



**Testimony to the House Committee on Human Services
Thursday, March 21, 2024; 9:30 a.m.
State Capitol, Conference Room 329
Via Videoconference**

RE: HOUSE CONCURRENT RESOLUTION NO. 142, URGING THE GOVERNOR AND BOARD OF PHARMACY TO SUPPORT THE LANAI COMMUNITY HEALTH CENTER'S TELEPHARMACY PILOT DEMONSTRATION AND RESEARCH PROJECT AS A METHOD OF EXPANDING THE ACCESSIBILITY AND AFFORDABILITY OF PRESCRIPTION DRUGS TO VULNERABLE POPULATIONS AND RURAL COMMUNITIES THROUGHOUT THE STATE.

Chair Marten, Vice Chair Amato, and Members of the Committee:

The Hawaii Primary Care Association (HPCA) is a 501(c)(3) organization established to advocate for, expand access to, and sustain high quality care through the statewide network of Community Health Centers throughout the State of Hawaii. The HPCA **SUPPORTS** House Concurrent Resolution No. 142.

By way of background, the HPCA represents Hawaii's Federally Qualified Health Centers (FQHCs). FQHCs provide desperately needed medical services at the frontlines to over 150,000 patients each year who live in rural and underserved communities. Long considered champions for creating a more sustainable, integrated, and wellness-oriented system of health, FQHCs provide a more efficient, more effective and more comprehensive system of healthcare.

The measure, as received by your Committee, would:

- (1) Urge the Governor and the Board of Pharmacy to support the Lanai Community Health Center's (LCHC's) Telepharmacy Pilot Demonstration and Research Project as a method of expanding the accessibility and affordability of prescription drugs to vulnerable populations and rural communities throughout the State; and
- (2) Request the Chair of the Board of Pharmacy to report on the LCHC Telepharmacy Pilot Demonstration and Research Project, including expressing an official position on whether the Board recommends that telepharmacy be authorized statutorily.

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The HPCA strongly supports the LCHC Telepharmacy Project. Because the lone pharmacy situated on the Island of Lanai does not participate in the federal 340B drug price reduction program, LCHC has had to utilize a pharmacist on Maui to oversee the provision of discounted drugs to patients on Lanai. Because Hawaii law requires a licensed pharmacist to be present at the site where prescription medication is sold or dispensed, the LCHC Telepharmacy Project has been able to allow medications to be provided to patients on Lanai at discounted prices much quicker than through the mail.

During the COVID pandemic, patients on Lanai began to rely on LCHC more and more. Before the pandemic, less than 30 percent of the residents utilized LCHC's services. Currently, almost 80 percent of the population relies on LCHC for primary care services.

This has impacted the amount of prescriptions sold at the lone pharmacy on the island. As such, there have been efforts to have the Board of Pharmacy eliminate the LCHC Telepharmacy Project.

Over the past year, the HPCA and LCHC have in good faith tried to work with the Board of Pharmacy to clarify the statutory authority for the Program. Despite these efforts, it is unclear whether the program will continue after June 1, 2024. For more information, attached please find a letter to Governor Josh Green from Terrence Aratani, Cindy Figuerres, Bev Harbin, and Robert Hirokawa, dated January 5, 2024, regarding the Lanai Community Health Center Telepharmacy Demonstration Project.

In light of this, the HPCA urges your favorable consideration of this measure. It would urge the Governor and the Board of Pharmacy to take an official position on this program. LCHC has established the program at great expense for the benefit of their patients. It cannot continue without a firm commitment by the State that the Program will continue beyond a month-to-month basis.

Should the program end, we also want to be clear that this will be the Administration's and NOT the Legislature's doing.

Thank you for the opportunity to testify. Should you have any questions, please do not hesitate to contact Public Affairs and Policy Director Erik K. Abe at 536-8442, or eabe@hawaiiipca.net.



January 5, 2023

Josh Green, M.D.
Governor
State of Hawaii
State Capitol, 5th Floor
Honolulu, Hawaii. 96813

Ms. Alanna Isobe
Chair
Hawaii State Board of Pharmacy
DCCA-PVL
P.O. Box 3469
Honolulu, Hawaii. 96801

RE: LANAI COMMUNITY HEALTH CENTER TELEPHARMACY DEMONSTRATION PROJECT

Dear Governor Green and Chair Isobe:

This letter memorializes the actions that the Hawaii Primary Care Association (HPCA) and Lanai Community Health Center (LCHC) will initiate in response to the Hawaii State Board of Pharmacy's (Board's) directives issued at its December 21, 2023 meeting:

- (1) We will rescind our request to legislators to have a bill introduced during the 2024 Regular Session that would have clarified the statutory authority for the LCHC Telepharmacy Demonstration Project (Project) to continue operations; and
- (2) We will ask legislators instead to introduce a Concurrent Resolution urging the Governor and the Board of Pharmacy to support the LCHC Project as a method of expanding accessibility and affordability of prescription drugs to vulnerable populations and rural communities throughout the State of Hawaii.

