



UNIVERSITY OF HAWAII SYSTEM

‘ŌNAEHANA KULANUI O HAWAII

Legislative Testimony

Hō'ike Mana'o I Mua O Ka 'Aha'ōlelo

Testimony Presented Before the
Senate Committee on Health and Human Services
Monday, March 24, 2025 at 1:00 p.m.

By

Bonnie Irwin, Chancellor

and

Rae Matsumoto, Dean

Daniel K. Inouye College of Pharmacy

University of Hawai'i at Hilo

SCR 69/SR 53 – REQUESTING THE DIRECTOR OF HEALTH TO CONVENE A PHARMACY BENEFIT MANAGER WORKING GROUP TO DETERMINE THE BEST POLICIES TO REFORM PHARMACY BENEFIT MANAGER PRACTICES IN THE STATE TO ENSURE TRANSPARENCY AND FAIRNESS FOR CONSUMERS AND IN THE PHARMACEUTICAL SECTOR, LOWER DRUG COSTS TO PATIENT CONSUMERS, AND INCREASE ACCESS TO HEALTH CARE

Chair San Buenaventura, Vice Chair Aquino, and Members of the Committee:

Thank you for the opportunity to submit testimony on SCR 69/SR 53. The University of Hawai'i at Hilo (UH Hilo) supports SCR 69/SR 53, which will convene a pharmacy benefit manager (PBM) working group to determine the best policies to reform PBM practices in the state to ensure transparency and fairness for consumers and in the pharmaceutical sector, lower drug costs to patient consumers, and increase access to health care.

Pharmacy benefit managers serve as middle men who negotiate payments throughout the drug supply chain, which includes drug manufacturers, wholesalers, distributors, pharmacies, insurers, and patients. They exert tremendous influence on drug costs and have recently come under scrutiny by the House Oversight and Accountability Committee as well as the Federal Trade Commission. Select PBM practices have come under fire as harmful for the fiscal viability of many pharmacies, placing communities at risk for losing access to needed resources. While many agree that PBM reform is needed, the implications of changes in the way they are regulated are very complex and could have unintended consequences.

By bringing key stakeholders together, the proposed PBM working group represents a measured strategy for identifying the best options to meet the needs of our state while ensuring fairness, transparency, and access to needed medications for our patients and communities.

Thank you for the opportunity to testify in support of SCR 69/SR 53.