged and re-labeled from a physician's office that specializes in the treatment of Workers' Compensation injuries. Exhibit 2 lists the same medication with the applied Hawaii fee schedule reimbursement rate.

Exhibit 1

AWP Comparisons

Drug	QTY	Re-Packaged AWP	Common Retail Pharmacy AWP	% of Mark Up
ACETAMI/CODE 300/30MG	60	\$35.78	\$17.83	100.7%
ACETAMI/CODE 300/60MG	60	\$89.19	\$56.20	23.1%
ACETAMINPHEN/CODE 300/30MG	30	\$17.88	\$8.91	100.7%
ALPRAZOLAM .5MG	30	\$49.02	\$25.33	83.5%
CELEBREX 200MG	30	\$166.16	\$132.92	25.0%
DIAZEPAM 5MG	30	\$102.70	\$5.94	1627.9%
DOCUSATE SODIUM 100MG	30	\$39.14	\$5.94	558.5%
ETODOLAC 50MG	30	\$51.18	\$45.04	13.6%
FLUOXETINE HCL 10MG	30	\$185.55	\$74.13	150.3%
FLUOXETINE HCL 20MG	30	\$190.32	\$80.04	137.8%
GABAPENTIN 300MG	30	\$57.86	\$39.89	45.4%
GABAPENTIN 300MG	120	\$231.99	\$159.55	45.4%
GABAPENTIN 600MG	30	\$98.63	\$75.60	30.5%
GABAPENTIN 600MG	60	\$220.29	\$151.20	45.7%
GABAPENTIN 600MG	120	\$440.69	\$302.40	45.7%
HYDRO/APAP 10/650MG	30	\$52.31	\$15.99	227.6%
HYDRO/APAP 10/650MG	60	\$104.82	\$31.92	227.8%
HYDRO/APAP 5/500MG	30	\$34.49	\$12.59	174.7%
HYDRO/APAP 5/500MG	60	\$68.97	\$25.11	174.7%
HYDROC/APAP 5/500MG	120	\$137.94	\$50.22	174.7%
HYDROC/APAP 7.5/500MG	30	\$43.11	\$15.45	179.1%
HYDROC/APAP 7.5/500MG	60	\$86.22	\$30.90	179.1%
HYDROCODONE/APAP 7.5/750MG	30	\$98.54	\$10.87	281.4%
IBUPROFEN 400MG	30	\$8.84	\$5.15	71.6%
IBUPROFEN 400MG	60	\$17.67	\$10.30	71.5%
IBUPROFEN 800MG	30	\$39.33	\$27.43	43.4%
LUNESTA 2MG	30	\$251.10	\$200.88	25.0%
LUNESTA 3MG	30	\$251.10	\$200.88	25.0%
MELOXICAM 15MG	30	\$205.84	\$145.35	41.8%
MELOXICAM 7.5MG	30	\$134.62	\$94.94	41.8%
METHOCARBAMOL 500MG	30	\$22.23	\$15.24	45.9%
NAPROXEN 500MG	30	\$65.94	\$33.78	95.2%
NAPROXEN 500MG	60	\$131.88	\$67.56	95.2%
PROMETHAZINE 25MG	30	\$16.81	\$14.43	16.5%
RANITIDINE 150MG	60	\$244.86	\$88.80	176.9%
TIZANIDINE 4ML	30	\$85.22	\$41.75	59.2%
TRAMADOL 50MG	60	\$93.27	\$60.03	89.4%
TRAMADOL 50MG	120	\$186.54	\$100.06	89.4%
TRAZODONE HCL 50MG	30	\$64.13	\$13.24	384.3%
TRIAZOLAM .25MG	30	\$58.40	\$20.25	178.6%
ZOLPIDEM 10MG	30	\$187.01	\$137.22	21.7%

