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HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND  
OFFICE OF THE PUBLIC DEFENDER

STATE OF HAWAII  
DEPARTMENT OF BUDGET AND FINANCE  
*Ka 'Oihana Mālama Mo'ohelu a Kālā*  
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ADMINISTRATIVE AND RESEARCH OFFICE  
BUDGET, PROGRAM PLANNING AND MANAGEMENT DIVISION  
FINANCIAL ADMINISTRATION DIVISION  
OFFICE OF FEDERAL AWARDS MANAGEMENT

**WRITTEN ONLY**  
TESTIMONY BY LUIS P. SALAVERIA  
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE  
TO THE HOUSE COMMITTEE ON HIGHER EDUCATION  
ON  
HOUSE BILL NO. 223

**January 31, 2025**  
**2:00 p.m.**  
**Room 309 and Videoconference**

RELATING TO PHARMACY

The Department of Budget and Finance offers comments on this bill.

House Bill (H.B.) No. 223 amends Chapter 304A, HRS, to establish the Daniel K. Inouye College of Pharmacy Special Fund (DKICPSF) to support pharmacist workforce assessment (PWA) and planning efforts, including maintaining PWA information and providing loan repayment and scholarships. The bill also amends Chapter 461, HRS, to establish a PWA fee on new and renewed licenses and permits for pharmacists, pharmacies, wholesale prescription drug distributors, and other miscellaneous permit holders to provide revenue for the DKICPSF. Finally, the bill appropriates: 1) an unspecified amount out of the Compliance Resolution Fund in FY 26 and FY 27 to be deposited into the DKICPSF and later reimbursed by the DKICPSF by an unspecified date; and 2) an unspecified amount out of the DKICPSF for FY 26 and FY 27 for the purposes of the fund.

As a matter of general policy, the department does not support the creation of any special fund, which does not meet the requirements of Section 37-52.3, HRS. Special

funds should: 1) serve a need as demonstrated by the purpose, scope of work and an explanation why the program cannot be implemented successfully under the general fund appropriation process; 2) reflect a clear nexus between the benefits sought and charges made upon the users or beneficiaries or a clear link between the program and the sources of revenue; 3) provide an appropriate means of financing for the program or activity; and 4) demonstrate the capacity to be financially self-sustaining. Regarding H.B. No. 223, it is difficult to determine whether the proposed DKICPSF would be self-sustaining.

Thank you for your consideration of our comments.

**Testimony of the Board of Pharmacy**

**Before the  
House Committee on Higher Education  
Friday, January 31, 2025  
2:15 p.m.**

**Conference Room 308 and Videoconference**

**On the following measure:  
H. B. 223, RELATING TO PHARMACY**

Chair Garrett and Members of the Committee:

My name is Christopher Fernandez and I am the Executive Officer of the Board of Pharmacy (Board). The Board will meet on February 20, 2025 and take a position on this measure at that time. For now, the Board has historically supported the intent of this bill and offers its previous comments.

The purposes of this bill are to: (1) establish the Daniel K. Inouye College of Pharmacy Special Fund to support pharmacist workforce assessment and planning efforts; and (2) establish the pharmacist workforce assessment fee.

The Board requests clarification on the oversight of the envisioned fund. Without assurances related to oversight, it is unclear who this special fund will benefit. The Board requests additional information related to the benefit of such a fee to its licensees. License fees are provided in proportion to the cost of managing and administering the Board and the Board's related licenses. To increase fees on all licensees under the Board without a clear benefit to be gained by licensees is of concern.

Lastly, the amount which will be added to initial licensure and renewal fees is unclear. The Board requests clarity on the amount of funding that is being requested.

Thank you for the opportunity to testify on this bill.



# UNIVERSITY OF HAWAII SYSTEM

## ‘ŌNAEHANA KULANUI O HAWAII

### Legislative Testimony

#### Hō'ike Mana'o I Mua O Ka 'Aha'ōlelo

Testimony Presented Before the  
House Committee on Higher Education  
Friday, January 31, 2025 at 2:15 p.m.

By

Bonnie Irwin, Chancellor

and

Rae Matsumoto, Dean

Daniel K. Inouye College of Pharmacy

University of Hawai'i at Hilo

### HB 223 – RELATING TO PHARMACY

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

Thank you for the opportunity to submit testimony on HB 223. The University of Hawai'i at Hilo (UH Hilo) supports HB 223, which establishes the Daniel K. Inouye College of Pharmacy Special Fund to create a Hawai'i Center for Pharmacy which will support pharmacist workforce assessment and planning efforts. The Center will be established through a pharmacist workforce assessment fee, and appropriate funds to advance the profession of pharmacy, as part of an intentional effort to help improve access to quality health care for the people of Hawai'i.

