

HB 652, SD1

Measure Title: RELATING TO REMOTE DISPENSING.

Report Title: Remote Dispensing Pharmacy

Description: Prohibits new remote dispensing pharmacies from operating within ten miles of any pharmacy, excepting those remote dispensing pharmacies in operation prior to the effective date of this measure. Extends the repeal date of Act 2012, Session Laws of Hawaii 2008, to January 1, 2016. (SD1)

Companion: SB971

Package: None

Current Referral: HTH, CPN

Introducer(s): BELATTI

**PRESENTATION OF THE
BOARD OF PHARMACY**

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

**TWENTY-SEVENTH LEGISLATURE
Regular Session of 2013**

Thursday, March 28, 2013
9:30 a.m.

**TESTIMONY ON HOUSE BILL NO. 652, S.D. 1, RELATING TO REMOTE
DISPENSING.**

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

My name is Mark Brown, Chair of the Board of Pharmacy ("Board"). I appreciate the opportunity to provide written comments on House Bill No. 652, S.D. 1, Relating to Remote Dispensing, which would extend the sunset date to January 1, 2016, amend the prohibited area of operation of any new remote dispensing pharmacy from any location within five miles to any location within ten miles of any pharmacy, and "grandfather" in any remote dispensing pharmacy in operation prior to the effective date of this amendment.

The Board opposes the amendments for the following reasons:

1. Extending the sunset date for another two years does not provide sufficient time for pharmacies, who wish to utilize this technology, to invest the monies to purchase and set-up a remote dispensing location with the threat of having the law repealed in a couple of years.
2. In regards to the extension of the five mile radius to ten miles, there is no evidence to substantiate any changes to this restriction. Currently, there

are only two pharmacies who have applied for remote dispensing pharmacies, Ho'ola Lahui Hawaii Pharmacy on the island of Kauai, and the Waianae Coast Comprehensive Health Center. Ho'ola Lahui reported that the remote dispensing machines at the Kapaa and Waimea clinics are not working at this time. The Waianae Coast reported that the remote dispensing machine at the Waianae clinic is on hold until other logistics are straightened out but the Nanakuli remote dispensing machine is operating and that patients find it convenient to obtain their drugs at the same location they see their physician.

These restrictions not only prevent pharmacies from utilizing this technology, it also prevents residents of this State from convenient access to their prescription drugs.

Opponents of remote dispensing refer to the previous shortage of pharmacists as one of the reasons for the use of such technology and cite that with the University of Hawaii at Hilo, College of Pharmacy, now known as the Daniel K. Inouye College of Pharmacy, graduating pharmacists may not be able to find employment if such technology is utilized. First of all, there is no evidence to substantiate a "surplus" of pharmacists in this State and secondly, the scope of practice of pharmacists has been gradually "expanding". Pharmacists are educated and trained to provide other drug related healthcare services to their clients that include counseling, drug reviews, administration of vaccines or flu shots, and medication therapy management. Pharmacists are being relied upon more and more as they possess the expertise that

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Thursday, March 28, 2013
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allows them to provide the consumer with invaluable information on the individual's drug therapy.

The use of remote dispensing still requires pharmacist oversight. This ensures the safe dispensation of prescription drugs by allowing a pharmacist to dispense prescription medications from a location away from the responsible pharmacy, via live computer, video and audio link with the responsible pharmacy and pharmacist-in-charge.

The Board supports the repeal of the sunset date as this will allow the continued use of remote dispensing technology to allow pharmacies to provide service to patients in remote areas, but opposes any amendments to the use of remote dispensing pharmacies.

Thank you for the opportunity to provide written comments on House Bill No. 652, S.D. 1.



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HAWAII PACIFIC HEALTH

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Thursday, March 28, 2013 – 9:30 am
Conference Room 229

The Senate Committee on Commerce and Consumer Protection

To: Senator Rosalyn H. Baker, Chair
Senator Brickwood Galuteria, Vice Chair

From: Michael Robinson
Executive Director of Government Relations

Re: **HB 652, SD1 Relating To Remote Dispensing**
Comments in Support

My name is Michael Robinson, and I am the Executive Director of Government Relations for Hawai'i Pacific Health (HPH). HPH is a nonprofit health care system and the state's largest health care provider anchored by its four nonprofit hospitals: Kapi'olani Medical Center for Women & Children, Pali Momi Medical Center, Straub Clinic & Hospital and Wilcox Memorial Hospital on Kauai. HPH is 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, 49 outpatient clinics and service sites, more than 5,400 employees and 1,300 physicians on staff.

HPH writes in support of HB 652, SD1 which proposes to make remote dispensing machines by a licensed pharmacy or pharmacist and its operations permanent by removing the sunset date. This bill also seeks to prohibit remote dispensing pharmacies from operating within ten miles of any pharmacy, excepting those remote dispensing pharmacies in operation prior to the effective date of the bill.

