



Testimony of John Kirimitsu

Before:

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

Senate Committee on Judiciary and Labor
The Honorable Clayton Hee, Chair
The Honorable Maile S. L. Shimabukuro, Vice Chair

March 19, 2013
9:45 am
Conference Room 016

HB 65 HD2 RELATING TO PRESCRIPTION DRUGS

Chairs Baker and Hee and committee members, thank you for this opportunity to provide testimony on HB65 HD1 regarding pharmacy drug benefits.

Kaiser Permanente Hawaii opposes this bill

While we understand the intent of this measure to provide access and convenience for individual beneficiaries of prescription drug benefits plans it could have the opposite effect for patients of Kaiser Permanente Hawaii.

At Kaiser Permanente Hawaii we provide pharmacy benefits to our members primarily through our pharmacies located in our hospital and clinics. With our electronic medical record it is possible for a physician to order a prescription and the patient to pick it up from the pharmacy on their way out--without having to submit a handwritten prescription. This reduces the patient's wait time and reduces errors. We also encourage our members to get their maintenance prescriptions refilled via mail order that is more cost effective for KP and also more convenient for the member. We pass the savings on to our members by dispensing three months of their maintenance drug and charging the co-pay equivalent of two months. Any member who prefers may pick up their pharmaceuticals from a Kaiser pharmacy and pay a copay for each prescription. They

can even order their refills via phone or our website- KP.org and then pick them up or have them mailed.

Whenever possible we provide this benefit exclusively through our own pharmacies. When we do not have a Kaiser Permanente pharmacy available we provide coverage through contracts with local pharmacies.

As written it appears that Kaiser Permanente may be a prescription drug benefits provider and plan would not be able to continue our practices under this bill. We would not be able to pass on savings to our members who use Kaiser pharmacies and mail order service. We would not be able to either exclusively provide or contract with pharmacies to get our members their pharmacy benefits. For Kaiser Permanente members this bill will fail to provide access or convenience for the patient.

We urge this committee not pass this bill which potentially will have the opposite effect of what was intended.

Thank you for your consideration.

ALISTAIR W BAIROS, MD, FACCWS

General & Laparoscopic Surgery, Wound Care Specialist

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Kealahou
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18 March 2013

TO: COMMITTEE ON CONSUMER PROTECTION & COMMERCE

Rep. Angus L.K. McKelvey, Chair

Rep. Derek S.K. Kawakami, Vice Chair

Testimony in Support of House Bill 65, HD2

I am a general surgeon practicing on the Big Island for near thirty years. During that time I have cared for thousands of patients and written many thousands of prescriptions. I am intimately aware of the critical importance of having local pharmacists as an integral part of the healthcare team caring for our shared patients. I see, and hear, from patients the value of the input that trusted local pharmacists have in patient care. None of that is available via mail order pharmacies.

I have reviewed all the testimony, pro and con, submitted in relation to this bill. It is striking that the testimony in opposition centers solely around limiting patient choice for the purpose of enhancing revenue for organizations already in control of vast amounts of revenue.

The testimony in support of the bill, on the contrary, enhances patient choice, still allowing those who chose to utilize the service of mail order pharmacies to do so, but also preserving the many benefits of supporting and sustaining the viability of the many local pharmacies, so crucial to maintaining the best healthcare of Hawai'i's citizens.

I fully assume the wisdom of yourselves, Hawai'i's elected representatives, to pass this sensible legislation and suspect that this one really is an easy call.

Mahalo and aloha,



Ali Bairos, MD

To: CPC/JDL Committee
3-19-2013

From: Jenni Ueno Pharmacy Student University of Hawaii Hilo

Re: Testimony on HB65

I Support HB65

This bill will give back patients right to choose their own pharmacy to fill their prescriptions. It will also keep jobs in the State of Hawaii by allowing EUTF members fill their prescriptions at a locally owned pharmacy. This is important to me as I am going to school at the Univrsity of Hawaii Hilo (state funded) to earn a degree to work as a pharmacist here in Hawaii.