Exhibit 2

Hawaii State Fee Schedule applied

Drug	QTY	Re-Packaged AWP at Fee Schedule	Common Retail Pharmacy AWP at Fee Schedule	% of Mark Up
ACETAMI/CODE 300/30MG	60	\$50.09	\$24.96	100.7%
ACETAMI/CODE 300/60MG	60	\$96.87	\$78.68	23.1%
ACETAMINPHEN/CODE 300/30MG	30	\$25.04	\$12.48	100.7%
ALPRAZOLAM .5MG	30	\$68.63	\$35.48	93.5%
CELEBREX 200MG	30	\$232.62	\$186.09	25.0%
DIAZEPAM 5MG	30	\$143.78	\$8.32	1627.9%
DOCUSATE SODIUM 100MG	30	\$54.80	\$8.32	558.5%
FLUOXETINE HCL 10MG	30	\$259.77	\$103.78	150.3%
FLUOXETINE HCL 20MG	30	\$286.45	\$112.06	137.6%
ETODOLAC 50MG	30	\$71.65	\$63.06	13.6%
GABAPENTIN 300MG	30	\$81.17	\$55.84	45.4%
GABAPENTIN 300MG	120	\$324.79	\$223.37	45.4%
GABAPENTIN 600MG	30	\$138.08	\$105.84	30.5%
GABAPENTIN 600MG	60	\$308.41	\$211.66	45.7%
GABAPENTIN 600MG	120	\$616.83	\$423.36	45.7%
HYDRO/APAP 10/650MG	30	\$73.23	\$22.34	227.8%
HYDRO/APAP 10/650MG	60	\$146.47	\$44.69	227.8%
HYDRO/APAP 5/500MG	30	\$48.29	\$17.58	174.7%
HYDRO/APAP 5/500MG	60	\$96.56	\$35.16	174.7%
HYDROC/APAP 5/500MG	120	\$193.12	\$70.31	174.7%
HYDROC/APAP 7.5/500MG	30	\$60.35	\$21.63	179.1%
HYDROC/APAP 7.5/500MG	60	\$120.71	\$43.25	179.1%
HYDROCODONE/APAP 7.5/750MG	30	\$53.06	\$14.93	261.4%
IBUPROFEN 400MG	30	\$12.38	\$7.21	71.6%
IBUPROFEN 400MG	60	\$24.74	\$14.42	71.5%
IBUPROFEN 800MG	90	\$55.06	\$36.40	43.4%
LUNESTA 2MG	30	\$351.54	\$281.23	25.0%
LUNESTA 3MG	30	\$351.54	\$281.23	25.0%
MELOXICAM 15MG	30	\$288.18	\$203.49	41.6%
MELOXICAM 7.5MG	30	\$186.47	\$132.91	41.6%
METHOCARBAMOL 500MG	30	\$31.12	\$21.34	45.9%
NAPROXEN 500MG	30	\$92.32	\$47.29	95.2%
NAPROXEN 500MG	60	\$184.63	\$94.56	95.2%
PROMETHAZINE 25MG	30	\$23.53	\$20.21	16.5%
RANITIDINE 150MG	60	\$342.94	\$124.32	175.9%
TIZANIDINE 4ML	30	\$91.31	\$58.45	56.2%
TRAMADOL 50MG	60	\$130.58	\$70.04	86.4%
TRAMADOL 50MG	120	\$261.16	\$140.08	86.4%
TRAZODONE HCL 50MG	30	\$89.78	\$18.54	384.3%
TRIAZOLAM .25MG	30	\$78.96	\$28.34	178.6%
ZOLPIDEM 10MG	30	\$233.61	\$192.11	21.7%

Exhibit 3

Commonly dispensed Compound Medications produced by compounding pharmacies
and associated Charges

Dummy NDC	Compound	Billed Charge	AWP + 40%
99999-9999-99	MEN 1% CAM .5% CAP .05% 60GM COMPOUND	\$223.83	\$27.34
99999-9999-99	LIDOCAINE 10% GEL, 60GM	\$219.35	\$16.09
99999-9999-99	MEN 1%, CAM 0.5%, CAPS 0.05% 60GM	\$226.07	\$30.18
99999-9999-99	MEN 1% CAM .5% CAP .05% 10GM COMPOUND	\$53.30	\$6.06
99999-9999-99	MEN 1% CAM .5% CAP 0.05% 120GM COMPOUND	\$291.00	\$54.73