Pharmacists are among the most accessible health care providers, with a doctoral level of expertise and clinical training, and are currently underutilized in Hawai'i. HB 223 is modeled after the Hawai'i Center for Nursing and a similar center for medicine, which have been instrumental in facilitating the ability of these professions to be proactive and strategic in formulating data-informed solutions for existing and emerging health care challenges in Hawai'i. HB 223 will allow pharmacists, who are essential members of current health care teams, to also align with and contribute to this collective effort.

Passage of HB 223 represents a profession-driven solution that will allow pharmacy to work toward matching the standard already granted to other health care professions (medicine, nursing) in Hawai'i. No legislative appropriations are being requested to get the Center started. Instead, the bill will allow for a workforce assessment fee as part of licensing requirements that would create a foundational base to hire a Director and provide a sustainable mechanism for supporting the activities of a Hawai'i Center for Pharmacy.

The Hawai'i Center for Pharmacy would be housed in the Daniel K. Inouye College of Pharmacy. Being housed within the UH system has worked well for the successful

centers for medicine and nursing that already exist, and ensures that appropriate business systems are in place to manage funds (accept, disburse, leverage from different sources) and hire personnel. Also, the profession will be able to leverage the academic expertise and unique training and professional networks of the college that will be crucial for implementing data-driven approaches and innovative solutions to improve access to quality health care. The role of the college in training future pharmacists also offers natural synergies for supporting the disbursement of scholarships and loan repayment initiatives to attract to Hawai'i and retain needed talent for service in medically-underserved areas of the state.

In summary, passage of HB 223 will support a data-informed, coordinated and intentional effort to position the profession of pharmacy to help fill existing health care gaps in Hawai'i. The college is uniquely suited for housing the proposed Center which will proactively assess, train, and leverage pharmacists, working with pharmacy stakeholders across the state and country, to fill gaps in care related to medication management and safety. Pharmacists are embedded as trusted health care professionals in many remote communities, and many published studies have documented their positive impact on patient outcomes as the health care landscape has shifted to value- and team-based care models. The proposed Center would be instrumental in adapting effective approaches for the unique needs of Hawai'i and creating innovative solutions working in alignment with other stakeholders in today's rapidly evolving health care landscape. The people of Hawai'i deserve access to quality health care and we respectfully ask your support in allowing the profession of pharmacy to be part of the solution through this Center.

Thank you for the opportunity to testify in support of HB 223.

# TAX FOUNDATION OF HAWAII

735 Bishop Street, Suite 417

Honolulu, Hawaii 96813 Tel. 536-4587

SUBJECT: MISCELLANEOUS; Establish Daniel K. Inouye College of Pharmacy Special Fund to be funded by Pharmacist Workforce Assessment Fees

BILL NUMBER: HB 223

INTRODUCED BY: SAYAMA, CHUN, LAMOSAO, MARTEN, MIYAKE, OLDS, POEPOE, TAKAYAMA, TAKENOUCI, TARNAS, TODD

EXECUTIVE SUMMARY: Establishes the Daniel K. Inouye College of Pharmacy Special Fund to support pharmacist workforce assessment and planning efforts. Establishes the pharmacist workforce assessment fee.

SYNOPSIS: Adds a new section to chapter 304A, HRS, establishing the Daniel K. Inouye College of Pharmacy Special Fund (“Fund). The Fund is to be administered and expended by the University of Hawaii to support pharmacist workforce assessment and planning efforts within the State, including recruitment and retention of pharmacists for rural and medically underserved areas. Moneys in the Fund shall be used in:

- (1) Maintaining accurate pharmacist workforce assessment information and providing or updating personal and professional information, which shall be maintained in a secure database;
- (2) Providing loan repayment to pharmacists who commit to working in medically underserved areas of the State as part of the Hawaii state loan repayment program administered by the Daniel K. Inouye college of pharmacy; and
- (3) Providing scholarships to qualifying pharmacy students to be determined by the Daniel K. Inouye college of pharmacy.

Adds a new section 461-\_\_, HRS, to assess a pharmacist workforce assessment fee (“Fee”) upon every license and permit issued by the Board. The Fee is to be transferred and deposited into the Fund established under section 304A\_\_. The Fee shall be as follows:

- 1) \$ \_\_\_\_\_, for each renewed license as a pharmacist;
- 2) \$ \_\_\_\_\_, for each new or renewed wholesale prescription drug distributor license;
- 3) \$ \_\_\_\_\_, for each new or renewed pharmacy permit under section 461-14; and
- 4) \$ \_\_\_\_\_, for each new or renewed permit under section 461-15

Makes conforming amendments to add the Fee to section 461-8 and 461-16, HRS.