I do not want to go to the mainland for a job. Please pass this bill so we can keep our educated professionals here in Hawaii.

Thank you for the opportunity to submit testimony.

Jenni N Ueno
University of Hawaii Hilo
Class of 2017

BRIAN CARTER RPh

Hawaii Pharmacist since 1997

WESTSIDEPHARMACY@LIVE.COM

808 645-0491

Testimony for HB 65

I strongly support HB65

Patients should have the right to choose which pharmacy they want to go to.

The dominate PBM here CVS/Caremark owns Longs drug stores. Patient information which is protected by the HIPAA laws (<http://www.hhs.gov/ocr/privacy/>) is collected by CVS/Caremark used illegally to identify patients who use pharmacies other than Longs (CVS). These patients are called at home and made to believe that they can save money by using a Longs pharmacy. This is not only illegal but not true in many cases.

Meanwhile, Longs exorbitant wait times create such a barrier to receiving pharmacy care that many patients give up trying to get their medications and go without. This situation may create a "savings" for the PBM but causes many unnecessary readmissions to hospitals and return visits to the doctor. This kind of scenario places the public in danger.

We desperately need to have some control over this irresponsible and out of control situation. Please pass HB65 and give patients back control over the most important part of the health care system, their treatment.

Thank you for the opportunity to testify for this important piece of legislation.

BRIAN CARTER RPh.

http://www.policychoices.org/pharmacy_benefit_managers.shtml

HB65

Submitted on: 3/19/2013

Testimony for CPN/JDL on Mar 19, 2013 09:45AM in Conference Room 016

Submitted By	Organization	Testifier Position	Present at Hearing
Jan Roberson	Individual	Support	No

Comments: Everyone deserves a choice!

March 19, 2013

RE: Support of H.B. 65

Aloha kakahiaka. I am Kimberly Mikami Svetin, president of Molokai Drugs. On behalf of our island's 7,000 residents, we strongly support House Bill 65. This bill would protect the right of all of our Hawaii residents to have the choice to utilize the valuable services of their local pharmacy rather than being forced to obtain their prescriptions only through the mail.

Our pharmacy's goal is to help our population stay compliant with their medication adherence, the proper use of medications. Our focus on medication adherence saves insurance companies, pharmacy benefit management companies, unions and corporations save money. Our pharmacy plays a vital role on Molokai in maximizing both the health and economic benefits of adhering to prescribed medication regimens and reining in the soaring costs of non-adherence, which may mean more unnecessary emergency room stays of at least \$600 per visit

- Our pharmacy also maintains a strict temperature maintenance program and our medicines are never stored above the temperature allowed, especially with fragile medicines such as insulin.
- We confirm usage and pick-ups with physicians. However, we are not able to do so when a customer is mandatory mail order.
- We offer free delivery to customers who are home-bound and cannot travel to the local post office or our pharmacy.
- We provide reminder phone calls and postcards.
- We also place medicines in weekly and 28-day pill boxes for our customers upon request.

Over the past year, mandatory mail delivery has been a challenge on Molokai with cuts in post office hours. From Honolulu, prescription mail order takes 2-3 days; from the mainland 3-10 days. This does not take into account holidays and weekends where there is no delivery. If a package is mailed from Honolulu on Friday, the customer may not receive this prescription until Monday or Tuesday of the following week.

On Molokai, we have 2,796 post office box holders; mail is picked up at a local post office, where there is no air-conditioning at night or on weekends. Since February 11th, our island has seen additional cuts to operating hours at four post offices. The hours of operation are:

Hoolehua (424 boxes): 830am-400pm, Monday through Friday

Kaunakakai (1,808 boxes): 900am-330pm Monday through Friday, 900am-1100am Saturday

Kualapuu (282 boxes): 1200pm-400pm Monday through Friday

Maunaloa (282 boxes): 930am-130pm, Monday through Friday

There are only 225 clients who live on the East End who have home delivery.

