



March 18, 2014

The Honorable Pete Higgins, Chair  
Honorable Members of the House Health and Social Services Committee  
Alaska State Legislature  
Juneau, AK

RE: CS for House Bill 324 N

Dear Representative Higgins and Honorable Members of the Committee,

On behalf of the members of the National Association of Chain Drug Stores (NACDS) operating Alaska, I would like to respectfully share our concerns with House Bill 324 – amending the Controlled Substance Prescription Data Base. For the record, NACDS represents 820 of the 1,093 pharmacies in the State of Alaska. Those pharmacies employ over 101,000 full and part-time Alaska State residents and pay over \$811 million in State taxes. We are also members of the Alaska Pharmacists Association and are well represented by Caren Robinson.

In Section 2, Subsection (a) (3) we respectfully ask the committee to amend the language to read as follows: **in cooperation with the board, seek funding sources ~~other than the state~~ for the operation of the controlled substance prescription database.**

Rationale: By removing “other than the state” this allows the Board of Pharmacy and the Department of Commerce, Community, and Economic Development to pursue a number of options in terms of sustainable funding for the database.

In Section 4 (c) we respectfully ask the committee to amend the language to read as follows: (c) The board shall maintain **or contract with a database provider to maintain** the database in **a secure real-time [AN] an** electronic file **[OR BY OTHER MEANS] or by other means** established by the board **that is accessible to a pharmacist or practitioner** to facilitate the use of the database for the identification of ...

Rationale: On-line, real-time data reporting and processing is highly problematic, cost-prohibitive disruptive and provides little if any additional benefit. While a handful of states have attempted to implement such a requirement, these states have experienced implementation delays that continue even now.

Real-time reporting of dispensing data does not improve practitioners’ ability to identify a history of abuse. Patterns of patient abuse of controlled substances are revealed over time. Practitioners ultimately need to be able to look back over the weeks to determine whether there are patterns of abuse with particular patients.

Weekly reporting provides timely data to compile the scope of histories necessary to accomplish this aim.

Section 7. AS 17.30.205 is a new Section to the existing law that NACDS respectfully requests be deleted.

Rationale: It is important that an ongoing governmental source of revenue be allocated to fund a prescription monitoring program. Funding should not be the responsibility of the pharmacies and practitioners through licensing fees or any other taxing mechanism. These are the same health care practitioners and pharmacists who report the data to the state. Pharmacies may incur software enhancement expenses, but the state should be responsible for the operation of the program.

Over the years, prescription monitoring programs have been established throughout the country as tools to curb diversion and abuse of controlled substances prescriptions. At this time, every state but Missouri has implemented their own program designed to assist in the identification and prevention of drug abuse and diversion at the prescriber, pharmacy and patient levels.

NACDS supports the important role that prescription monitoring programs have in helping to prevent drug abuse and diversion. Chain pharmacies actively support programs that are well designed to achieve program aims in a manner that does not disrupt the provision of patient care and the legitimate practices of pharmacy and medicine, and have minimal administrative burden associated with compliance.

With that in mind we respectfully ask the members of the House Health and Social Services Committee to consider the amended changes we're requesting and look at alternative sources of funding for the database program other than taxing those who provide all the data in the first place.

Sincerely,

Lis Houchen  
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