The measure appropriates \$\_\_\_\_\_ or so much thereof as may be necessary out of the compliance resolution fund for fiscal year 2025-2026 and the same for fiscal year 2026-2027 to be deposited to the Fund established under section 304A.

The measure appropriates \$\_\_\_\_\_ or so much thereof as may be necessary out of the Daniel K. Inouye College of Pharmacy Special Fund for fiscal year 2025-2026 and the same for fiscal year 2026-2027 to be deposited to the Fund established under section 304A.

EFFECTIVE DATE: July 1, 2025.

STAFF COMMENTS: We understand from the industry proponents of this bill that the program to be created by the bill is similar to those that already support the doctors and nurses.

We understand that the proposed special fund is to be self-sustaining because the workforce assessment fee is supposed to be collected from annual license renewal fees from pharmacists and drug stores. The DCCA and the compliance resolution fund are involved because that department normally collects license renewal fees, and the University of Hawaii is involved to be similar with the existing programs for doctors and nurses.

Thought should be given to methods of disentangling unnecessary parties.

Digested: 1/29/2025



**LATE**

Testimony presented before the  
House Committee on Higher Education  
Friday January 31, 2025

Corrie L. Sanders on behalf of  
The Hawai'i Pharmacists Association

Honorable Chair Takuya Garrett, Vice Chair Amato, and Members of the Committee,

I am writing to express the **strong support of the Hawai'i Pharmacists Association for HB223**, which proposes the establishment of a pharmacy special fund to create a Center for Pharmacy. We believe that the creation of such a center is not only timely, but essential in addressing critical issues facing our healthcare system and the pharmacy profession.

The proposed roles of the Center for Pharmacy include funding for 1.0 FTE to serve as the Executive Director for the Center for Pharmacy driven by a minor increase in licensing fees from all pharmacy related entities overseen by the Department of Commerce and Consumer Affairs (DCCA). It should be noted that even with these increases, Hawai'i still ranks among the lowest in the country in costs to practice and conduct pharmacy related business. This position would prioritize much needed workforce assessment data for our profession, implement retention initiatives for pharmacists, and serve as an entity to coordinate progressive pharmacy practices seen across the country.

The establishment of the pharmacy special fund and Center for Pharmacy would provide the necessary infrastructure to support pharmacists in fulfilling their expanded roles in healthcare. The Hawai'i Pharmacists Association has worked with the Board of Pharmacy and the Daniel K. Inouye School of Pharmacy to mimic the flow of funds that have been successfully utilized for both nursing and medicine. Because of their respective centers, both nursing and medicine have a proactive role in developing and implementing innovative healthcare solutions. **In conclusion, the Center for Pharmacy special fund is a profession-driven, sustainable solution that matches the standard already granted to other healthcare professions in Hawai'i.**

As we navigate through a transformative period in healthcare, characterized by a shift towards value-based and team-based care models, it is imperative to recognize the indispensable role that pharmacists must play in patient outcomes and access to care. With shortages in various healthcare professions, leveraging the expertise of pharmacists becomes even more critical in ensuring comprehensive and accessible healthcare services for our communities.

Suggested amendments:

Section 2: These efforts shall be included but not limited to

- (1) Maintaining accurate pharmacist workforce assessment information and providing or updating personal and professional information, which shall be maintained in a secure database.
- (2) Coordination of statewide progressive pharmacy initiatives and data collection with reports back to the Department of Commerce and Consumer Affairs (DCCA) and the legislature as requested.





- ~~(3) Providing loan repayment to pharmacists who commit to working in medically underserved areas of the State as part of the Hawai'i state loan repayment program administered by the Daniel K. Inouye school of pharmacy:~~ *We recognize concerns regarding sufficient funding specifically for loan repayment but expect the Center for Pharmacy to assist in creating more desirable positions and progressive pharmacy practice opportunities in Medically Underserved Areas (MUAs). A state-level loan repayment process for healthcare professionals in MUAs already exists.*

Section 3 (b) The pharmacist workforce assessment fee shall be as follows:

- (1) \$100\* for each renewed license as a pharmacist
- (2) \$200\* for each new or renewed wholesale prescription drug distributor license
- (3) \$200\* for each new or renewed pharmacy permit under section 461-14; and
- (4) \$200\* for each new or renewed permit under section 461-15

*\*licenses are renewed for 2 year periods, so pharmacist practice fees (1) will increase \$50/year and other entities (2-4) increase \$100/year.*

The Hawai'i Pharmacists Association urges the committee's support for HB223, recognizing that the establishment of a Center for Pharmacy is a pivotal step towards ensuring the optimal utilization of pharmacists in our evolving healthcare landscape. The proposed initiatives align with the growing importance of pharmacy in patient-centered care and position our profession to be at the forefront of positive healthcare transformation.

