

JAN 23 2025

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# A BILL FOR AN ACT

RELATING TO PHARMACISTS.

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

1       SECTION 1. The legislature finds that there is a statewide  
2 physician shortage. According to the federal Health Resources  
3 and Services Administration, each county in the State contains a  
4 region that is a medically underserved area, as defined by the  
5 Public Health Service Act of 1944, P.L. 78-410.

6       The legislature further finds that pharmacists can help  
7 bridge the gap created by the physician shortage. A  
8 pharmacist's skill set upon obtaining a doctorate degree after  
9 four years of graduate level training includes an intimate  
10 understanding of chronic disease state treatment and prevention,  
11 medication management surrounding medication dosing, drug  
12 interactions and adverse effects, various medication utilization  
13 techniques, and culturally competent medication-related  
14 education skills. Additionally, pharmacists may complete up to  
15 two years of residency and obtain national board certifications  
16 and supplemental training in specialty areas.



1       The legislature recognizes that pharmacists are the most  
2   accessible healthcare providers across the country, and often  
3   the only healthcare professionals available after business  
4   hours, outside of an emergency department. Substantial  
5   literature clearly documents the proven and significant  
6   improvement to patient outcomes and reduction in health care  
7   expenditures when pharmacists are optimally leveraged as  
8   medication experts on patient care teams.

9       The legislature notes that the expansion of programs that  
10   increase patient access to health care services provided by  
11   their pharmacist in Hawaii is aligned with the growing trend of  
12   similar programs in other states. In states where a program has  
13   been implemented, health plans recognize the value of the  
14   pharmacist and invest in the services that they provide to  
15   capitalize on the positive therapeutic and economic outcomes  
16   associated with pharmacist-provided care.

17       Given the unique health disparities across the islands,  
18   patient access to pharmacist-provided care can address health  
19   inequities while reducing hospital admissions, increasing  
20   medication adherence, and decreasing overall health expenditures



1 by recognizing and covering the valuable health care services  
2 that pharmacists provide.

3 Furthermore, the legislature finds it important to support  
4 locally independent pharmacies by allowing pharmacists to have a  
5 sustainable financial business model that includes reimbursement  
6 for services within a pharmacist's scope of practice.

7 Accordingly, the purpose of this Act is to mandate  
8 reimbursement for services provided by pharmacists within their  
9 scope of practice by private and public health plans in the  
10 State. After introduction of this bill in 2023, a report [23-2]  
11 completed by the office of the auditor pursuant to Senate  
12 Concurrent Resolution No. 17 found that the proposed health  
13 insurance coverage does not extend coverage for additional  
14 health care services or diseases. Per the report, the proposed  
15 insurance coverage for health care services performed by  
16 pharmacists would not result in any cost to the State, as the  
17 bill specifically limits the proposed coverage for health care  
18 services to the extent that the policy provides benefits for  
19 identical services rendered by another health care provider.



1       SECTION 2. Chapter 431, Hawaii Revised Statutes, is  
2 amended by adding a new section to article 10A to be  
3 appropriately designated and to read as follows:

4       **"§431:10A-       Services provided by participating**  
5 **registered pharmacists; coverage.** (a) Each individual or group  
6 policy of accident and health or sickness insurance delivered or  
7 issued for delivery in this State after July 1, 2026, shall  
8 include coverage for care provided by a participating registered  
9 pharmacist practicing within the scope of the pharmacist's  
10 license for purposes of health maintenance or treatment to the  
11 extent that the policy provides benefits for identical services  
12 rendered by another health care provider.

13       (b) For the purposes of this section, "participating  
14 registered pharmacist" means a pharmacist licensed pursuant to  
15 chapter 461 who has contracted with the insurer to provide  
16 health care services to its insureds."

17       SECTION 3. Chapter 432, Hawaii Revised Statutes, is  
18 amended by adding a new section to article 1 to be appropriately  
19 designated and to read as follows:

20       **"§432:1-       Services provided by participating registered**  
21 **pharmacists; coverage.** (a) Each individual or group hospital



or medical service plan contract delivered or issued for  
delivery in this State after July 1, 2026, shall include  
coverage for care provided by a participating registered  
pharmacist practicing within the scope of the pharmacist's  
license for purposes of health maintenance or treatment to the  
extent that the plan contract provides benefits for identical  
services rendered by another health care provider.

(b) For the purposes of this section, "participating  
registered pharmacist" means a pharmacist licensed pursuant to  
chapter 461 who has contracted with the mutual benefit society  
to provide health care services to its members."

SECTION 4. Section 346-53.64, Hawaii Revised Statutes, is  
amended by amending subsection (a) to read as follows:

"(a) Services eligible for prospective payment system  
reimbursement are those services that are furnished by a  
federally qualified health center or rural health clinic that  
are:

- (1) Within the legal authority of a federally qualified  
health center to deliver, as defined in section 1905  
of the Social Security Act;



- 1 (2) Actually provided by the federally qualified health  
2 center, either directly or under arrangements;
- 3 (3) Covered benefits under the medicaid program, as  
4 defined in section 4231 of the State Medicaid Manual  
5 and the Hawaii medicaid state plan;
- 6 (4) Provided to a recipient eligible for medicaid  
7 benefits;
- 8 (5) Delivered exclusively by health care professionals,  
9 including physicians, physician's assistants, nurse  
10 practitioners, pharmacists, nurse midwives, clinical  
11 social workers, clinical psychologists, and other  
12 persons acting within the lawful scope of their  
13 license or certificate to provide services;
- 14 (6) Provided at the federally qualified health center's  
15 practice site, a hospital emergency room, in an  
16 inpatient setting, at the patient's place of  
17 residence, including long term care facilities, or at  
18 another medical facility; and
- 19 (7) Within the scope of services provided by the State  
20 under its fee-for-service medicaid program and its



1           medicaid managed care program, on and after August  
2           1994, and as amended from time to time."