- Government Employees Insurance Company
- GEICO General Insurance Company
- GEICO Indemnity Company
- GEICO Casualty Company

TIMOTHY M. DAYTON, CPCU, GENERAL MANAGER ALASKA & HAWAII
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House Committee on Labor & Public Employment
House Committee on Economic Revitalization & Business
Conference Room 309 State Capitol
Friday, February 4, 2011, 9:00 a.m.
HB 1243 & 1433 – Relating to Repackaged Drugs

Chair Rhoads, Chair McKelvey, Vice-Chair Yamashita, Vice-Chair Choy and Members of both Committees:

My name is Timothy Dayton and I am General Manager for GEICO, Hawaii's largest motor vehicle insurer. GEICO supports HB1243 and HB1433. The Bill as written does not specifically spell out the intent of the Legislature as it relates to benefits paid under the Personal Injury Protection (PIP) on a motor vehicle insurance claim. Although HRS 431:10C specifically limits charges for PIP benefits to those allowed under Chapter 386, it would be helpful to specifically reference motor vehicle insurance to eliminate any ambiguity or dispute. I have attached proposed language for Section 1 of these two Bills which I believe would provide sufficient clarification of legislative intent.

I have also attached a specific example showing the difference in charges for a prescription purchased from a pharmacy compared to billing for purchase of the same drug repackaged. The prescription charges in the attached example are for

the same drug (CELEBREX), the same Doctor prescribing the drug, the same patient and the same auto insurance claim. The charge for the purchase from Longs for 30 tablets was \$134.99. The charge for the same 30 tablet prescription repackaged was \$232.62.

The difference is neither logical nor justified. GEICO encourages the Committees to approve this legislation with clarification as it relates to motor vehicle insurance.

Thank you for the opportunity to submit this testimony.

A handwritten signature in black ink, appearing to read "Timothy M. Dayton", with a long horizontal flourish extending to the right.

Timothy M. Dayton, CPCU

SECTION 1. The legislature finds that regulating markups of repackaged prescription drugs and compound medications will help to contain unreasonable increases of prescription drug costs in Hawaii's workers' compensation insurance and motor vehicle insurance systems as repackagers expand into states, including Hawaii, where costs of repackaged drugs and compound medications are not regulated.

The legislature further finds that Hawaii's current reimbursement rate for pharmaceuticals is the highest in the nation for both brand and generic products.

The purpose of this Act is to close a loophole in Hawaii's workers' compensation insurance and motor vehicle insurance laws to reasonably restrict markups of repackaged prescription drugs and compound medications to what is currently authorized for retail pharmacies under state law.

PLEASE DO NOT STAPLE IN THIS AREA

I certify all charges are in accordance with HAR 16-23-116 and any related rules.