Thank you for your consideration. Very respectfully,

Corrie L. Sanders, PharmD., BCACP, CPGx  
President, Hawai'i Pharmacists Association



**MOLOKA'I DRUGS, INC.**  
EST. 1935

**LATE**

January 30, 2025

**Testimony in SUPPORT for HB223:** Establishes the Daniel K. Inouye College of Pharmacy Special Fund to Support Pharmacist Workforce Assessment and Establish the Center for Pharmacy

Honorable Chairman Takuya Garrett, Vice Chairwoman Amato, and Members of the House Higher Education Committee:

As a rural healthcare provider, access to comprehensive, high-quality healthcare services is our mission at Moloka'i Drugs. On behalf of our employees and patients, I am testifying in favor of HB223, which proposes the establishment of a Center for Pharmacy in Hawai'i.

For the past 16+ years, Moloka'i Drugs has supported the Daniel K. Inouye UH College of Pharmacy (DKICP) in Hilo by being an intern preceptor site. We do this to help grow the profession and hope that we can also "grow our own." One of the biggest reasons Molokai students do not attend pharmacy school is the pure expense of four years of off-island tuition, books, fees, etc. which is now approximately \$107,800 per Pharmacy Dean Rae Matsumoto. This does not include room and board. One of the proposed roles of the new center will also include coordinating pharmacy student loan repayment programs by working in rural and/or underserved areas like Moloka'i. By having a center helping with pharmacy school student loan repayment, we will find more "Moloka'ians" going into the pharmacy profession.

Moloka'i Drugs has also been a training worksite for national certified pharmacy technician (CPhT) training. We recently worked with Good Jobs Hawai'i, a partnership with the State of Hawai'i and UH Community Colleges "to help people in Hawai'i attain a good quality job for generations to come." Moloka'i Drugs is also partnering with DKICP and the University of Hawai'i Maui College with expanded CPhT development, which includes immunization training. This new center will also help implement retention initiatives for pharmacists and pharmacy technicians, which has always been a concern of rural healthcare facilities.

To get the Center for Pharmacy started, the creation of a special fund is being requested so that a portion of the fees for licensure may be used to support a director similar to doctors' and nurses' centers in Hawai'i. Molokai Drugs is on-board for paying additional fees for our pharmacists and our pharmacy technicians.

Thank you for your consideration and vote for HB223.

Sincerely,

*Kimberly Mikami Svetin /s/*

Kimberly Mikami Svetin  
President  
Moloka'i Drugs, Inc.  
P.O. Box 558  
Kaunakakai, HI 96748  
Work 808-553-5790

**HB-223**

Submitted on: 1/29/2025 4:54:52 AM

Testimony for HED on 1/31/2025 2:00:00 PM

| <b>Submitted By</b>  | <b>Organization</b> | <b>Testifier Position</b> | <b>Testify</b>         |
|----------------------|---------------------|---------------------------|------------------------|
| Aimee Grace, MD, MPH | Individual          | Support                   | Written Testimony Only |

Comments:

Aloha,

Pharmacists are highly-trained health care professionals who play an integral role in many medical and community settings. Pharmacists could play even more important roles across our communities to improve health if we better understand their workforce needs and can plan accordingly by working with UH Hilo Daniel K. Inouye College of Pharmacy and our community partners.

I strongly support this bill.

Mahalo,

Aimee Grace, MD, MPH, FAAP

**HB-223**

Submitted on: 1/29/2025 9:44:16 AM

Testimony for HED on 1/31/2025 2:00:00 PM

| <b>Submitted By</b> | <b>Organization</b> | <b>Testifier Position</b> | <b>Testify</b>            |
|---------------------|---------------------|---------------------------|---------------------------|
| Laura Reichhardt    | Individual          | Support                   | Written Testimony<br>Only |

Comments:

I support

**HB-223**

Submitted on: 1/29/2025 10:44:09 AM

Testimony for HED on 1/31/2025 2:00:00 PM

| <b>Submitted By</b>                | <b>Organization</b> | <b>Testifier Position</b> | <b>Testify</b>            |
|------------------------------------|---------------------|---------------------------|---------------------------|
| Ronald Taniguchi,<br>Pharm.D., MBA | Individual          | Support                   | Written Testimony<br>Only |

Comments:

Full support for HB223. Mahalo.

