



February 28, 2023

[submitted electronically via: capitol.hawaii.gov]

The Honorable Jarrett Keohokalole
Chair, Committee on Commerce and Consumer
Protection
415 South Beretania Street Room 205
Honolulu, HI 96813

The Honorable Donovan M. Dela Cruz
Chair, Committee on Ways and Means
415 South Beretania Street
Honolulu, HI 96813

Dear Chair San Keohokalole, Chair Cruz, and members of the Committee on Commerce and Consumer Protection and Committee on Ways and Means:

The American Pharmacists Association (APhA) appreciates the opportunity to submit proponent testimony on [Senate Bill \(SB\) 693](#) (Senator Lee). SB 693 will allow for the reimbursement of services provided by participating registered pharmacists practicing within their scope of practice by private and public health plans in the State beginning January 1, 2024. Realigning financial incentives in our health care system to allow for health plan reimbursement under the medical benefit of services provided by pharmacists ensures patients have more time with their most accessible health care professional, their pharmacist. It also properly aligns the current role of the pharmacist, with their extensive education and training, to practice at the top of their license.

APhA is the largest association of pharmacists in the United States advancing the entire pharmacy profession. APhA represents pharmacists in all practice settings, including community pharmacies, hospitals, long-term care facilities, specialty pharmacies, community health centers, physician offices, ambulatory clinics, managed care organizations, hospice settings, and government facilities. Our members strive to improve medication use, advance patient care and enhance public health. In Hawai'i, with 900 licensed pharmacists and 1,470 pharmacy technicians, APhA represents the pharmacists and students that practice in numerous settings and provide care to many of your constituents. As the voice of pharmacy, APhA leads the profession and equips members for their role as the medication expert in team-based, patient-centered care. APhA inspires, innovates, and creates opportunities for members and pharmacists worldwide to optimize medication use and health for all.

We also support the submitted testimony from the Hawai'i Pharmacists Association.

Substantial published literature clearly documents the proven and significant improvement to patient outcomes¹ and reduction in health care expenditures² when pharmacists are optimally leveraged as the medication experts on patient-care teams. The expansion of programs that increase patient access to health care services provided by their pharmacist in Hawai'i is aligned with the growing trend of similar programs in other states, such as: California, Colorado, Idaho, Kentucky, Minnesota, Missouri, Nevada, New Mexico, North Carolina, Ohio, Oklahoma, Oregon, Tennessee, Texas, Virginia, Washington, West Virginia, Wisconsin, and others. In states where such programs have already been implemented, we are observing health plans recognizing the value of the pharmacist and investing in the services they provide in order to capitalize on the positive therapeutic and economic outcomes associated with pharmacist-provided care.³

Given the unique patient population and barriers to care due to the primary health care worker shortage⁴ in Hawai'i (3 of the top 14 counties in the U.S.), we strongly believe considering a payment model that includes reimbursement for pharmacists' services is the missing piece to allow other professionals to utilize pharmacists as the medication experts we are. As the most accessible healthcare professionals, pharmacists are a vital provider of care, especially for those living in underserved and remote communities. Patient access to pharmacist-provided care can address health inequities while reducing hospital admissions, increasing medication adherence, and decreasing overall healthcare expenditures by recognizing and covering the valuable health care services pharmacists provide, similar to Hawai'i's recognition of many other health care providers.

As you may be aware, many of Hawai'i's neighborhood pharmacies, especially those in rural communities⁵, are closing as a result of the unsustainable reimbursement model in the drug supply chain enhancing health care disparities. Without immediate changes, the current payment model is putting many independent pharmacies out of business and creating "pharmacy deserts" in minority and underserved communities, where the neighborhood pharmacy may be the only health care provider for miles.⁶

The creation of programs that allow for the direct reimbursement of services provided by pharmacists through Med-Quest, Medicaid Managed Care Organizations, and private health plans opens additional revenue opportunities for these pharmacists to maintain their practice and provide valuable health care services that are necessary for many Hawai'i communities. It is also important to note these programs are not expected to raise costs for health plans, as published literature has shown pharmacist-provided care

