



HAWAII MEDICAL ASSOCIATION

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LATE

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

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.

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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.⁵ 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.⁶

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.

⁵ Ibid.

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.