



The Honorable Henry Aquino, Chair  
The Honorable Kaniela Ing, Vice Chair  
House Committee on Public Safety

The Honorable Della Au Belatti, Chair  
The Honorable Dee Morikawa, Vice Chair  
House Committee on Health

Friday, March 15, 2013; 10:00 a.m.  
Hawaii State Capitol; Conference Room 329

**RE: SB 972 - Relating to Electronic Prescriptions- In Support**

Chairs Aquino and Belatti, Vice Chairs Ing and Morikawa and Members of the Committees:

My name is Todd Inafuku and I am testifying on behalf of CVS Caremark (CVS) in support of SB 972, Relating to Electronic Prescriptions. This bill will allow practitioners, who are registered and authorized to prescribe controlled substances, to electronically prescribe and electronically convey prescriptions for controlled substances listed in Schedules II, III, IV and V to a pharmacy of the patient's choice. The electronic conveyance of prescriptions will provide practitioners with a safer, more secure, and timely means to prescribe controlled substances in addition to the traditional method of providing the patient with a handwritten prescription for controlled substances listed in Schedules II, III, IV, and V, or orally ordering or conveying a fax of a written prescription to a pharmacy for controlled substances listed in Schedules III, IV and V.

Thank you for the opportunity to testify on this matter,

Todd K. Inafuku  
Cell phone (808) 620-2288



## HAWAII MEDICAL ASSOCIATION

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Phone (808) 536-7702 Fax (808) 528-2376 www.hmaonline.net

DATE: Friday, March 15, 2013  
TIME: 10:00 A.M.  
PLACE: Conference Room 329

TO:

[COMMITTEE ON HEALTH](#)

Rep. Della Au Belatti, Chair  
Rep. Dee Morikawa, Vice Chair

[COMMITTEE ON PUBLIC SAFETY](#)

Rep. Henry J.C. Aquino, Chair  
Rep. Kaniela Ing, 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: HB 651RELATING TO ELECTRONIC PRESCRIPTIONS

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

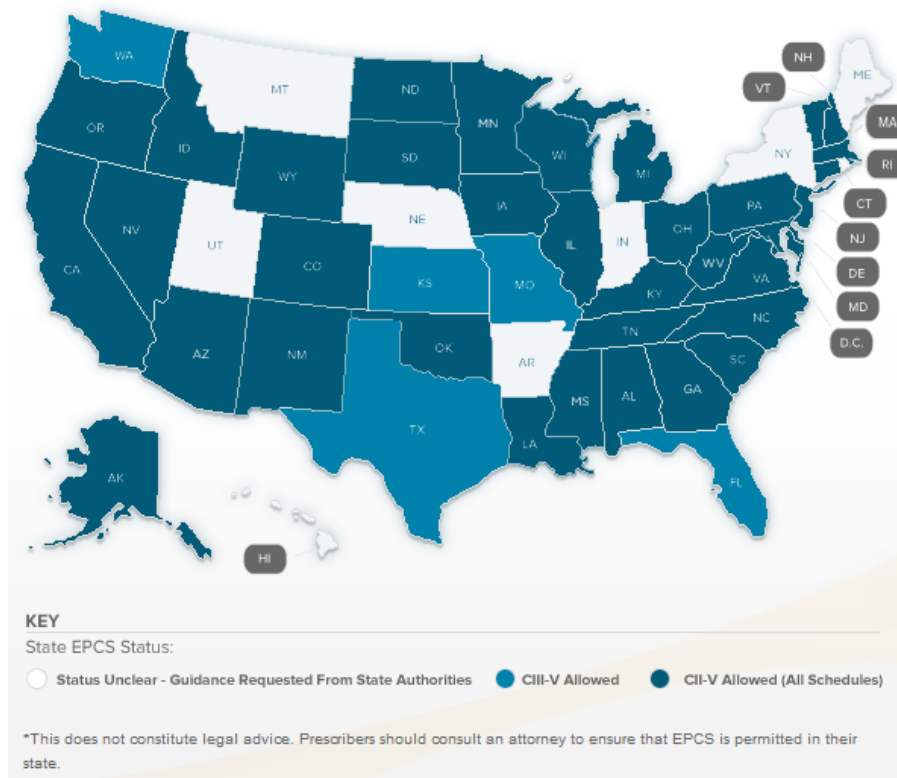
On March 31, 2010 the federal Drug Enforcement Administration (DEA) published its interim final rule on "Electronic Prescribing for Controlled Substances," revising DEA regulations and allowing pharmacies, hospitals, and practitioners to securely and safely utilize modern technology systems to electronically 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.]<sup>1</sup>

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<sup>1</sup> 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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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.<sup>2</sup> 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.

<sup>2</sup> 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](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.<sup>3</sup> 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.<sup>4</sup>
- **Increases patient convenience and medication compliance:** A recent study reported a 10% increase in patients' filling or picking up of new prescriptions.<sup>5</sup> 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.<sup>6</sup>

As of 2011, Hawaii ranked 39<sup>th</sup> 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.

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<sup>3</sup> 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.

<sup>4</sup>Surescripts. "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](http://www.surescripts.com/news-and-events/press-releases/2012/february/212_eprescribing.aspx). Accessed on January 30, 2013.

<sup>5</sup> Ibid.

<sup>6</sup> 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.

# HMSA



An Independent Licensee of the Blue Cross and Blue Shield Association

March 15, 2013

The Honorable Henry J. C. Aquino, Chair  
The Honorable Della Au Bellati, Chair

House Committees on Public Safety and Health

**Re: SB 972 – Relating to Electronic Prescriptions**

Dear Chair Aquino, Chair Bellati and Members of the Committees:

The Hawaii Medical Service Association (HMSA) appreciates the opportunity to testify on SB 972 which would conform the Uniform Controlled Substances Act to federal law and to clarify the provisions under which a pharmacist may prescribe electronically. HMSA supports this Bill.

HMSA's goal in the provision of outpatient pharmacy services is to ensure our members have access to affordable, high quality medication. HMSA believes that optimal drug therapy results in positive medical outcomes, which helps to manage overall health care costs.

This legislation benefits our members as it increases the options for providers to prescribe pain medications. More importantly, the Bill helps to ensure there are safe guards to prevent fraudulent prescription of these medications.

Thank you for allowing us to testify in support of this measure.

Sincerely,

A handwritten signature in black ink that reads 'Mark K. Oto'.

Mark K. Oto  
Director  
Government Relations

**ing2-Brandon**

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Tuesday, March 12, 2013 3:19 PM  
**To:** pbstestimony  
**Cc:** ronthi@gmail.com  
**Subject:** \*Submitted testimony for SB972 on Mar 15, 2013 10:00AM\*

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**SB972**

Submitted on: 3/12/2013

Testimony for PBS/HLT on Mar 15, 2013 10:00AM in Conference Room 329

<b>Submitted By</b>	<b>Organization</b>	<b>Testifler Position</b>	<b>Present at Hearing</b>
Ronald Taniguchi, Pharm.D.	Individual	Support	No

**Comments:**

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