

MINUTES OF THE PUBLIC HEALTH AND WELFARE COMMITTEE

The meeting was called to order by Chairman Vicki Schmidt at 1:30 p.m. on February 10, 2011, in Room 546-S of the Capitol.

All members were present.

Committee staff present:

Nobuko Folmsbee, Office of the Revisor of Statutes
Melissa Calderwood, Kansas Legislative Research Department
Iraida Orr, Kansas Legislative Research Department
Carolyn Long, Office Assistant

Conferees appearing before the Committee:

Nancy Zogleman, Legislative Counsel, Pfizer
Ron Hein, Kansas Association of Chain Drug Stores
David Root, Medco Health Solutions, Inc. and Affiliates
Brad Smoot, Blue Cross/Blue Shield of Kansas
Ron Gaches, Independent Pharmacy Service Corporation

Others attending:

See attached list.

The Chair opened the hearing on **SB 99—Electronic transmission of prescription order**. Staff explained that this legislation would establish requirements for prescription drug orders transmitted from a prescriber to a pharmacy through electronic transmission or e-prescription. It would require any e-prescription be directly transmitted from the prescriber to a pharmacist. The transmission device would not be allowed to interfere with the prescription by means of a medication limit list or multiple messaging at the point of submission to a pharmacy. It would also prohibit the e-prescribing mechanism from attempting to influence the prescribing decision of a health care provider at the point of care. The bill could increase costs to insurers and patients because an important formulary messaging tool would no longer be available. The e-prescribing provisions would not affect Medicaid expenditures in the current year but may affect future year's expenditures.

Nancy Zogelman, Legislative Counsel for Pfizer, expressed that this legislation was the first step in implementing and adopting standards for e-prescribing. She stated it was important to consider three things: Physicians can see any and all medicines available to them when treating their patient; states must have the ability to adjudicate prior authorization and step therapy protocols online; and excessive online interference is avoided while the safety notices involving medication labels are preserved (Attachment #1).

Written testimony in support of this bill was submitted by Carolyn Gaughan, Kansas Academy of Family Physicians (Attachment #2).

Speaking in opposition to this legislation was Ron Hein, on behalf of Kansas Association of Chain Drug Stores. He indicated that this bill would impose unworkable requirements on e-prescribing that would halt this practice in the state of Kansas, that it would result in increased health care costs for consumers, health insurers and other third party payors, including Medicaid and that it was unnecessary as existing state law already regulates appropriate e-prescribing practices (Attachment #3).

Also in opposition was David Root, Medco Health Solutions, Inc and Affiliates. He stated this legislation would stifle further development of e-prescribing in Kansas and is in direct conflict with e-prescribing national standards as they are being further developed today (Attachment #4).

Brad Smoot, Legislative Counsel for Blue Cross/Blue Shield of Kansas, stated that they support electronic prescribing but stated that this bill does not add to the benefits of electronic prescribing but rather detracts from them. The net effect of this bill, in his opinion, would reduce the ability of the physician and pharmacist to exchange valuable medical and cost information. In addition, Mr. Smoot included a letter of opposition from Michael Atwood, Chief Medical Officer for BCBSKS (Attachment #5).

CONTINUATION SHEET

MINUTES OF THE Senate Public Health and Welfare Committee at 1:30 p.m. on February 10, 2011 in Room 546-S of the Capitol.

Speaking in opposition, Ron Gaches, representing the Kansas Independent Pharmacy Service Corporation, believes that electronic transmission of prescription orders provided important efficiencies to the delivery of patient services; however, it appears to place significant limitations on the flow of information that can be provided the prescribing physician from the pharmacist that receives the prescription (Attachment #6).

Written testimony in opposition to **SB 99** was submitted by Sara Arif, Director of Public Affairs for the Kansas Department of Aging (Attachment #7), John Bottenberg (Attachment #8), Stacey Fahrner, Vice President, Government Affairs, Prime Therapeutics, LLC (Attachment #9), and William Sneed, Legislative Counsel for America's Health Insurance Plans (Attachment #10).

There being no further conferees, the hearing on **SB 99** was closed.

The meeting adjourned at 1:20 p.m. The next meeting is scheduled for February 14, 2011.