Letter to Governor Green and Chair Isobe
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The HPCA and LCHC have demonstrated good faith efforts to collaborate with the Board to ensure the seamless continuation of the Project, while addressing the Board's concerns on the statutory authority for telepharmacy activities. We stated that it usually takes two to three years for a new proposal to go through the legislative process and be enacted into law but the HPCA and LCHC were willing to attempt at accomplishing passage in this upcoming legislative session. The HPCA, LCHC, and the Board have not reached consensus on whether telepharmacy should continue conceptually as a demonstration project or as a matter of public policy. With that said, the future of the Project dependent solely on the passage of legislation in 2024 may be too large a task to achieve.

If the outcome is to lose the Project, it will truly be unfortunate. Should the Project end, the losers will be the patients of Lanai who will most likely have delays in receiving medications or have to pay higher costs through non-340B pharmacies.

In all fairness, should the Project end, those on Lanai will want answers.

If the proposed Concurrent Resolution is adopted, the Hawaii State Legislature would agree with this assertion and request the Administration and the Board to officially take a position on the LCHC Project. If the Administration and the Board should agree that the Project benefits the patients of Lanai, then it can respond to the Legislature's request with proposed legislation for consideration before the 2025 Hawaii State Legislature.

For your review and files, attached please find:

- (1) A revised proposed bill offered by the HPCA and LCHC that removes the term "compounding," as recommended by the Board at the December 21, 2023, meeting; and
- (2) A proposed Concurrent Resolution offered by the HPCA and LCHC.

We would note that an earlier version had been previously transmitted to legislators for consideration for introduction but upon transmission of this letter, we will request withdrawal from having the bill introduced.

It is our hope that the Project will continue beyond the new expiration date of June 1, 2024. Termination of the Project at that time would create disruptions for staff, our contractor, and most especially, our patients leading to the diminishment of health care outcomes, or higher costs.

We would appreciate an opportunity to discuss this with you to see whether there is anything more that we can do to resolve this situation. Again, our goal is to address the Board's concerns regarding statutory authority while ensuring the seamless continuation of the Project.

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We thank you in advance for your consideration on this matter. Should you have any questions or would like further clarification, please do not hesitate to contact HPCA Public Affairs and Policy Director Erik K. Abe at 808-791-7838.

Very Truly Yours,



CINDY FIGUERRES
Chief Executive Officer
Lanai Community Health Center



TERRENCE H. ARATANI
Chair, Board of Directors
Hawaii Primary Care Association



ROBERT HIROKAWA
Chief Executive Officer
Hawaii Primary Care Association



BEV HARBIN
Chair, External Affairs Committee
Hawaii Primary Care Association

c: Lieutenant Governor, State of Hawaii
Director, Department of Commerce and Consumer Affairs
President, Hawaii State Senate
Speaker, Hawaii State House of Representatives
Chair, Senate Committee on Health and Human Services
Chair, Senate Committee on Commerce and Consumer Protection
Chair, House Committee on Health and Homelessness
Chair, House Committee on Consumer Protection and Commerce
Senator, Senate District 7
Representative, House District 13
Mayor, County of Maui

attachments

JUSTIFICATION SHEET

DATE: December 21, 2023

TITLE: RELATING TO PHARMACY.

SUMMARY: Authorizes a registered pharmacist under contract with a federally qualified health center (FQHC) who is situated at a site other than an FQHC, to oversee the filling or receipt of a prescription for sale for distribution to a patient at an FQHC through telehealth if the FQHC has obtained a pharmacy or relocation of pharmacy license from the Board of Pharmacy.

Defines "federally qualified health center", "interactive telecommunication system", and "telehealth".

Requires the Board of Pharmacy to adopt rules in accordance with Chapter 91, Hawaii Revised Statutes (HRS).

Exempts a registered pharmacist under contract with an FQHC who is situated at a site other than the FQHC and is overseeing the filling or receipt of a prescription for sale for distribution to a patient at an FQHC from the requirement that the pharmacist must be in personal and immediate charge of the pharmacy and personnel employed by the pharmacy.

Does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.

AFFECTED SECTIONS: New Section to Chapter 461, HRS.

Amends Section 461-9, HRS.

EFFECTIVE DATE: Upon approval.

JUSTIFICATION: Section 461-9, HRS, requires a registered pharmacist to be physically present at the site where a prescription is filled or received for distribution to a consumer. Because of geographic isolation, the lack of health care professionals, and relatively small populations of rural communities, certain FQHCs are not able to employ a pharmacist at their campus site. These FQHCs are able to contract with a registered

pharmacist situated on another island who fills the prescription and mails the prescription to the patient. However, the delay in receiving the medication through the mail negatively impacts patient health care outcomes.

FQHCs are able to receive discounts on prescription drugs under the federal 340B Program. These discounts go directly to patients in the form of expanded medical care or reduced out-of-pocket costs at the FQHC.

In 2021, Lanai Community Health Center (LCHC) received approval from the Hawaii State Board of Pharmacy pursuant to Section 461-4.5, HRS, to conduct a pilot and demonstration project. Under this project, LCHC's contract pharmacist situated on the Island of Maui, supervised staff at LCHC by way of audio-visual telecommunications in the storage, filling, and dispensing of prescription medications to patients at the LCHC campus. Between June 9, 2022, and June 15, 2023, LCHC processed 5,838 total prescriptions for 1,124 patients. These patients received their prescriptions and refills quicker than they would have had they needed to wait for their medications to come through the mail.