3           SECTION 5. Section 346-59, Hawaii Revised Statutes, is  
4 amended by amending subsection (b) to read as follows:

5           "(b) Rates of payment to providers of medical care who are  
6 individual practitioners, including doctors of medicine,  
7 dentists, podiatrists, psychologists, osteopaths, optometrists,  
8 pharmacists, and other individuals providing services, shall be  
9 based upon the Hawaii medicaid fee schedule. The amounts paid  
10 shall not exceed the maximum permitted to be paid individual  
11 practitioners or other individuals under federal law and  
12 regulation, the medicare fee schedule for the current year, the  
13 state limits as provided in the appropriation act, or the  
14 provider's billed amount.

15           The appropriation act shall indicate the percentage of the  
16 medicare fee schedule for the year 2000 to be used as the basis  
17 for establishing the Hawaii medicaid fee schedule. For any  
18 subsequent adjustments to the fee schedule, the legislature  
19 shall specify the extent of the adjustment in the appropriation  
20 act."



SECTION 6. Section 346-59.1, Hawaii Revised Statutes, is amended by amending subsection (g) to read as follows:

"(g) For the purposes of this section:

"Distant site" means the location of the health care provider delivering services through telehealth at the time the services are provided.

"Health care provider" means a provider of services, as defined in title 42 United States Code section 1395x(u), a provider of medical and other health services, as defined in title 42 United States Code section 1395x(s), other practitioners licensed by the State and working within their scope of practice, and any other person or organization who furnishes, bills, or is paid for health care in the normal course of business, including but not limited to primary care providers, mental health providers, oral health providers, physicians and osteopathic physicians licensed under chapter 453, advanced practice registered nurses licensed under chapter 457, psychologists licensed under chapter 465, pharmacists licensed under chapter 461, and dentists licensed under chapter 448.





1 "Originating site" means the location where the patient is  
2 located, whether accompanied or not by a health care provider,  
3 at the time services are provided by a health care provider  
4 through telehealth, including but not limited to a health care  
5 provider's office, hospital, critical access hospital, rural  
6 health clinic, federally qualified health center, a patient's  
7 home, and other non-medical environments such as school-based  
8 health centers, university-based health centers, or the work  
9 location of a patient.

10 "Telehealth" means the use of telecommunications services,  
11 as defined in section 269-1, to encompass four modalities:  
12 store and forward technologies, remote monitoring, live  
13 consultation, and mobile health; and which shall include but not  
14 be limited to real-time video conferencing-based communication,  
15 secure interactive and non-interactive web-based communication,  
16 and secure asynchronous information exchange, to transmit  
17 patient medical information, including diagnostic-quality  
18 digital images and laboratory results for medical interpretation  
19 and diagnosis, for the purpose of delivering enhanced health  
20 care services and information while a patient is at an  
21 originating site and the health care provider is at a distant



1 site. Standard telephone contacts, facsimile transmissions, or  
2 e-mail text, in combination or by itself, does not constitute a  
3 telehealth service for the purposes of this section."

4 SECTION 7. Section 432D-23, Hawaii Revised Statutes, is  
5 amended to read as follows:

6 **"§432D-23 Required provisions and benefits.**

7 Notwithstanding any provision of law to the contrary, each  
8 policy, contract, plan, or agreement issued in the State after  
9 January 1, 1995, by health maintenance organizations pursuant to  
10 this chapter, shall include benefits provided in sections  
11 431:10-212, 431:10A-115, 431:10A-115.5, 431:10A-116,  
12 431:10A-116.2, 431:10A-116.5, 431:10A-116.6, 431:10A-119,  
13 431:10A-120, 431:10A-121, 431:10A-122, 431:10A-125, 431:10A-126,  
14 431:10A-132, 431:10A-133, 431:10A-134, 431:10A-140, and  
15 [~~431:10A-134~~,] 431:10A-, and chapter 431M."

16 SECTION 8. The department of human services shall apply to  
17 the United States Department of Health and Human Services for  
18 any amendment to the state Medicaid plan or for any Medicaid  
19 waiver necessary to implement sections 4, 5, and 6 of this Act.  
20 The department shall submit the Medicaid state plan amendment no  
21 later than .



1       SECTION 9. Statutory material to be repealed is bracketed  
2 and stricken. New statutory material is underscored.

3       SECTION 10. This Act does not affect rights and duties  
4 that matured, penalties that were incurred, and proceedings that  
5 were begun before its effective date.

6       SECTION 11. This Act shall take effect upon its approval;  
7 provided that sections 4 through 6 of this Act shall take effect  
8 upon approval of the Hawaii medicaid state plan by the Centers  
9 for Medicare and Medicaid Services.

10  
INTRODUCED BY: \_\_\_\_\_



# S.B. NO. 1579

**Report Title:**

Pharmacists; Insurance Coverage; Reimbursement

**Description:**

Mandates reimbursement for services provided by participating registered pharmacists practicing within their scope of practice by private and public health plans in the State after 7/1/2026.

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

