



NATIONAL ASSOCIATION OF  
CHAIN DRUG STORES

March 12, 2025

Representative Gregg Takayama  
Chair, House Committee on Health  
Hawai'i State Capitol  
415 South Beretania St., Room 404  
Honolulu, HI 96813

Representative Sue L. Keohokapu-Lee  
Vice Chair, House Committee on Health  
Hawai'i State Capitol  
415 South Beretania St., Room 332  
Honolulu, HI 96813

**Re: S.B. 1509\_SD1 - Relating to Prescription Drugs**

Dear Chair Takayama and Vice Chair Keohokapu-Lee:

On behalf of our members operating in Hawai'i, the National Association of Chain Drug Stores (NACDS) is writing to provide comments for the record in **support** of S.B. 1509\_SD1, relating to prescription drugs. The legislation would curb unfair and anticompetitive-like business practices that enrich pharmacy benefit managers (PBMs) at the expense of patients and their pharmacies.

S.B. 1509\_SD1 includes important reforms creating a pharmacy reimbursement rate floor equating to the National Average Drug Acquisition Cost (NADAC) plus the HI Medicaid Fee-For-Service Professional Dispensing Fee. Additionally, this bill would prohibit a PBM from offering reimbursement rates or incentives to a non-affiliated pharmacy in an amount less than those offered to an affiliated pharmacy for providing the same prescription drug. The bill also requires:

- health insurers and PBMs to reduce an enrollee's defined cost sharing for a prescription drug by a price amount equal to at least one hundred percent of all rebates received, or to be received, in connection with the dispensing or administration of the prescription drug; and
- a PBM to submit a certification to the Insurance Commissioner by January 1 of each calendar year certifying compliance with the cost sharing requirements.

Finally, the bill establishes protections for the publishing of certain confidential or proprietary information by health insurers, PBMs, or plan sponsors that perform health care or administrative services on behalf of a health insurer or PBM.

Altogether, the PBM reforms encompassed in this bill are needed to protect pharmacy providers from the abusive PBM business practices that can jeopardize the future of pharmacy as well as the sustainability of providing pharmacy services and ultimately patient access to care. The public relies on neighborhood pharmacies for important healthcare services. Putting an end to PBM abuse is good for patients and will protect neighborhood pharmacies. **For these reasons, we ask the Committee to vote in support of S.B. 1509\_SD1.** For questions or further discussion, please contact Sandra Guckian, Vice President, State Pharmacy & Advocacy, at [SGuckian@NACDS.org](mailto:SGuckian@NACDS.org).

Sincerely,

A handwritten signature in black ink, appearing to read "Steven C. Anderson". The signature is fluid and cursive, with a long horizontal stroke at the end.

Steven C. Anderson, FASAE, CAE, IOM  
President and Chief Executive Officer  
National Association of Chain Drug Stores

cc: House Committee on Health Members

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NACDS represents traditional drug stores, supermarkets and mass merchants with pharmacies. Chains operate over 40,000 pharmacies, and NACDS' member companies include regional chains, with a minimum of four stores, and national companies. Chains employ nearly 3 million individuals, including 155,000 pharmacists. They fill over 3 billion prescriptions yearly, and help patients use medicines correctly and safely, while offering innovative services that improve patient health and healthcare affordability. NACDS members also include more than 900 supplier partners and over 70 international members representing 21 countries. Please visit [NACDS.org](http://NACDS.org).