FQHCs are required by federal law to document that any non-grant funds generated from health center program project activities in excess of what is necessary to support the total health center program project budget were utilized to benefit the current or proposed patient population and were not utilized for purposes that are specifically prohibited by the health center program.

The Board of Pharmacy's statutory authority to initiate pilot demonstration projects is not absolute, and that ultimately, it is the Legislature that determines whether making permanent an innovative concept is warranted.

STAFF COMMENTS:

The definition of "federally qualified health center" was taken from Section 346-53.6, HRS.

The definitions of "interactive telecommunication system", and "telehealth were taken from Sections 346-59.1, 431:10A-116.3, 432:1-601.5, 432D-23,5, and 453-1.3, HRS, as these sections were revised through the enactment of Act 107, Session Laws of Hawaii 2023, on June 23, 2023.

Savings clause was added to ensure continuity of Lanai Community Health Center Telepharmacy Pilot Demonstration Project that began and continues since 2021.

#

A BILL FOR AN ACT

RELATING TO PHARMACY.

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

1 SECTION 1. The legislature finds that the State's
2 federally qualified health centers (FQHCs) provide safety net
3 services to under- and uninsured individuals throughout Hawaii.
4 These services include the provision of low-cost prescription
5 drugs through the federal 340B drug program. However, State law
6 prohibits the filling or receipt of prescription drugs unless a
7 registered pharmacist is personally and immediately in charge of
8 the pharmacy.

9 The legislature further finds that because the patient
10 populations of some neighbor island health centers are too small
11 to make employment of a full-time pharmacist cost-effective,
12 these health centers provide pharmacy services through contract
13 pharmacies. However, this solution is also complicated because
14 of the small population size of certain neighbor island
15 communities. For example, the only FQHC on the island of Lanai
16 must contract with a pharmacy on Maui for 340B pharmacy services

___ .B. NO.

1 because the island's sole retail pharmacy does not believe that
2 340B participation is economically feasible. Nevertheless, for
3 certain FQHCs situated in rural areas with low populations,
4 these essential providers would like to add the services of a
5 pharmacist to those that are already offered to patients.

6 In January 2021, Lanai community health center (LCHC)
7 received approval by the Hawaii state board of pharmacy pursuant
8 to section 461-4.5, Hawaii Revised Statutes, to conduct a pilot
9 and demonstration research project for innovative applications
10 in the practice of pharmacy. Under this project, a licensed
11 pharmacist situated on the island of Maui supervised LCHC staff
12 situated at LCHC's campus on the island of Lanai via two-way,
13 real-time, audio-visual telecommunications in the receipt,
14 filling, and dispensing of prescriptions to patients at the LCHC
15 campus. Prior to commencing operations, the board of pharmacy
16 required LCHC to obtain a pharmacy license for its LCHC campus,
17 necessitating review, inspection, and prior approval by both the
18 board and the Hawaii state department of public safety's drug
19 enforcement division to ensure that all controlled substances
20 were adequately secured and monitored at all times.

21

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1 Despite delays in working with pharmacy benefit managers,
2 the LCHC telepharmacy pilot project commenced on June 9, 2022.
3 As of June 15, 2023, LCHC processed 5,838 total prescriptions
4 for 1,124 patients under the pilot project or a monthly average
5 of 486.5 prescriptions processed. These patients received their
6 prescriptions and refills quicker than they would have had they
7 needed to wait for the medications to come through the mail.
8 The medications were also cheaper because of LCHC's
9 participation in the 340B program. Because the only retail
10 pharmacy on Lanai is not a 340B participant, the discounts would
11 not have been applicable.

12 In terms of annual pharmacy revenue, LCHC saw a nearly 100%
13 increase -- from \$83,365 in 2019 to \$153,694 as of May 31, 2023.
14 Also, because LCHC is an FQHC, by law, LCHC *"must document that*
15 *any non-grant funds generated from health center program project*
16 *activities in excess of what is necessary to support the total*
17 *health center program project budget were utilized . . . to*
18 *benefit the current or proposed patient population and were not*
19 *utilized for purposes that are specifically prohibited by the*
20 *health center program."* (See, HRSA, Health Center Program
21 Compliance Manual, August 20, 2018, p. 63.)

1 Despite this success, the Legislature acknowledges that the
2 board of pharmacy's statutory authority to initiate pilot
3 demonstration projects is not absolute, and that ultimately, it
4 is the Legislature that determines whether making permanent an
5 innovative concept is warranted.

