



*La'au Makana,  
The Medicine  
Bank*

*10-year report*

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*The mission of La'au Makana, the Medicine Bank, a  
program of the Hawai'i Primary Care Association:  
To make available medicines and related supplies to  
providers treating the medically underserved.*



In January of 2008 the Board of Directors of the Hawai'i Primary Care Association decided to close its program the Medicine Bank, a donated drug redistribution program. This is a report on the Medicine Bank's ten years of work supporting Hawaii's community health centers in their efforts to treat their patients in need.

This report is dedicated to the staff of the Medicine Bank, Patience Wine, Marian Ligsay, Jan Correa and Estrelita Bacani, its two long-time volunteers, Mary Jane Heilbron and Pat Ing, and to its founder, Pam Christoffel. The program was a success for ten years because of their commitment to quality and excellence.



**We are grateful to our supporters and partners in  
The Medicine Bank:**

The Hawaii State Department of Health  
DOH Environmental Health Services Food & Drug Branch  
Aloha Air Cargo  
Pacific Wings  
Island Air, Inc.  
The Hawaii Foodbank  
The Hawaii Pharmaceutical Association  
The Hawaii Medical Association  
The Healthcare Association of Hawaii  
The Frear Eleemosynary Trust  
The Atherton Family Foundation  
The Hawaii Community Foundation  
The Harry & Jeannette Weinberg Foundation

The HMSA Foundation  
Kaiser Permanente  
The Jhamandas Watumull Foundation  
Foodland's Give Aloha Program  
Affluent Trade Management  
Hawaii Prescription Care

### **How it began...**

In 1996 Pam Christoffel, a staff member of what was then called the Hawaii State Primary Care Association, conducted a needs assessment of Hawaii's community health centers. One particular area of need was affordable prescription drugs for uninsured, low-income patients. An estimated 10% of Hawaii's population was uninsured in 1996. Concurrently, representatives of pharmaceutical manufacturers were distributing samples of prescription drugs to medical offices and clinics throughout the state every day, sometimes in excess of that office's needs. The idea of gathering this surplus into a usable bank of free medicines, à la the Foodbank, was born. Mrs. Christoffel was aided in this endeavor by HSPCA Executive Director Beth Giesting, by her husband William Christoffel, then a deputy director of the Hawaii State Department of Health, and by the executive directors of several community health centers. Their combined talents and resourcefulness were necessary in guiding this innovative idea to fruition.

There were many challenges that faced a program dedicated to giving away prescription drugs. In order to research the potential pitfalls thoroughly Pam Christoffel and the HPCA brought together as many stakeholders as possible: pharmaceutical manufacturers' representatives ("drug reps"); drug-enforcement agencies; physicians' trade groups; pharmacy trade groups; government entities; and private industry. Legislators, and the public, needed to be acquainted with the tough situation the uninsured face regarding prescription drugs so they would understand why such a program was needed. Enabling legislation was drafted, with care taken to address all possible objections from various groups. There were many participants in this process, notably State Senators Andy Levin and Avery Chumbley, State Representatives Alex Santiago, Ron Menor, and Terrance Tom, and Maurice Tamura and others from the Department of Health, in addition to the entities listed above. The result of this much collaboration was a unique public-private partnership Hawaii could be very proud of.

The state Department of Health played a pivotal supporting role in the Medicine Bank's beginning. The high cost of commercial space would have made the Medicine Bank's existence impossible, so the DOH's provision of room for the program at the Waimano Hospital and Training School in Pearl City was absolutely vital to its beginning. The

Department also provided, initially, the time of a full-time pharmacist and a full-time pharmacy clerk.

There were three main requirements, set by the state, which the Medicine Bank needed to meet in order to operate. The first was that the Medicine Bank obtain a Wholesale Drug Distributor's License, which would allow non-pharmacist Medicine Bank staff to handle and transport prescription drugs. This requirement entailed some oversight by the Department of Health (Environmental Health Services Food & Drug Branch). The second was that the Medicine Bank obtain and maintain a Precursor Chemical Permit from the Narcotics Enforcement Division, which allowed the Medicine Bank to handle substances that were monitored but not controlled, such as pseudoephedrine, an ingredient in over-the-counter cold preparations. The Medicine Bank was also required to comply with the Prescription Drug Marketing Act, which entailed tracking each donation by donor, date of donation, lot number, expiration date, date of distribution, and receiving clinic.

It was very important to its founders that the program have a statewide reach. In order for that to happen, the Medicine Bank needed to get the donated medicines and supplies to neighbor islands. Aloha Air Cargo, Island Air, and Pacific Wings were asked to provide this vital service and leadership at all air carriers readily agreed. Aloha Air Cargo took the donations to Hilo and Kahului, adding Lihue and Kona as community health centers opened in those locations. IslandAir took our parcels to Hana, Maui until they changed its fleet to larger aircraft and abandoned that route. Pacific Wings then took over delivery to Hana, and the burden of taking our donations there. IslandAir later became a carrier of Medicines Bank goods again, when Molokai Community Health centers opened in 2004.