¹ Giberson S, Yoder S, Lee MP. Improving Patient and Health System Outcomes through Advanced Pharmacy Practice. A Report to the U.S. Surgeon General. Office of the Chief Pharmacist. U.S. Public Health Service. Dec 2011. Available at: https://www.accp.com/docs/positions/misc/improving_patient_and_health_system_outcomes.pdf

² Murphy EM, Rodis, JR, Mann HJ. Three ways to advocate for the economic value of the pharmacist in health care. Journal of the American Pharmacists Association. August 2020. Available at: <https://www.sciencedirect.com/science/article/abs/pii/S1544319120303927>

³ CareSource Launches Pharmacist Provider Status Pilot. Published August 4, 2020. Available at <https://www.caresource.com/newsroom/press-releases/caresource-launches-pharmacist-provider-status-pilot/>

⁴ Counties with the biggest primary health care worker shortages. NursingEducation. Published August 25, 2021. Available at <https://nursingeducation.org/counties-with-the-biggest-primary-health-care-worker-shortages/>.

⁵ Hawryluk M. Large parts of rural America are becoming drugstore deserts. These small towns found an escape. *The Washington Post*. Published December 15, 2021. Available at <https://www.washingtonpost.com/business/2021/12/03/drugstore-desserts-rural-america/>

⁶ Guadamuz, Jenny. Et. al. Fewer Pharmacies In Black And Hispanic/Latino Neighborhoods Compared With White Or Diverse Neighborhoods, 2007–15. *Health Affairs*. May 2021, available at: <https://www.healthaffairs.org/doi/abs/10.1377/hlthaff.2020.01699>

results in cost savings and healthier patients.^{7,8} This strong return on investment supports why many other states that have established comparable programs. For example, Oregon, identified in their fiscal legislative analysis that the creation of a similar program would have “minimal expenditure impact on state or local government.”⁹

For these reasons, APhA strongly supports SB 693 and respectfully requests your “AYE” vote. If you have any questions or require additional information, please do not hesitate to contact E. Michael Murphy, PharmD, MBA, APhA Advisor for State Government Affairs by email at mmurphy@aphanet.org.

Sincerely,



E. Michael Murphy, PharmD, MBA
Advisor for State Government Affairs
American Pharmacists Association

cc: Senator Carol Fukunaga, Vice Chair Committee on Commerce and Consumer Protection
Senator Gilbert S.C. Keith-Agaran, Vice Chair Committee on Ways and Means
Senator Angus L.K. McKelvey
Senator Herbert M. "Tim" Richards, III
Senator Brenton Awa
Senator Henry J.C. Aquino
Senator Lynn DeCoite
Senator Lorraine R. Inouye
Senator Dru Mamo Kanuha
Senator Michelle N. Kidani
Senator Donna Mercado Kim
Senator Chris Lee
Senator Sharon Y. Moriwaki
Senator Maile S.L. Shimabukuro
Senator Glenn Wakai
Senator Kurt Fevella

Michael Baxter, APhA Acting Head of Government Affairs

⁷ Giberson S, Yoder S, Lee MP. Improving Patient and Health System Outcomes through Advanced Pharmacy Practice. A Report to the U.S. Surgeon General. Office of the Chief Pharmacist. U.S. Public Health Service. Dec 2011. Available at:

https://www.accp.com/docs/positions/misc/improving_patient_and_health_system_outcomes.pdf

⁸ Murphy EM, Rodis, JR, Mann HJ. Three ways to advocate for the economic value of the pharmacist in health care. Journal of the American Pharmacists Association. August 2020. Available at:

<https://www.sciencedirect.com/science/article/abs/pii/S1544319120303927>

⁹ FISCAL IMPACT OF PROPOSED LEGISLATION Measure: HB 2028 A. Seventy-Eighth Oregon Legislative Assembly – 2015 Regular Session. Available at <https://olis.oregonlegislature.gov/liz/2015R1/Downloads/MeasureAnalysisDocument/28866>.