6 Accordingly, the purpose of this Act is to make permanent
7 the statutory authority for telepharmacy at FQHCs.

8 SECTION 2. Chapter 461, Hawaii Revised Statutes, is
9 amended by adding a new section to be appropriately designated
10 and to read as follows:

11 "§461-_____ Telepharmacy; limited application for medically
12 underserved patients provided primary care by a federally
13 qualified health center. (a) A registered pharmacist under
14 contract with a federally qualified health center who is
15 situated at a site other than a federally qualified health
16 center facility may oversee the filling, or receipt of a
17 prescription for sale for distribution to a patient at a
18 federally qualified health center facility through telehealth by
19 way of an interactive telecommunications system if the federally
20 qualified health center has obtained a pharmacy or relocation of
21 pharmacy license from the board of pharmacy for the purpose of

___ .B. NO.

1 filling or receiving a prescription for sale that will be
2 distributed at the federally qualified health center facility
3 where the contract pharmacist is not situated.

4 For purposes of this section:

5 "Federally qualified health center" shall have the same
6 meaning as the term is defined in section 1905(1) of the Social
7 Security Act (42 U.S.C. 1396 et seq.)

8 "Interactive telecommunications system" has the same
9 meaning as the term is defined in title 42 Code of Federal
10 Regulations section 410.78(a).

11 "Telehealth" means the use of telecommunications services,
12 as defined in section 269-1, including real-time audio and video
13 conferencing-based communication, secure interactive and non-
14 interactive web-based communication, and secure asynchronous
15 information exchange, to transmit patient medical information
16 for the purpose of delivering enhanced health care services and
17 information while a patient is at an originating site and the
18 health care provider is at a distant site.

19 (b) The board shall adopt rules in accordance with chapter
20 91 to implement this section."

1 SECTION 3. Section 461-9, Hawaii Revised Statutes, is
2 amended by amending subsection (a) to read as follows:

3 "(a) A registered pharmacist shall be in personal and
4 immediate charge of the pharmacy and personnel employed by the
5 pharmacy. Temporary absences of the registered pharmacist shall
6 be unlawful except for periods of time and under circumstances
7 as authorized under the rules of the board. [~~During~~] Except as
8 otherwise provided by section 461- , during any absence of the
9 registered pharmacist, prescriptions may not be filled,
10 compounded, or received by telephone and no drugs shall be sold;
11 provided that this shall not preclude the sale at those times of
12 things that might be sold where the pharmacy is a store not
13 subject to this chapter. No person other than a registered
14 pharmacist or a pharmacy intern under the registered
15 pharmacist's immediate supervision shall fill or compound
16 prescriptions except as provided by subsection (c)."

17 SECTION 4. This Act does not affect rights and duties that
18 matured, penalties that were incurred, and proceedings that were
19 begun before its effective date.

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____.B. NO.

1 SECTION 5. Statutory material to be repealed is bracketed
2 and stricken. New statutory material is underscored.

3 SECTION 6. This Act shall take effect upon its approval.

4

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INTRODUCED BY: _____
BY REQUEST

6

___ .B. NO.

Report Title:

Board of Pharmacy; telepharmacy; medically underserved areas

Description:

Allows a registered pharmacist under contract with a federally qualified health center (FQHC) to supervise via telehealth the filling or receipt of a prescription for distribution to a patient of an FQHC if the registered pharmacist is not situated at an FQHC facility.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

_____ **CONCURRENT
RESOLUTION**

URGING THE GOVERNOR AND THE BOARD OF PHARMACY TO SUPPORT THE LANAI COMMUNITY HEALTH CENTER TELEPHARMACY DEMONSTRATION PROJECT AS A METHOD OF EXPANDING ACCESSIBILITY AND AFFORDABILITY OF PRESCRIPTION DRUGS TO VULNERABLE POPULATIONS AND RURAL COMMUNITIES THROUGHOUT THE STATE OF HAWAII.

1 WHEREAS, the legislature finds that the State's federally
2 qualified health centers (FQHCs) provide safety net services to
3 under- and uninsured individuals throughout Hawaii; and
4

5 WHEREAS, these services include the provision of low-cost
6 prescription drugs through the federal 340B drug program; and
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8 WHEREAS, however, State law prohibits the filling,
9 compounding, or receipt of prescription drugs unless a
10 registered pharmacist is personally and immediately in charge of
11 the pharmacy; and
12

13 WHEREAS, the legislature further finds that because the
14 patient populations of some neighbor island health centers are
15 too small to make employment of a full-time pharmacist cost-
16 effective, these health centers provide pharmacy services
17 through contract pharmacies; and
18

19 WHEREAS, however, this solution is also complicated because
20 of the small population size of certain neighbor island
21 communities; and
22

23 WHEREAS, for example, the only FQHC on the island of Lanai
24 must contract with a pharmacy on Maui for 340B pharmacy services
25 because the island's sole retail pharmacy does not believe that
26 340B participation is economically warranted; and

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1 WHEREAS, nevertheless, for certain FQHCs situated in rural
2 areas with low populations, an FQHC wanted to add the services
3 of a pharmacist to those that are already offered to patients;
4 and

5
6 WHEREAS, in January 2021, Lanai community health center
7 (LCHC) received approval by the Hawaii state board of pharmacy
8 pursuant to section 461-4.5, Hawaii Revised Statutes (HRS), to
9 conduct a pilot and demonstration research project for
10 innovative applications in the practice of pharmacy; and