GEICO
711 KAPIOLANI BLVD 300
HONOLULU, HI 96814
ATTN: CLAIMS DEPARTMENT

Handwritten: 07 0956 2158

HEALTH INSURANCE CLAIM FORM

<p>1. MEDICARE <input type="checkbox"/> MEDICAID <input type="checkbox"/> CHAMPUS <input type="checkbox"/> CHAMPVA <input type="checkbox"/> GROUP HEALTH PLAN (SSN or ID) <input type="checkbox"/> FECA BLK LUNG (SSN) <input checked="" type="checkbox"/> OTHER <input type="checkbox"/></p>	<p>1a. INSURED'S I.D. NUMBER (FOR PROGRAM IN ITEM 1)</p> <p>[REDACTED]</p>																																																							
<p>2. PATIENT'S NAME (Last Name, First Name, Middle Initial)</p> <p>DONNA J</p>	<p>3. PATIENT'S BIRTH DATE MM DD YY</p> <p>[REDACTED]</p>																																																							
<p>4. INSURED'S NAME (Last Name, First Name, Middle Initial)</p> <p>[REDACTED]</p>	<p>5. PATIENT'S ADDRESS (No., Street)</p> <p>[REDACTED]</p>																																																							
<p>6. PATIENT RELATIONSHIP TO INSURED</p> <p>Self <input type="checkbox"/> Spouse <input type="checkbox"/> Child <input type="checkbox"/> Other <input checked="" type="checkbox"/></p>	<p>7. INSURED'S ADDRESS (No., Street)</p> <p>[REDACTED]</p>																																																							
<p>8. OTHER INSURED'S NAME (Last Name, First Name, Middle Initial)</p> <p>[REDACTED]</p>	<p>9. PATIENT STATUS</p> <p>Single <input type="checkbox"/> Married <input type="checkbox"/> Other <input checked="" type="checkbox"/></p>																																																							
<p>10. IS PATIENT'S CONDITION RELATED TO:</p> <p>a. EMPLOYMENT? (CURRENT OR PREVIOUS) <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO</p> <p>b. AUTO ACCIDENT? <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO PLACE (State) HI</p> <p>c. OTHER ACCIDENT? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO</p>	<p>11. INSURED'S POLICY GROUP OR FECA NUMBER</p> <p>0308757180101010</p>																																																							
<p>12. PATIENT'S OR AUTHORIZED PERSON'S SIGNATURE I authorize the release of any medical or other information necessary to process this claim. I also request payment of government benefits either to myself or to the party who accepts assignment below.</p> <p>SIGNED: SIGNATURE ON FILE DATE 07 26 2010</p>	<p>13. INSURED'S OR AUTHORIZED PERSON'S SIGNATURE I authorize payment of medical benefits to the undersigned physician or supplier for services described below.</p> <p>SIGNED: SIGNATURE ON FILE</p>																																																							
<p>14. DATE OF CURRENT ILLNESS (First symptom) OR INJURY (Accident) OR PREGNANCY (LMP)</p> <p>MM DD YY 05 21 2010</p>	<p>15. IF PATIENT HAS HAD SAME OR SIMILAR ILLNESS GIVE FIRST DATE MM DD YY</p> <p>BM9810222</p>																																																							
<p>16. DATES PATIENT UNABLE TO WORK IN CURRENT OCCUPATION</p> <p>FROM MM DD YY TO MM DD YY</p>	<p>17. NAME OF REFERRING PHYSICIAN OR OTHER SOURCE</p> <p>[REDACTED]</p>																																																							
<p>18. HOSPITALIZATION DATES RELATED TO CURRENT SERVICES</p> <p>FROM MM DD YY TO MM DD YY</p>	<p>19. RESERVED FOR LOCAL USE</p>																																																							
<p>20. OUTSIDE LAB? \$ CHARGES</p> <p><input checked="" type="checkbox"/> YES <input type="checkbox"/> NO</p>	<p>21. DIAGNOSIS OR NATURE OF ILLNESS OR INJURY. (RELATE ITEMS 1,2,3 OR 4 TO ITEM 21E BY LINE)</p> <p>1. 847.0 3. 847.1</p> <p>2. 847.2 4. 729.1</p>																																																							
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<p>25. PATIENT'S ACCOUNT NO.</p> <p>[REDACTED]</p>	<p>26. ACCEPT ASSIGNMENT? (For govt. claims, see back)</p> <p><input checked="" type="checkbox"/> YES <input type="checkbox"/> NO</p>																																																							
<p>27. TOTAL CHARGE \$ 563.30</p>	<p>28. AMOUNT PAID \$ 0.00</p>																																																							
<p>29. BALANCE DUE \$ 563.30</p>	<p>30. SIGNATURE OF PHYSICIAN OR SUPPLIER INCLUDING DEGREES OR CREDENTIALS (I certify that the statements on the reverse apply to this bill and are made a part thereof.)</p> <p>[REDACTED] 07 26 2010</p>																																																							
<p>31. NAME AND ADDRESS OF FACILITY WHERE SERVICES WERE RENDERED (if other than home or office)</p> <p>[REDACTED]</p>	<p>32. PHYSICIAN'S, SUPPLIER'S BILLING NAME, ADDRESS, ZIP CODE & PHONE #</p> <p>INDUSTRIAL PHARMACY MANAGEMENT PO BOX 512518 LOS ANGELES, CA 90051 (949) 777-3100</p>																																																							



