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# Auditor's Summary

## Proposed Mandatory Health Insurance Coverage for Pharmacist Services

Report No. 23-12



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**IN THE 2023 LEGISLATIVE SESSION**, the Hawai'i State Legislature contemplated mandating insurance coverage for pharmacist services. The Legislature is concerned about the current statewide physician shortage and believes “that pharmacists can help bridge the gaps created by the physician shortage” by providing health care services in medically underserved areas of the State.

Senate Bill No. 165 (SB 165), introduced in the Regular Session of 2023, will mandate insurance coverage for services provided by pharmacists within their scope of practice by private and public health plans in the State, noting that in addition to dispensing medication, pharmacists are skilled in educating patients on how and when to check blood sugar, ways to avoid and manage hypoglycemia, how to take medications correctly to avoid adverse effects, and various medication utilization techniques.

Senate Concurrent Resolution No. 17, Senate Draft 1, House Draft 1 (2023 Regular Session) (SCR 17, SD 1, HD 1) requests the Auditor to assess the social and financial impacts of mandating health insurance coverage for services provided by pharmacists, as proposed in SB 165. SCR 17, SD 1, HD 1 also requests the Auditor to assess the impact of Section 1311(d)(3)

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**“... we found that because insurers are not required to provide insurance coverage for services performed by any pharmacist, the proposed coverage is not mandatory. Therefore, we cannot assess the impacts of the proposed coverage.”**

of the federal Patient Protection and Affordable Care Act (ACA) on the proposed mandatory health insurance coverage in SB 165 that includes, but is not limited to, the additional cost to the State of benefits beyond the essential health benefits of Hawai‘i’s qualified health plans under the ACA.

**The proposed health insurance coverage is not “mandatory” and does not extend coverage for additional health care services or diseases.**

In *Proposed Mandatory Health Insurance Coverage for Pharmacist Services*, Report No. 23-12, we found that because insurers are not required to provide insurance coverage for services performed by any pharmacist, the proposed coverage is not mandatory. Therefore, we cannot assess the impacts of the proposed coverage. For instance, without knowing the number of pharmacists whose health care services will be covered, i.e., the number of pharmacists that will contract with insurers to provide health care services, we cannot assess the extent the proposed coverage for services provided by pharmacists will increase or decrease the cost of health care services.

Additionally, the Auditor assessed the impact of Section 1311(d)(3) of the federal ACA to determine the actuarial cost of the defrayment to the State for the reimbursement of services provided by pharmacists. Since the policies offered under the ACA currently include coverage for most of the services that the bill proposes to mandate insurance coverage for pharmacists to perform, the proposed coverage likely will not require the State to defray costs, if enacted.