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To: Rep. Paul Seaton <Rep.Paul.Seaton@akleg.gov>; Rep. Liz Vazquez <Rep.Liz.Vazquez@akleg.gov>; Rep. Neal Foster <Rep.Neal.Foster@akleg.gov>; Rep. Louise Stutes <Rep.Louise.Stutes@akleg.gov>; Rep. David Talerico <Rep.David.Talerico@akleg.gov>; Rep. Geran Tarr <Rep.Geran.Tarr@akleg.gov>; Rep. Adam Wool <Rep.Adam.Wool@akleg.gov>

Subject: HB344

Ak House
Health and Social Services
Juneau, Ak 99801
Dear Rep Seaton and Committee, 3/15/16

Thank you for your time and allowing me to testify before your committee. You asked for a written summary and an explanation of my testimony. The following are my comments.

First, Some house keeping, your amendment “N” section 14 has a Typo. you have “schedule II, II, or IV controlled substances” and it should say “schedule II, III, IV controlled substances”.

Second, section 15, We appreciate that we can delegate these duties to licensed staff only.
Third, section 16, I and Alaskan pharmacists appreciate that we can delegate accessing the database with our licensed staff. Note -everyone behind the counter is licensed by the state of Alaska.

Fourth, Section 18, The purpose of the database is to provide a reference source to change prescribing behavior, not always dispensing behavior, but the pharmacist are checking and giving feedback to the prescribers when prescriptions are too early, filled by too many recent providers, or provided prescriptions by too many providers. This section cuts that process, and guts the resource of the database. By exempting the very people who need to be referencing the database. In patient, because they need to see what behavior brought them to the in-patient setting, also what they are sending them back out to. Emergency rooms, and ambulances many times the immediate past behaviors are what brought them to the emergency room in the first place. The last 6 months tells you their behavior to wander (abuse) or not to wander. Post-Op surgery, They could have filled a prescription for 120 Percocet 5 days before surgery and still have them so they do not need another 7 day or 30 day prescription of Percocet. So if you exempt those providers that you have from checking the database, you are gutting the purpose of the database.

Fifth, section 19 requires providers writing and pharmacists to check the database before filling and writing a prescription. This should occur before the writing of the prescription, Not after the prescription has been written. Have the prescriber put do not fill until a future date. But is is the prescribers duty, not the pharmacist duty to deny filling. Therefore there is duplicity of effort. The pharmacist will catch the early refill when the insurance denies the claim and then they will check the database. make it mandatory for the prescriber, not the pharmacist, stop it at the point of authorization.

Sixth, There was talk about 7 day supplies on the first prescription. This is crazy, and not logistically reasonable. First of all most ER's do limit to 3-7 days, They are only suppose to issue enough to get them to their regular provider, Monday, or next Non-Holiday Business day. Next this does not make sense in relationship to the Bush community. Before the patient can fill the second prescription, they must wait til 75% of the first prescription is used, that means they have to wait in town and additional 2-4 days before they can get the second prescription filled. Or the second pharmacy may have to order the medication, which can take 2-4 days to get providing the weather allows the delivery to the second pharmacy creating a delay in health care. This also put the 2nd pharmacy at a disadvantage also. Generally as 60-70% of the Bush prescription or 30% of the Urban prescription are Medicaid, they will lose money on the prescription. Medicaid will not pay another dispensing fee if it has been dispensed past 28 days, and requires a prior authorization for a dispensing within 19 days of the first dispensing. So, if it costs \$550.00 to the pharmacy to buy it from the wholesaler, Medicaid or another insurance company reimburses \$475.00 and Medicaid does not allow a dispensing fee of \$11.00 that pharmacy loses \$75.00 instead of only losing \$64.00. This is true pharmacies are losing money monthly and this adds to the continued trend of subsidizing the public, government, and the insurance companies. My pharmacy is small, tiny we lost \$2,500.00 last month in under-reimbursed claims, I know of a Big Box that lost over \$10,000.00 in the first 10 days of one month in 2015, that is \$30,000.00 per month. You will lose pharmacies economically, due to this policy. Dan Nelson, testified that it will take 2-3 minutes to check the database for each prescription. I believe that time is more like 3-5 minutes. Because you have to bring up the website, enter the patient's name, date of birth, address, city of record it take 3-5 minutes for each prescription to analyze the merits of prescription and the filling dates, assuming you have 25-75 prescriptions a day that represents @ 3 and 1/2 minutes = 87.5 minutes - 262.5 minutes (1 and 1/2 hours to 4 hours 20 minutes) just checking the database, that is an extra 0.125-0.5 FTE or \$75-280.00 per day or more extra cost of doing business. This on top of what is not being adequate being paid to the providers in the first place. These are real dollars, the impact is as if we would ask you to get an additional \$200-1500.00 less in your paycheck each month.

This policy encourages multiple prescriptions, over-lapping of prescriptions because the database will not be checked. Dentist, emergency rooms, and other providers will write for smaller days, so they do not have to check the database. This defeats the reason the database is there and adds more elements (prescriptions) to filter through in order to evaluate the patients records.

Seventh, section 20 Thank you for allowing pharmacists and providers, the ability delegate to licensed personnel the ability to access the database. Pharmacy helped establish the database, administer, and submit the data to the database. There has been a long standing understanding that pharmacies and pharmacists would not bear the cost of administering this program. Please honor this understanding.

Submitted

Respectfully yours,

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