PHARMACY INVOICE

PO Box 271589
Salt Lake City, UT 84127-1589
(866) 428-8679
Federal Tax ID 35-2194964

Handwritten notes: 07 0958 0958

INVOICE NO.: 1872720

INVOICE DATE: 10/25/2010

Bill To:

Flt - 9x12 - 222 - 924
GEICO
PO BOX 509119
SAN DIEGO CA 92150-9119



Card Holder / Injured Person

Patient: [Redacted] DONNA J.
Policy No.:
Claim No.: 0308757180101010

Table with columns: Fill Date, Rx No., NDC Drug Name, Compound, Refill, Qty, Days Supply, Prescriber ID, Amt Due. Includes entry for CELEBREX CAP 200MG with amount due of \$134.99.

Please remit payment to AutoRx at the address printed above.

I certify charges are in compliance with Hawaii Administrative Rule 16-23 and the Medical Fee Schedule defined by HRS 431:10C-103.. AutoRx certifies that these charges are billed in accordance with Chapter 386, HRS and any related rules.



Marriott International, Inc.
Marriott Casualty Claims

3130 S. Harbor Blvd.
Suite 550
Santa Ana, CA 92704
714/545-5261

February 2, 2011

House Committee on Labor and Public Employment
House Committee on Economic Revitalization and Business

Re: HB 1243 and HB 1433

Dear Honorable Representatives Karl Rhoads and Angus L. K. McKelvey:

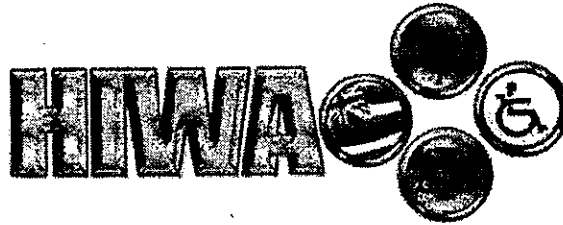
Marriott International, Inc. is in full support of House bills 1243 and 1433 and we urge passage of these bills by your respective committees.

It is critical that any effort to expand the cost of workers' compensation for ancillary services in the state of Hawaii be carefully controlled. Failure to do so will continue to impact Marriott and our ability to provide much needed jobs to the citizens of the state of Hawaii.

Thank you for your support of House bills 1243 and 1433.

Sincerely,

Jill A. Dulich
Senior Director, Marriott Claims Services
Marriott International, Inc.



LATE

Hawaii Injured Worker's Alliance

715 South King Street Suite #410
Honolulu, Hawaii 96813
Phone: 538-8733 (Oahu)
Phone: (888) 598-8115 Neighbor Islands
Web Site: www.hawaiiinjuredworkersalliance.com

February 4, 2011

House of Representatives
The Twenty-Sixth Legislature
Regular Session of 2011

Committee on Labor and Public Employment

Committee on Economic Revitalization and Business

House Bill 1243

RELATING TO REPACKAGED DRUGS AND COMPOUND MEDICATIONS

Restricts markups of repackaged prescription drugs and compound medications to what is currently authorized for retail pharmacies under state law.

The Hawaii Injured Workers Alliance does not support House Bill 1243.

We believe this bill discourages physicians dispensing of medication -- a safe and efficient process that helps increase patient access to care.

Physician dispensing promotes cost savings as physicians are incentivized to purchase and dispense lower-cost generic medications. Because the physician has "skin the game" they are wary of prescribing expensive brand medications pushed on them by drug reps and instead will utilize more time-tested yet inexpensive generic equivalents.

Currently, injured workers, many of whom live on extremely tight budgets, can get their injury-related prescriptions dispensed by the physician authorized to treat them, without having to put out cash.

For these reasons we ask that this bill be held.

George Waialeale
Executive Director
Hawaii Injured Workers Alliance