### **Ongoing Operations...**

The first distribution was made in August of 1997. The estimated wholesale value of the medicines and supplies donated was \$86,000. A second distribution followed in September, and so forth. The wholesale value of the collections and distributions increased steadily, until reaching an average of \$100,000 each month, with peak months over \$150,000.

In July 1998, the Medicine Bank celebrated its first anniversary at the Community Clinic of Maui main site in Kahului. Then-Governor Ben Cayetano spoke to the assembled crowd about the effectiveness of such a public-private partnership as the Medicine Bank. Other special guests included Senator Roslyn Baker, a long-time supporter of community

health centers. One of the successes of the first year was the number of patients assisted by medicines from the Medicine Bank. Data reported by the community health centers indicated that approximately 16,000 patients in need received Medicine Bank medicines in that initial year.

In the spring of 1999, Pam Christoffel left Hawai'i, leaving behind a program that was well-established, well-connected and flourishing. HPCA Administrative Assistant Alison Rowland-Ciszek took over the reins of the Medicine Bank, and managed the program for the next nine years, until its closure. The job of the Medicine Bank Director included picking up medicines, maintaining communication with donors, the generation of a newsletter, some fundraising, and ensuring compliance with regulations and guidelines.

In addition to prescription drugs from qualified donors, the Medicine Bank also accepted, or purchased, medical supplies and equipment. Durable medical equipment, such as wheelchairs, crutches and walkers, and unopened packages of items such as bandages, underpads, and insulin syringes were accepted as donations from the general public. A partnership with the Hawaii Foodbank resulted in over-the-counter medicines and supplies becoming part of the inventory offered to health centers each month. Eventually these OTC products amounted to about 30% of the Medicine Bank's stock.

### **Staff, Volunteers and Supporters...**

When the Medicine Bank began, the jobs of two employees of the state's Waimano Training School and Hospital were expanded to include the hands-on aspects of The Medicine Bank. (The position of the Medicine Bank Director resided at the Hawai'i Primary Care Association.) At that time Waimano was still housing patients and required a pharmacy to meet its needs. Pharmacist M. Patience Wine and pharmacy clerk Marian Ligsay assisted Mrs. Christoffel in the task of designing a system that would meet the record-keeping needs of a donated drug repository. These key staffers handled the day-to-day operations of the Medicine Bank. Collected donations were brought to them for inspection, sorting, labeling and recording. Ms. Wine and Mrs. Ligsay were responsible for proper storage protocols regarding various medicines and substances. Pat and Marian created a system by which the available medicines were made known to the community health centers that participated, who then indicated their preferences, all via fax, and each site's distribution was processed and packed. Each distribution was either delivered to its O'ahu destination, or to the airport for its flight off-island.

Before her departure, Pam Christoffel also recruited volunteers to assist staff with the day-to-day operations of the Medicine Bank. Principal of these were Mary Jane Heilbron and Patricia Ing. Both were dedicated to the mission of the Medicine Bank, and very eager to

further it. Mrs. Heilbron, a retired R.N., helped the Medicine Bank in innumerable ways—there wasn't a task put to her from which she shied away. She picked up medicines from donor doctors and delivered them to the Medicine Bank, she sorted and labeled and bundled them, and she delivered finished distributions to community health centers, particularly those far away, such as Wai'anae Coast Comprehensive Health Center and Ko'olauloa Community Health Center in Kahuku. She folded and labeled newsletters, posed for pictures, appeared in a video, and gave the Medicine Bank and the Gift Medicine Fund cash donations. It is nearly impossible to imagine the Medicine Bank succeeding without Mary Jane Heilbron's unstinting support. Pat Ing was an invaluable support in the office. Her happiness to assist in a myriad of clerical tasks, and her terrific sense of humor, made her a welcome addition to the office each week. Pat's friendly calls to physician's offices to request donations kept the medicines flowing in. She also kept donor data updated and made sure the newsletter went out on time. Mrs. Ing passed away in the spring of 2003, and we miss her still.

Two special persons directly involved with the Medicine Bank's beginnings were Todd Inafuku and John Fleming. Mr. Inafuku was at the time president of the Hawaii Pharmacists Association. His positions at Bergen Brunswig (now AmeriSource Bergen), WE Pharmaceuticals, the Department of Health, and Long's Drugs all afforded him a comprehensive view of the pharmaceutical industry and has provided the Medicine Bank with a wealth of insightful guidance. John Fleming, then part of the Hawaii state Department of Health's Food & Drug Branch, was officially tasked with pharmacy inspections and other prescription drug regulatory matters. He, too, served as an advisor to the Medicine Bank, providing technical assistance in many areas, including legislative and procedural matters. Other advisors over the life of The Medicine Bank include Alton Fujio, Stephanie Aveiro and Richard Meiers.

Initially, 11 community health centers in Hawaii participated in the Medicine Bank. Over the years, as new health centers opened, and existing health centers added satellite sites, the number of participating recipients swelled to 27. Each site had an equal chance at the available medicines and supplies, and Medicine Bank staff worked hard to make the distributions equitable. Fortunately, the split between O'ahu health centers and neighbor island health centers was pretty even.

