

April 12, 2024

[submitted electronically via: senlee@capitol.hawaii.gov]

The Honorable Chris Lee Assistant Majority Whip Room: 219 415 South Beretania Street Honolulu, HI 96813

RE: SB 693 – SUPPORT FOR SD1 LANGUAGE - passed by two Senate Committees, the full Senate, and the House Committee on Health & Homelessness

Dear Senator Lee:

The American Pharmacists Association (APhA) appreciates the opportunity to support the SD1 version of Senate Bill (SB) 693 (Senator Lee) that is vital for expanding Hawai'ians access to health care services provided by pharmacists. The SD1 version of SB 693 that was passed by two Senate Committees, the full Senate, and the House Committee on Health & Homelessness will increase patient access to health care services provided by pharmacists practicing within their scope of practice in a state facing a significant health care workforce shortage. The SD1 version of SB 693 is essential for Hawai'i's patients and the profession of pharmacy.

The SD1 version of 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. 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. The services pharmacists will be providing are within Hawai'i pharmacists' state scope of practice which are already being provided by many pharmacists in Hawai'i. Thus, there is expected to be minimal fiscal impact from this legislation as demonstrated by comparable programs established in other states and the findings of the November 2023 Hawai'i State Auditor Report *Proposed Mandatory Health Insurance Coverage for Pharmacist Services A Report to the Governor and the Legislature of the State of Hawai'i*.

¹ https://files.hawaii.gov/auditor/Reports/2023/23-12.pdf

Substantial published literature clearly documents the proven and significant improvement to patient outcomes² and reduction in health care expenditures³ 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, Wyoming, and others. In states where such programs have already been implemented, health plans are recognizing the value of the pharmacist and investing in the services they provide to capitalize on the positive therapeutic and economic outcomes associated with pharmacist-provided patient care services.⁴

Given the unique patient population and barriers to care due to the primary health care worker shortage⁵ 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. As the most accessible healthcare professionals, pharmacists are vital providers of health 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 health care 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 communities⁶, 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.⁷

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 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 results

 $\underline{https://www.caresource.com/newsroom/press-releases/caresource-launches-pharmacist-provider-status-pilot/pr$

² 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

³ 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

⁴ CareSource Launches Pharmacist Provider Status Pilot. Published August 4, 2020. Available at

⁵ 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/.

⁶ 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/

⁷ 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

in cost savings and healthier patients.^{8,9} This strong return on investment supports why many other states have established comparable programs. For example, Oregon, identified in their fiscal legislative analysis that the creation of a similar program that would permit pharmacists to engage in the practice of clinical pharmacy and provide patient care services to patients would have "minimal expenditure impact on state or local government."¹⁰

For these reasons, APhA strongly supports SB 693. 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,

Michael Baxter

Vice President, Federal and State Legislative Affairs American Pharmacists Association

Michael Baxter

cc: Corrie Sanders, Hawai'i Pharmacists Association President

About APhA: 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 teambased, patient-centered care. APhA inspires, innovates, and creates opportunities for members and pharmacists worldwide to optimize medication use and health for all.

⁸ 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

⁹ 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

¹⁰ 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.