This legislation will allow our 7,000 residents to gain the benefit of face-to-face interaction with David Mikami, RPh, Jon Mikami, RPh, and Kelly Go, RPh--our three trusted community pharmacists on Molokai.

Yesterday, I called the CVS/Longs mail order phone number to see if I could garner voice-to-voice interaction with a pharmacist. Since I currently receive my benefits through HMSA, I thought this would be easy. After 15 minutes and being forwarded three times, I was able to talk to a pharmacy technician who confirmed that I would not have the same pharmacist answer my questions, even if I requested the same one. The pharmacy technician also confirmed that they could only help me with only mail order prescriptions and not any questions related to my other prescription drugs, over-the-counter medicines or any dangerous drug interactions

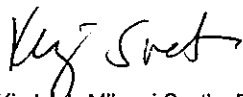
I challenge all of you to put yourselves in your constituents' shoes and go through the process of garnering mandatory mail order medicines. I now know why so many of our residents are so frustrated.

This bill prevents Molokai residents from being charged higher co-pays for prescriptions not obtained through a mail order pharmacy or being otherwise penalized for utilizing the services of their local community pharmacy.

Instead of being forced to utilize a mail order pharmacy whose profits go to the mainland, this bill allows our residents the freedom of choice to stay local or go mail-order. This bill supports local jobs, tax revenue and small businesses by keeping health care dollars in the local community.

We kindly request that you support House Bill 65. Mahalo a nui loa.

Sincerely,



Kimberly Mikami Svetin, President

MOLOKAI DRUGS, INC.

Established in 1935

P.O. Box 558

Kaunakakai, HI 96748

Phone 808-553-5790

March 19, 2013

To our Honorable Hawaii State Legislators:

Thank you, committee members, for hearing the testimonies today for a very important topic: The health of our people in Hawaii which is affected by their access to needed prescriptions in the state of Hawaii.

Hawaii is in need of legislation that protects patients from the harmful effects of forceful provisions which MANDATORY mail order pharmacy brings. By forcing a patient to not have any other option but to use mail order pharmacy for their prescriptions, the patient loses their voice as they are forced into the large sea of masses. Their individual health care needs are more prone to be left unaddressed since competition is eliminated and service not as essential often leaving patients with no other option for help.

Today, I'd like everyone to review two specific areas to address regarding mail order pharmacy in Hawaii:

1. **Medication Safety- Pharmacy Benefit Managers (PBMs) that run mandatory mail order pharmacy businesses may not abide by one of the most major Hawaii laws governing pharmacy practice in the state:**

CHAPTER 328 :FOOD, DRUGS, AND COSMETICS
Department of Health State of Hawaii

§328-92 Drug product selection. 3

(c) The pharmacist shall **not substitute** an equivalent generic drug product for any prescription for an **anti-epileptic drug**, except upon the **consent of the practitioner and the patient or the patient's parent or guardian**.

A few years ago, one of our patients was not able to receive his needed seizure medication from the mandatory mail order pharmacy, Informed Rx at the time, as they were substituting his seizure medication with another manufacturer against the patient's and physician's wishes. After this patient testified before the legislature, Informed Rx called me and told me they would now cover his medication at our pharmacy since our pharmacy stocked his needed seizure medication and that they wouldn't be able to comply with the mail order route. They also told me they would cover past prescriptions that they have been denying payments on previous to the hearing which till today, they have not honored and the patient and our pharmacy have not been reimbursed for the past fills of his medication for years. After Informed Rx was transitioned to a new PBM, CVS, we find ourselves in the same dilemma without recourse. The PBM operator, on several calls, told our pharmacists that they cannot guarantee which specific manufacturer the patient would receive on the forced mail order plan. Because the patient and we, his health care providers, don't want to see him experience break through seizures and problems as he's experienced when given substituted medication different from the one he requests and needs, he has been paying out of pocket and/or the pharmacy has been absorbing costs to help the patient get the medication he needs.