11
12 WHEREAS, under this project, a licensed pharmacist situated
13 on the island of Maui supervised LCHC staff situated at LCHC's
14 campus on the island of Lanai via two-way, real-time, audio-
15 visual telecommunications in the receipt, filling, and
16 dispensing of prescriptions to patients at the LCHC campus; and

17
18 WHEREAS, prior to commencing operations, the board of
19 pharmacy required LCHC to obtain a pharmacy license for its LCHC
20 campus necessitating review, inspection, and prior approval by
21 both the board and the Hawaii state department of public
22 safety's drug enforcement division to ensure that all controlled
23 substances were adequately secured and monitored at all times;
24 and

25
26 WHEREAS, despite delays in working with pharmacy benefit
27 managers, the LCHC telepharmacy pilot project commenced on June
28 9, 2022; and

29
30 WHEREAS, as of June 15, 2023, LCHC processed 5,838 total
31 prescriptions for 1,124 patients under the pilot project or a
32 monthly average of 486.5 prescriptions process; and

33
34 WHEREAS, these patients received their prescriptions and
35 refills quicker than they would have had they needed to wait for
36 the medications to come through the mail; and

37
38 WHEREAS, the medications were also cheaper because of
39 LCHC's participation in the 340B program; and

40

1 WHEREAS, because the only retail pharmacy on Lanai is not a
2 340B participant, the discounts would not have been applicable;
3 and
4

5 WHEREAS, in terms of annual pharmacy revenue, LCHC saw a
6 nearly 100% increase - from \$83,365 in 2019 to \$153,694 as of
7 May 31, 2023; and
8

9 WHEREAS, because LCHC is an FQHC, by law, LCHC:
10

11 *“. . . must document that any non-grant*
12 *funds generated from health center program*
13 *project activities in excess of what is*
14 *necessary to support the total health center*
15 *project budget were utilized. . . to benefit*
16 *the current or proposed patient population*
17 *and were not utilized for purposes that are*
18 *specifically prohibited by the health center*
19 *program. . .” [See, HRSA, Health Center*
20 *Program Compliance Manual, August 20, 2018,*
21 *p. 63.]; and*
22

23 WHEREAS, on June 15, 2023, the board of pharmacy informed
24 LCHC that the statutory authority for the board to conduct a
25 demonstration project was not absolute and that at some point,
26 the law must be amended to allow telepharmacy as a legal
27 process; and
28

29 WHEREAS, at that meeting, the board extended the statutory
30 authority for the LCHC telepharmacy demonstration project to
31 October 19, 2023, at which time the Board stated it would
32 consider proposed legislation offered by LCHC to make the
33 project permanent; and
34

35 WHEREAS, the board further informed LCHC that if the board
36 did not receive proposed legislation by October 19, 2023, the
37 authority to continue the project would expire; and
38
39

1 WHEREAS, pursuant to this directive, LCHC worked with the
2 Hawaii Primary Care Association (HPCA) to craft proposed
3 legislation that would provide the statutory authority for the
4 project to continue in the manner in which it was currently
5 operating; and

6
7 WHEREAS, as a demonstration project, the board and the
8 department of public safety's drug enforcement division had
9 required LCHC to obtain a pharmacy license for the purpose of
10 operating the telepharmacy project; and

11
12 WHEREAS, this necessitated a comprehensive review of the
13 policies and procedures to be used, inspection of the site where
14 the medications would be stored and dispensed, and the
15 technology to be used before operations could begin; and

16
17 WHEREAS, the bill was drafted to ensure that the same
18 standard be applied; and

19
20 WHEREAS, because of concerns that the proposed legislation
21 would make telepharmacy available to areas other than
22 geographically isolated communities, the bill was drafted to
23 only be applied to FQHCs situated within the State of Hawaii;
24 and

25
26 WHEREAS, there are currently only fourteen (14) FQHCs in
27 the State - seven (7) on the island of Oahu, two (2) on the
28 island of Hawaii, two (2) on the island of Maui, and one (1)
29 each on the islands of Lanai, Molokai, and Kauai; and

30
31 WHEREAS, based on discussions with member FQHCs, other than
32 LCHC, only two, one on the island of Maui and the other on the
33 island of Hawaii, are looking at the feasibility of doing
34 something similar to the LCHC project; and

35
36 WHEREAS, however, both have indicated hesitancy because of
37 the regulatory complexity and difficulty in working with
38 pharmacy benefit managers; and

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40

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1 WHEREAS, pursuant to the board's directive at its June 15,
2 2023 meeting, the HPCA, in conjunction with LCHC, transmitted
3 proposed legislation to the Board on August 24, 2023; and
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5 WHEREAS, it was the intent of the HPCA and LCHC to work
6 with the Board on acceptable language that would facilitate the
7 seamless continuity of the project; and
8

9 WHEREAS, in meetings with board staff in August and
10 September 2023, the HPCA and LCHC were notified that the board
11 intended to conduct additional fact-finding on the project at
12 the meeting scheduled for October 19, 2023; and
13

14 WHEREAS, LCHC was directed by board staff to have the chief
15 executive officer, the chief medical director, the contract
16 pharmacist, and other staff prepared to answer questions on the
17 process used to dispense medications at the LCHC campus; and
18

