

HAWAII MEDICAL ASSOCIATION

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DATE:

Wednesday February 20, 2013

TIME:

9:30 p.m.

PLACE:

Conference Room 229

State Capitol

415 South Beretania Street

To:

COMMITTEE ON COMMERCE AND CONSUMER PROTECTION

Senator Rosalyn H. Baker, Chair Senator Brickwood Galuteria, Vice Chair

From: Hawaii Medical Association

Dr. Steven Kemble, MD, President

Dr. Linda Rasmussen, MD, Legislative Co-Chair Dr. Joseph Zobian, MD, Legislative Co-Chair Dr. Christopher Flanders, DO, Executive Director Lauren Zirbel, Community and Government Relations

Re: SB 972 RELATING TO ELECTRONIC PRESCRIPTIONS

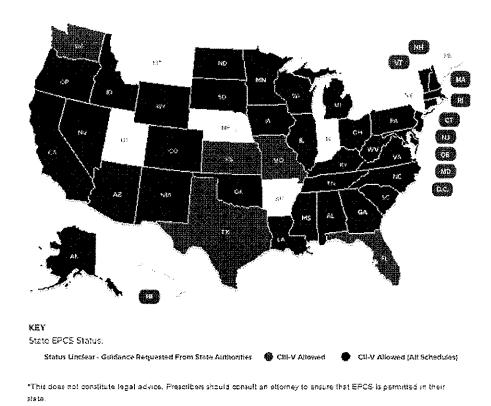
Position: Strongly Support

The Hawaii Medical Association is submitting testimony in strong support of this measure.

On March 31, 2010 the federal Drug Enforcement Administration (DEA) published its interim final rule on "Electronic Prescribing for Controlled Substances," revising DEA regulations and allowing pharmacies, hospitals, and practitioners to securely and safely utilize modern technology systems to electronically prescribe (e-prescribe) schedule II through V drugs (controlled substances). Since the DEA's rule went into effect in June 2010, many states have aligned their policies and regulations to facilitate e-prescribing of controlled substances; 41 states now permit e-prescribing of controlled substances and only nine states, including Hawaii, do not. [States' status relative to e-prescribing of controlled substances is depicted in the map below.]¹

OFFICERS

¹ Surescripts. "E-Prescribing of Controlled Substances." http://www.surescripts.com/about-e-prescribing/e-prescribing-of-controlled-substances.aspx. Accessed on January 30, 2013.



HB 651 proposes to amend Hawaii's current Uniform Controlled Substances Act in chapter 329 to allow for e-prescribing of schedules II through V controlled substances. It is critical that Hawaii align with federal regulations for several reasons.

First, the federal requirements ensure that e-prescribing of controlled substances is secure and safe, to protect both the prescriber and the patient. The DEA requires that prescribers must: use e-prescribing software that is audited and certified for the purposes of e-prescribing of controlled substances; complete identity-proofing; and use a secure, two-factor authentication process to sign e-prescriptions for controlled substances. These privacy and security requirements protect the prescriber from the misuse of his/her credentials. It should also be noted that prescribers have the same obligations when e-prescribing controlled substances as they do when issuing traditional prescriptions orally or on paper.

Second, providers who are not able to e-prescribe controlled substances are forced to maintain separate workflows in their prescribing process – an electronic workflow for non-controlled substances and a paper process for controlled substances. The maintenance of two workflows is both disruptive and burdensome to the provider; controlled substances account for 10 to 11% of total prescriptions written in the United States.² The workflow disruptions and hassle caused by switching between paper and electronic prescribing are enough to make some physicians choose not to e-prescribe at all.

² Drug Enforcement Administration. "Electronic Prescriptions for Controlled Substances." Interim Final Rule with Request for Comment. March 31, 2010. http://www.deadiversion.usdoj.gov/fed regs/rules/2010/fr0331.htm. Accessed on January 30, 2013.

Third, the benefits of e-prescribing have been documented for patients, providers, and pharmacists. Major benefits include:

- Enhanced patient safety and quality of care: A 2010 study found 37 errors for every 100 handwritten prescriptions, compared to 7 errors for every 100 electronic prescriptions.³ It was estimated that about 7% of these errors have the potential to do harm.
- Lower costs across the healthcare system: E-prescribing systems help prescribers select medications covered by a patient's health plan formulary that are both cost effective and therapeutically appropriate. A 2012 study estimated that e-prescribing could lead to between \$140 billion and \$240 billion in savings and improve health outcomes over the next ten years.⁴
- Increases patient convenience and medication compliance: A recent study reported a 10% increase in patients' filling or picking up of new prescriptions. E-prescribing removes the "waiting" time from the traditional prescription filling process so that patients can easily fill medications without encountering significant wait times at the pharmacy.
- Saves time and money for pharmacies and providers: The National Association of Chain Drug Stores estimated that pharmacy staff make upwards of 150 million calls annually to clarify prescriptions or discuss possible errors with prescribers. This equates to as much as \$20,000 annually per physician practice that could otherwise be redirected to patient care.

As of 2011, Hawaii ranked 39th among states in Surescripts Safe-Rx rankings due to its low adoption of e-prescribing. Hawaii prescribers, pharmacists, and patients are disadvantaged when it comes to health care quality and costs as prescribers are forced to retain two prescribing workflows. This impacts prescribers' abilities to adopt e-prescribing and, as a result, prescribers, patients and pharmacies do not receive e-prescribing's cost and safety benefits. Aligning Hawaii's laws to be consistent with DEA regulations is a critical important next step to moving Hawaii forward and supporting improved quality of care and reduced costs.

Mahalo for the opportunity to submit testimony on this important issue.

³ Kaushal, R., Kern, L., Barron, Y., Quaresimo, J., Abramson, E. "Electronic Prescribing Improves Medication Safety in Community-Based Office Practices." Journal of General Internal Medicine. June 2010. http://www.ncbi.nlm.nih.gov/pmc/articles/PMC2869410/?tool=pubmed. Accessed on January 30, 2013.
⁴Surescripts. "Study: E-Prescribing Shown to Improve Outcomes and Save U.S. Healthcare System Billions of Dollars." February 1, 2012. http://www.surescripts.com/news-and-events/press-releases/2012/february/212 eprescribing.aspx. Accessed on January 30, 2013.

⁶ Medical Group Management Association. "Analyzing the Cost of Administrative Complexity." September 2004. http://www.mgma.com/about/default.aspx?id=280. Accessed on January 30, 2013.