In the summer of 2005 Pat Wine retired, and the Department of Health hired pharmacist Jan Correa, whose job description included guidance and assistance to the Medicine Bank. In the fall of 2006, with the support of a grant from the Hawaii Health Services Foundation, Estrelita Bacani joined the Medicine Bank as a part-time clerk.

At the outset, an estimate of the value of the medicines received was tracked as a measure of progress, and as a public relations tool. The Medicine Bank Director could use this number to demonstrate community support, and to solicit more donations of sample medicines. Around 2001, the Hawai'i Primary Care Association's financial auditors determined that the Medicine Bank's inventory of donated medicines was an asset and had to be treated as such. This presented a challenge in that sample medicines are intended to be given away, and, by law, have no dollar value. Medicines are also not priced in the forms in which they are packaged as samples, so a fair amount of inexactitude was built in to the estimation system, which was manual and quite time-consuming. The estimated average wholesale price (AWP) of the medicines collected in the first year of operation was \$750,000, which increased steadily over time to an average yearly value of more than \$1M.

In 2004 and 2005, with assistance of John Fleming, and support from Hawaii Prescription Care, Medicine Bank staff worked with Sanju Goswami of Affluent Trade Management to develop an on-line inventory and tracking system for the Medicine Bank. (Previously, information about what was available, and in return, what was desired was all done on paper. Medicine Bank staff faxed a list of the available medicines to the participating sites, and clinic staff checked off the desired items and faxed the list back.) The results of this new endeavor were mixed. The program developed by Affluent trade Management sharply decreased the amount of paper the Medicine Bank was using, and offered a much faster method for receiving and managing requests from CHC sites. The program also streamlined the production of reports, and, significantly, tracked the value of the medicine donated and distributed, to make that accounting requirement nearly effortless. However, the process of accurately loading incoming donations into and out of the system was extremely time-consuming, and required an enormous amount of concentration, patience, and persistence on the part of Medicine Bank staff. Because of this, any time gained through the reporting and compiling functions was lost in the data-loading and transferring process.

From year to year, the number of patients served fluctuated somewhat, but on average, about 20,000 patients were served each year, with the seventh year having the peak number: 21,330. The value of the medicines collected rose and fell somewhat as well, but we estimate that more than \$1M dollars worth of medicine was collected each year with a ten-year total of \$14,200,070.

The Medicine Bank was closed March 31, 2008, following a vote of the Hawai'i Primary Care Association's board of directors. Steeply increasing costs – including the prospect of rent due to the impending withdrawal of facility space by the Department of Health – led

HPCA to approach the community health centers, the end-user, for monetary support of the program. By that time, the majority of CHCs had grown, matured, and had some experience with pharmacy programs. They decided that their investment in prescription drugs would be better directed toward the purchase of medicines through the federal 340B program. In this program they could purchase what they wanted, rather than what was donated and supply their patients with generic products rather than samples of what was usually the latest thing from the drug companies. The loss of funding through grants was the final factor leading to the decision to close.

The need still exists—the uninsured rate of non-elderly adults in Hawaii is still at least 10%—so the work goes on.

Hawai'i Primary Care Association staff continues to sort and organize over-the-counter medicines from the Hawaii Foodbank for purchase by community health centers. Several health centers have become direct recipients of donated samples from private physicians' offices, picking up available samples for dispensing to their patients in need. HPCA staff works with health centers and others to assist people to apply for free or low-cost medicines from Manufacturers' Patient Assistance Programs. HPCA also serves as a resource to the community health centers on the 340B drug pricing program, which offers discounted drugs to federally-qualified health centers.

The Hawaii Primary Care Association would like to thank all the community members, private practice physicians, airline staff, Department of Health staff, everyone at the Hawaii Foodbank, and a myriad of other kind friends of the Medicine Bank for the support and guidance received during the life of this remarkable project.

Below is a list of community health center sites that were served during the lifetime of the Medicine Bank:

Bay Clinic in Hilo  
Ka'ū Family Health Center  
Pāhoa Family Health Center  
Kea'au Family Health Center  
Hāmākua Health Center  
Kohala Family Health Center  
West Hawaii Community Health Center  
Hāna Community Health Center  
Community Clinic of Maui-Kahului  
CCM's Ka Hale a Ke Ola Resource Center in Wailuku  
CCM's Lāhainā Comprehensive Health Center  
Moloka'i Ohana Health Center  
Wai'anae Coast Comprehensive Health Center  
Waimānalo Health Center  
Waikīkī Health Center  
Waikīkī Health Center's Care-A-Van  
Waikīkī Health Center's Ho'ōla Like  
Waikīkī Health Center's Youth Outreach Project  
Kalihi-Pālama Health Center  
Health Care for the Homeless at Safe Haven  
Health Care for the Homeless Sumner Street Clinic  
Health Care for the Homeless Women and Children's Shelter  
Health Care for the Homeless Ohana Project  
Kōkua Kalihi Valley  
Kōkua Kalihi Valley's Senior Resource Center  
Ko'olaupia Community Health & Wellness Center  
Wai'anae Coast Comprehensive Health Center  
Kaua'i Community Health Center West (Waimea)  
Kaua'i Community Health Center East (Kapa'a)