Unfortunately, there are many other instances we, as pharmacists in our Hawaii communities, see everyday where patients are not getting their needed medication from the mandatory mail order pharmacy for many reasons: lack of funds to pay for the mandated 3 months of copays, lack of transportation or funds for gas to drive to the mail order pharmacy which is often several towns away, bypassing several pharmacies along the way, live in too rural of an area to receive mail, lack of checking accounts or credit cards, language barriers.

2. **The claim that mail order saves patients and plan sponsors money have not been found to be true on national studies due to factors such as: wasted medications which the doctor discontinued, less generic substitution by PBMs using more expensive branded drugs compared to community retail pharmacies, larger copays when mandatory mail order PBMs fill prescriptions when the patient is in the gap compared to community pharmacies who can offer**

large price reductions, use of manufacturer coupons to reduce copays for patients used by the community pharmacist, etc...

As recently reported by CMA Health Policy Consultants Network Pharmacies and Mail Order:

Plan members are required to use pharmacies within the plan's network of pharmacies. (Exceptions may be made for emergencies.) Plans, in turn, are required to offer their members adequate access to retail, mail order, home infusion and long-term care pharmacies... Some network pharmacies have the status of "preferred" network pharmacies, where members can obtain better prices. Plans may encourage their members to use mail order 90-day supplies, but they must have at least one retail pharmacies where members can obtain a 90-day supply. **Consumers should enter into mail order with caution as mail order co-pays are not always less expensive. In fact, if the full cost of a drug is more using mail order, the member will enter into the Donut Hole faster, even if co-pays are the same as retail.**

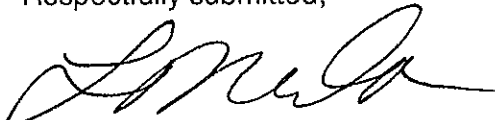
A concerning growing trend of complaints of Point of Sale companies are consumer complaints of mail order pharmacies billing for medications the patient did not want or need and the patients being forced to pay for the mail order medications because the mail order company by law cannot take back the medication once it's been dispensed to the patient.

Please help to **support and pass HB 65** which will allow the people in need who are facing great difficulty getting their medications get their medications from other pharmacies other than the mandatory mail order pharmacy. Patients who wish to continue to use the mail order pharmacy may do so without interruption.

Please also **support and pass HB 62** which will prohibit the tactics PBMs use in using prescription information from a pharmacy to steer patients to use their PBM owned pharmacies.

Thank you for hearing my testimony.

Respectfully submitted,



Lianne Malapit, Pharm. D.

March 19, 2013

Please support and pass HB 65 and allow me to get my needed prescriptions

I have a medical condition: epilepsy. For the moment my condition is stable. I know there is a state law that protects me in getting my needed seizure medication. A slight change in my medication can result in needing an ambulance to take me to the emergency room with a seizure. It will cost the state a lot of money. I am stable on my seizure medication, have avoided seizures and visits to the hospital and I would like to keep it that way.

I have been unable to get my needed seizure medication from the mandatory mail order system. I do not like dealing with out of state people/businesses because being local, they don't understand my needs. I have had to pay and my pharmacy has been assisting by giving me my needed medication that I have been stable on because the mail order service with first Informed Rx and now CVS will not fill my specifically needed prescription.

I would like to be given the right to choose the pharmacy of my choice to obtain my needed prescriptions. I'm retired and have worked for the government for 30+ years and have received the Employee of the year award, serving with my best and I am facing great difficulty in retirement to maintain my health. I don't like having to pay for a 3 months supply required by mail order because I have limited income which only comes in once a month.

Thank you for your time in hearing me out and please help me and others like me get our prescriptions where we choose and not be forced to go through mandatory mail order.

Sincerely,

A handwritten signature in black ink, appearing to read "Adlai Hiraoka". The signature is fluid and cursive, with a large, sweeping flourish at the end.

Adlai Hiraoka
Kauai, Hawaii