19 WHEREAS, the HPCA and LCHC were also informed that the
20 board intended to receive testimony from the sole pharmacy
21 conducting business on Lanai to discuss the financial impacts
22 that the LCHC telepharmacy project had on its operations; and
23

24 WHEREAS, on October 19, 2023, the board of pharmacy
25 cancelled its meeting due to technical difficulties with its
26 teleconferencing application and rescheduled the meeting for
27 December 14, 2023; and
28

29 WHEREAS, on December 14, 2023, the board of pharmacy
30 cancelled its meeting due to technical difficulties with its
31 teleconferencing application and rescheduled the meeting for
32 December 21, 2023; and
33

34 WHEREAS, on December 21, 2023, the board of pharmacy met to
35 discuss the LCHC telepharmacy demonstration project; and
36

37 WHEREAS, at that meeting, the HPCA testified that since
38 August, it had met with lawmakers who had agreed to introduce
39 the proposed legislation and shepherd it through the legislative
40 process; and
41

1 WHEREAS, the HPCA engaged these lawmakers in August to
2 ensure that there would be sufficient time to allow for any
3 amendments to be integrated into the proposed legislation prior
4 to the drafting and bill introduction deadlines established by
5 the Hawaii State legislature; and

6
7 WHEREAS, the HPCA further testified that it was gravely
8 concerned that due to delays, a decision by the board on
9 proposed legislation was postponed by months; and

10
11 WHEREAS, during the meeting, board members and staff asked
12 various questions concerning the process utilized by LCHC in
13 processing prescriptions through the telepharmacy demonstration
14 project; and

15
16 WHEREAS, among other things, the contract pharmacist
17 testified that LCHC received significant savings that went
18 directly to patients in the form of lower copays or expanded
19 health services because the contract pharmacist provided safe
20 and secure pharmacy services at a much reduced cost compared to
21 the amount that LCHC would have had to pay in salary and
22 benefits for securing a full-time pharmacist on staff; and

23
24 WHEREAS, the sole pharmacy licensed on Lanai was not
25 present at the meeting nor did it submit testimony at the
26 meeting; and

27
28 WHEREAS, after discussing the matter in executive session,
29 the board announced that:

- 30
31 (1) The LCHC telepharmacy project would be extended to
32 June 1, 2024;
33
34 (2) The board recommended the removal of the word
35 "compounding" from the draft bill;
36
37 (3) The board appreciated the intent of the proposed
38 legislation and the service that LCHC is providing to
39 the residents of Lanai; and
40

____.C.R. NO.

1 (4) The board cannot provide a definitive position on any
 2 legislation until they are able to review a bill,
 3 introduced during the legislative session, and that
 4 said bill must be discussed at a scheduled board
 5 meeting in accordance with section 92-7, Hawaii
 6 Revised Statutes; and
 7

8 WHEREAS, during the June 15, 2023 board meeting, the HPCA
 9 testified that legislation could be offered on behalf of the
 10 board as part of the administration’s legislative package; and
 11

12 WHEREAS, however, staff informed the HPCA and LCHC that the
 13 board would not submit legislation concerning LCHC’s
 14 telepharmacy demonstration project as part of the
 15 administration’s legislative package; and
 16

17 WHEREAS, in light of the foregoing, the legislature
 18 acknowledges that the board of pharmacy’s statutory authority to
 19 initiate pilot demonstration projects is not absolute, and that
 20 ultimately, it is the legislature that determines whether making
 21 permanent an innovative concept is warranted; now, therefore,
 22

23 BE IT RESOLVED by the _____ of the Thirty-
 24 second Legislature of the State of Hawaii, Regular Session of
 25 2024, the _____ concurring, that the Governor and
 26 the board of pharmacy is urged to support the Lanai community
 27 health center telepharmacy demonstration project as a method of
 28 expanding accessibility and affordability of prescription drugs
 29 to vulnerable populations and rural communities throughout the
 30 state of Hawaii; and
 31

32 BE IT FURTHER RESOLVED that the chair of the board of
 33 pharmacy report on the LCHC demonstration project with an
 34 official position on whether the board recommends that the
 35 statutory authority permitting the project be made permanent in
 36 statute; and
 37

38 BE IT FURTHER RESOLVED that the chair of the board of
 39 pharmacy submit this report, including any proposed legislation
 40 it deems necessary, to the Legislature no later than twenty days
 41 before the convening of the Regular Session of 2025; and

____.C.R. NO.

1 BE IT FURTHER RESOLVED that certified copies of this
2 Concurrent Resolution be transmitted to the Governor, the
3 director of commerce and consumer affairs, the chair of the
4 board of pharmacy; the mayor of the county of Maui; the chief
5 executive officer of Lanai community health center; and the
6 chief executive officer of the Hawaii primary care association.

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8
9

OFFERED BY: _____

10 Urges the Governor and the Board of Pharmacy to support the
11 Lanai Community Health Center telepharmacy demonstration project
12 as a method of expanding accessibility and affordability of
13 prescription drugs to vulnerable populations and rural
14 communities throughout the State of Hawaii.