TESTIMONY FOR HB223: Establishes the Daniel K. Inouye College of Pharmacy Special Fund to support pharmacist workforce assessment and establish the Center for Pharmacy  
House Higher Education Committee  
Friday, January 31, 2025

**Testimony in SUPPORT of HB223**

To the honorable Chair Takuya Garrett, Vice Chair Amato, and Members of the Committee,

I am writing to express my support for HB223, which proposes the establishment of a Center for Pharmacy in Hawai'i. As a pharmacist at KTA Pharmacy, I believe that the creation of such a Center is not only timely, but also essential in addressing critical issues facing our healthcare system and the pharmacy profession.

Envisioning the potential of the Center for Pharmacy, I see the creation of more opportunities and collaboration within the pharmacy workforce and the community, engagement in community outreach and the driving force to ensure the pharmacy practice in Hawaii continues to move forward. I know our profession can drastically impact patient care outcomes by filling the gap in care and extending our reach within the communities we serve.

My pharmacy colleagues across the country are moving profession of pharmacy forward by leveraging pharmacist skills and/or utilizing both state and federal funds to provide quality care to patients to increase positive healthcare outcomes. This current movement across the nation has had positive impacts on patient care and would be a crucial benefit to the people of Hawai'i. I hope that with a full time, independent position dedicated to coordination of similar efforts through a Center for Pharmacy, we can bring more progressive practices and providers to our islands while leveraging pharmacists to practice at the top of our licenses.

My hope is that a Center for Pharmacy will provide an organizational structure to proactively conduct workforce assessments, convene workgroups, and advocate for important pharmacy-related initiatives during working hours alongside the equivalents of medicine and nursing, which already exist in Hawai'i. To get the Center for Pharmacy started, the creation of a special fund is being requested so that a portion of our licensing fees can be used to support a Director. Similar to the successful models for medicine and nursing in our state, the Center for Pharmacy will be housed within the University of Hawaii system, in the Daniel K. Inouye College of Pharmacy, leveraging its infrastructure for business operations and the educational expertise needed to implement non-degree seeking research and training to advance our profession.

Thank you for your consideration, and I look forward to witnessing the positive impact that the establishment of a Center for Pharmacy will have on our profession and the patients we serve.

Sincerely,

A handwritten signature in black ink, appearing to read 'Faith Hicks', written in a cursive style.

Faith Hicks, Pharm D.

Relief Pharmacist, KTA Pharmacy

TESTIMONY FOR HB223: Establishes the Daniel K. Inouye College of Pharmacy Special Fund to support pharmacist workforce assessment and establish the Center for Pharmacy  
House Higher Education Committee  
Friday, January 31, 2025

**Testimony in SUPPORT of HB223**

To the honorable Chair Takuya Garrett, Vice Chair Amato, and Members of the Committee,

I am writing to express my support for HB223, which proposes the establishment of a Center for Pharmacy in Hawai'i. As a pharmacist at Pharmacare Hawaii, I believe that the creation of such a Center is not only timely, but also essential in addressing critical issues facing our healthcare system and the pharmacy profession.

Envisioning the potential of the Center for Pharmacy, I see the creation of numerous opportunities related to pharmacist and pharmacy technician practice in the state. I know our profession can drastically impact care outcomes if we are able to stay on top of practice changes and be able to implement them in a timely manner.

I hope that with a full time, independent position dedicated to keeping an eye on what is happening in the Pharmacy profession nationally and internationally as well as how things are being implemented that through a Center for Pharmacy, we can bring more progressive practices and providers to our islands while leveraging pharmacists to practice at the top of our licenses.

My hope is that a Center for Pharmacy will provide an organizational structure to proactively conduct workforce assessments, convene workgroups, and advocate for important pharmacy-related initiatives during working hours alongside the equivalents of medicine and nursing, which already exist in Hawai'i. To get the Center for Pharmacy started, the creation of a special fund is being requested so that a portion of our licensing fees can be used to support a Director. Similar to the successful models for medicine and nursing in our state, the Center for Pharmacy will be housed within the University of Hawaii system, in the Daniel K. Inouye College of Pharmacy, leveraging its infrastructure for business operations and the educational expertise needed to implement non-degree seeking research and training to advance our profession.

Thank you for your consideration, and I look forward to witnessing the positive impact that the establishment of a Center for Pharmacy will have on our profession and the patients we serve.

Sincerely,

Joy Matsuyama, PharmD, BCPS

Clinical Services Manager

Pharmacare Hawaii