Remote dispensing machines serve an important and necessary function in the community by providing access to needed prescription drugs in a timely manner. A common challenge faced by all healthcare providers is providing timely and quality healthcare to communities facing geographic barriers to access. 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. This serves to make access to health care less problematic, especially in rural locations where healthcare providers as well as pharmacies are limited or nonexistent.

Thank you for the opportunity to provide these comments.



Affiliates of Hawai'i Pacific Health

REPLACEMENT TESTIMONY
Testimony of Phyllis Dendle

Before:
Senate Committee on Commerce and Consumer Protection
Senator Rosalyn H. Baker, Chair
Senator Brickwood Galuteria, Vice Chair

March 28, 2013
9:30 am
Conference Room 229

HB652 SD1 RELATING TO REMOTE DISPENSING

Chair Baker and committee members, this testimony is being submitted in **replacement** of the earlier testimony submitted by Kaiser Permanente. After further examination we found what we believe to be **drafting errors that need to be corrected**. **It appears that the most current law was not used for these amendments and is therefore incorrect.**

On Page 2 beginning on Line 4: a section of the current law was omitted. The yellow section is in the current law. It would be more appropriate to amend the section in green to a ten-mile radius and add the last section starting with the word "provided" and changing the word "paragraph" to "subsection". The struck through language should be removed. The bill would read:

SECTION 1. Act 212, Session Laws of Hawaii 2008, section 2 as amended by Acts 11 and 96, Session Laws of Hawaii 2009, is amended as follows:

1. By amending subsection (c) of the proposed new section 461- , Hawaii Revised Statutes, to read:

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

- (1) This subsection shall not apply to any remote dispensing pharmacy established prior to the effective date of this Act that has previously dispensed and will continue to dispense only prescription medications acquired pursuant to section 340B of the Public Health Service Act, title 42 United States Code section 256b; ~~[and]~~
- (2) If an appropriately designated pharmacy, as defined in section 461-1, Hawaii Revised Statutes, is established within a five-mile radius of an existing remote dispensing pharmacy exempted by this subsection, all appropriate measures shall be taken to encourage the relocation of the existing remote dispensing machine within the newly established pharmacy ~~and f-1; and~~

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

~~(3) Beginning on the effective date of Act _____, Session Laws of Hawaii 2013, no new remote dispensing pharmacy shall operate within a ten-mile radius of any pharmacy as defined under section 461-1; provided that this subsection paragraph shall not apply to any remote dispensing pharmacy in operation prior to the effective date of Act _____, Session Laws of Hawaii 2013."~~

On page 2 beginning line 14 the proposed amendment is incorrect. It would be more appropriate to amend the section in green to a ten-mile radius and add the last section starting with the word "provided" and changing the word "subparagraph" to "subsection" The struck through language should be removed.

"(o) This section shall not apply to:

(1) Mobile medical clinics, provided that no such clinic shall operate in counties with a population less than 100,000; or

(2) Federally qualified health centers[.]; provided that [no];

(A) No remote dispensing pharmacy shall operate within a ~~five-ten-mile radius~~ of any pharmacy as defined under section 461-1, except for those federally qualified health centers that are exempt under section 461- (c)(2) ~~[.]; and~~

~~(B) Beginning on the effective date of Act _____, Session Laws of Hawaii 2013, no new remote dispensing pharmacy shall operate within a ten-mile radius of any pharmacy as defined in section 461-1, except for those federally qualified health centers that are exempt under section 461- (c)(2); provided that this subsection subparagraph shall not apply to any remote dispensing pharmacy in operation prior to the effective date of Act _____, Session Laws of Hawaii 2013.~~

As we said before we would prefer the original draft of this bill that would remove the sunset date however we appreciate the concerns expressed by the senate health committee and are prepared to comply with the changes in the law which would give us two more years to demonstrate to the legislature the value of this service to the community. It is essential though that the bill be correctly drafted.

Thank you for your consideration



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Thursday, March 28, 2013

Senate Committee on Commerce and Consumer Protection

Re: HB 652, SD1 Relating to Remote Dispensing

Dear Chair Baker, Vice Chair Galuteria and members of the Committee,

We appreciate the opportunity to testify on HB 652, SD1, and respectfully submit the following written testimony in support of the bill. Times Supermarket is based on Oahu and operates 26 stores with locations on Maui, Kauai and Oahu.

HB 652, SD1 prohibits new remote dispensing pharmacies from operating within ten miles of any pharmacy, excepting those remote dispensing pharmacies in operation prior to the effective date. The measure also extends the repeal date of Act 2012, Session Laws of Hawaii 2008, to January 1, 2016.

Remote dispensing pharmacies have been instrumental in expanding patient access and serve an important role in Hawaii's healthcare system.

Thank you for the opportunity to testify.

Respectfully,

Bob Gutierrez
Director of Government Affairs, Times Supermarket

HB652

Submitted on: 3/22/2013

Testimony for CPN on Mar 28, 2013 09:30AM in Conference Room 229

Submitted By	Organization	Testifier Position	Present at Hearing
Ronald Taniguchi, Pharm.D.	Individual	Support	No

Comments: Strong Support for HB652,SD1