Testimony of the Board of Pharmacy

**Before the
House Committee on Human Services
Thursday, March 21, 2024**

9:30 a.m.

Conference Room 329 and Videoconference

On the following measure:

H.C.R. 142, URGING THE GOVERNOR AND BOARD OF PHARMACY TO SUPPORT THE LANAI COMMUNITY HEALTH CENTER'S TELEPHARMACY PILOT DEMONSTRATION AND RESEARCH PROJECT AS A METHOD OF EXPANDING THE ACCESSIBILITY AND AFFORDABILITY OF PRESCRIPTION DRUGS TO VULNERABLE POPULATIONS AND RURAL COMMUNITIES THROUGHOUT THE STATE

Chair Marten and Members of the Committee:

My name is James Skizewski, and I am the Executive Officer of the Board of Pharmacy (Board). The Board offers comments on this resolution.

The purpose of this concurrent resolution is to urge the Governor and Board of Pharmacy to support the Lanai Community Health Center's telepharmacy pilot demonstration and research project as a method of expanding the accessibility and affordability of prescription drugs to vulnerable populations and rural communities throughout the State.

The Board originally approved a pilot project related to telepharmacy at Lanai Community Health Center (LCHC) at their January 21, 2021, meeting.

- The pilot project was further extended at the Board's September 2021 meeting, which included an expansion to allow the dispensation of controlled substances subject to a registration with the Narcotics Enforcement Division of the Department of Public and Safety. The extension was provided due to a delay in the implementation of the project because of issues related to LCHC's ability to work with pharmacy benefit managers.
- At the June 2022 board meeting, an additional extension of the project was granted by the Board, with a request that an update and report be provided to address the successes and any issues related to the project. The extension was also granted to give LCHC additional time to gather data related to the project.

- Following a report on the project at the June 2023 meeting, the Board informed LCHC that a pilot project was not a means for long term change, and legislation must be introduced to make the allowances provided in the pilot project permanent. LCHC noted their willingness to work to have legislation introduced during the 2024 legislative session. The Board requested a draft of the legislation be provided for review and possible comment.
- At the Board's December 2023 meeting, the Board extended the pilot project to June 2024, and after review of the presented draft legislation, the Board noted their appreciation and provided comments on the draft. The Board noted they would take a formal position on the bill following official introduction before the 2024 Legislature.
- At the February 2024 meeting, the Board was informed no legislation was introduced and, instead, a draft resolution was presented to the Board.

The Board has been very supportive of the telepharmacy pilot project at LCHC. Through various extensions and expansions of the project, the Board has exemplified its willingness to facilitate the project and support LCHC. Additionally, the Board provided comments on draft legislation related to the allowances made under this project, and noted concerns the Board may have with the surrounding processes.

The Board will review and take an official position on any introduced legislation related to the amending of Hawaii Revised Statutes (HRS) Chapter 461 at a properly publicly noticed meeting.

Finally, the Board strongly notes remote dispensing under certain circumstances was repealed in HRS Chapter 461, pursuant to Act 184, Session Laws of Hawaii 2013. The removal was primarily done to address the location of remote dispensing pharmacies near retail pharmacies which created operational challenges for retail pharmacies.

Thank you for the opportunity to testify on this bill.



fightcancer.org

House Committee on Human Services
Rep. Lisa Marten, Chair
Rep. Terez Amato, Vice Chair

Hearing Date: Thursday, March 21, 2024

ACS CAN SUPPORTS HCR 142 and HR124: URGING THE GOVERNOR AND BOARD OF PHARMACY TO SUPPORT THE LANAI COMMUNITY HEALTH CENTER'S TELEPHARMACY PILOT DEMONSTRATION AND RESEARCH PROJECT AS A METHOD OF EXPANDING THE ACCESSIBILITY AND AFFORDABILITY OF PRESCRIPTION DRUGS TO VULNERABLE POPULATIONS AND RURAL COMMUNITIES THROUGHOUT THE STATE.

Cynthia Au, Government Relations Director – Hawaii Guam
American Cancer Society Cancer Action Network

Thank you for the opportunity to **SUPPORT** House Concurrent Resolution No. 142 and House Resolution No. 124 which urges the Governor and Board of Pharmacy to support Lanai Community Health Center's telepharmacy pilot demonstration and research project as a method of expanding the accessibility and affordability of prescription of prescription drugs to vulnerable populations and rural communities throughout the state.

The American Cancer Society Cancer Action Network (ACS CAN), the nonprofit, non-partisan advocacy affiliate of the American Cancer Society advocates for public policies to reduce the cancer burden for everyone.

ACS CAN supports health equity and access to affordable care. Federal qualified health centers are federally funded nonprofit health centers or clinics that serve medically underserved areas and populations. ACS CAN supports the Lanai Community Health Center's (LCHC's) Telepharmacy Project so patients have access to timely affordable prescription medications. Currently, almost 80 percent of the population relies on LCHC for primary care services. We are concerned that the pilot program may end June 1, 2024 and may impact current patient's ability to access and afford necessary prescription medications.

ACS CAN (1) Urges the Governor and the Board of Pharmacy to support the Lanai Community Health Center's Telepharmacy Pilot Demonstration and Research Project as a method

of expanding the accessibility and affordability of prescription drugs to vulnerable populations and rural communities throughout the State; and
(2) Request the Chair of the Board of Pharmacy to report on the LCHC Telepharmacy Pilot Demonstration and Research Project, including expressing an official position on whether the Board recommends that telepharmacy be authorized statutorily.

Thank you again for the opportunity to provide testimony in SUPPORT on this important matter. Should you have any questions, please do not hesitate to contact Government Relations Director Cynthia Au at 808.460.6109, or Cynthia.Au@Cancer.org.



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**The State Legislature
House Committee on Human Services
Thursday, March 21, 2024
Conference Room 329, 9:30 a.m.**

TO: The Honorable Lisa Marten, Chair
FROM: Keali'i Lopez, State Director, AARP Hawai'i
RE: Support for HCR 142-HR 124 - Lanai Tele Pharmacy Pilot Project

Aloha Chair Marten and Members of the Committee:

My name is Keali'i Lopez, and I am the State Director for AARP Hawai'i. AARP is a nonpartisan, social mission organization that advocates for individuals age 50 and older. We have a membership of nearly 38 million nationwide and nearly 140,000 in Hawaii. We advocate at the state and federal level for the issues that matter most to older adults and their families.

AARP supports HCR 142/HR 124 which urges the governor and board of pharmacy to support the Lanai Community Health Center's tele pharmacy pilot demonstration and research project as a method of expanding the accessibility and affordability of prescription drugs to vulnerable populations and rural communities throughout the state.

AARP believes the Lanai Community Health Center's tele pharmacy pilot demonstration can serve as a future prototype for other remote communities or areas facing health provider shortages throughout the state. Under this Lanai project, a licensed pharmacist located on the island of Maui supervises Lanai Community Health Center staff via tele health technology with the filling and dispensing of prescriptions to patients at the LCHC campus. This allows Lanai patients to receive their prescriptions and refills more quickly than if they had needed to wait for the medications to arrive through the mail. The use of telehealth continue to help consumers be more easily connect with various health care clinicians and remain in their communities longer by managing their care. This Lanai tele pharmacy project should be continued to serve the island residents.

Thank you very much for the opportunity to testify in strong support of HCR 142/HR 124.



March 20, 2024

Rep. Lisa Marten, Chair

Rep. Terez Amato, Vice Chair

Testimony to the House Committee on Human Services

Thursday, March 21, 2024, 9:30 AM. State Capitol, Conf. Room 329 or via Videoconference

RE: House Concurrent Resolution No. 142

Aloha Chair Marten, Vice Chair Amato, and Members of the Committee:

On behalf of the Epilepsy Foundation of Hawaii (EFH), we ask your **SUPPORT for HCR142**, URGING THE GOVERNOR AND BOARD OF PHARMACY TO SUPPORT THE LANAI COMMUNITY HEALTH CENTER'S TELEPHARMACY PILOT DEMONSTRATION AND RESEARCH PROJECT AS A METHOD OF EXPANDING THE ACCESSIBILITY AND AFFORDABILITY OF PRESCRIPTION DRUGS TO VULNERABLE POPULATIONS AND RURAL COMMUNITIES THROUGHOUT THE STATE.

This bill supports a critical priority for the epilepsy community – safety and continuity of care in the event of a seizure or an individual living with a seizure disorder, also known as epilepsy. Missed medicines can trigger seizures in people with both well-controlled and poorly controlled epilepsy. Seizures can happen more often than normal, be more intense or develop into long seizures called status epilepticus. Status epilepticus is a medical emergency and can lead to death if the seizures aren't stopped. Missing doses of medicine can also lead to falls, injuries and other problems from seizures and changes in medicine levels. Therefore, it is critical that people taking seizure medications have a reliable and affordable means to access their life saving medication and treatment options. The Lāna'i Community Health Center's Telepharmacy Project has been an integral solution and viable resource for the community of Lāna'i.

The Epilepsy Foundation is the leading national voluntary health organization that speaks on behalf of the at least 3.4 million Americans with epilepsy and seizures. Epilepsy Foundation of Hawaii, advocates and provides services for the almost 14,000 individuals living with epilepsy throughout Hawaii. Collectively, we foster the wellbeing of children and adults affected by seizures through research programs, educational activities, advocacy, and direct services. Epilepsy is a medical condition characterized by seizures, which are sudden surges of electrical activity in the brain, that affects a variety of mental and physical functions. Approximately 1 in 26 Americans will develop epilepsy, and approximately 1 in 10 people will experience a seizure, at some point in their lifetime.

On behalf of the Epilepsy Foundation of Hawaii, we humbly urge your **SUPPORT for HCR142**.

Mahalo nui loa,

A handwritten signature in blue ink that reads 'Naomi Mamanuf'.



Naomi Manuel
Executive Director
Epilepsy Foundation of Hawaii

Our mission is to lead the fight to overcome the challenges of living with epilepsy and to accelerate therapies to stop seizures, find cures, and save lives. **Please learn more about our advocacy work at epilepsy.com/advocacy.**