

January 31, 2007

To: Representative Ro Foege
Senator Jack Hatch
Members, Joint Appropriations Subcommittee
for Health and Human Services

From: Thomas R. Temple, R.Ph., M.S.
Executive Vice President & CEO

Subject: Proposed Joint Appropriations Health Care Reform Bill

Thank you for the opportunity to review and provide input into this proposed piece of legislation.

The pharmacists of Iowa recognize the need for this legislation and support the broad goals outlined in the legislative draft, expanding access to quality health care services for all Iowans. While we are very supportive of this initiative, we do have a few suggestions for changes which, we believe, will improve and strengthen the legislative proposal. In particular, we would offer the following recommendations:

1. **Include a representative of Iowa Pharmacy Association on the "Interim Commission"**. Virtually all members of the health care team have been included as members of the Commission. Pharmacy should not be excluded. Considering the fact that pharmaceutical therapy represents the most prevalent and significant form of treatment for disease and illness, it makes great sense to include a pharmacist as a member of the Commission. Additionally, one of the charges assigned to the Commission is the "establishment of a statewide prescription drug program for seniors to address problems with Medicare Part D." No one is more familiar with the issues and problems of this program than pharmacists.
2. **The proposal for a "prescription drug price disclosure internet site" (Division IV of the draft legislation) should be deleted.** Such a program would represent a significant waste of state resources. While this type of program may have been somewhat useful 5-10 years ago, changes in the pharmaceutical marketplace would render such a program virtually useless. Today less than 10% of the population in Iowa purchases prescription drugs at prices determined by pharmacies. The other 90%+ have some form of coverage where prices are established by private or public sector third party payors. To invest \$500,000 of state money to establish and maintain a price posting program which would benefit very few Iowans, makes little sense.

Moreover, as outlined in the legislation, the program would place a significant administrative burden on pharmacists' time – time which would be taken away from important patient care services. Pharmacists are already being challenged by administrative duties associated with new government mandates such as Medicare Part D, pseudoephedrine distribution, prescription drug monitoring programs and, Medicaid prior authorization/formulary requirements, etc. The burden of updating an internet price posting site would add yet another demand on pharmacist time.

Iowa pharmacy believes that there exists a much better way to create value for Iowans in the area of prescription drug use, by focusing efforts on more cost effective and quality use of medication. In this regard, we would recommend that the state invest in the creation of an internet site to provide physicians, pharmacists and patients with an evidenced based, non-commercial source of drug information. Such a program would serve to help improve rationale decision making in drug prescribing and medication use in the state of Iowa.

3. **The creation of a “Pharmaceutical Infrastructure for Safety Net Providers” should incorporate a greater level of oversight and input by the pharmacy and medical professions and should include programmatic dimensions which will foster quality and cost effective medication use by covered individuals.**

Iowa pharmacy believes that any program of pharmaceutical support for uninsured, low income Iowan's should include an appropriate degree of input from pharmacists and physicians, as well as others who are responsible for the care of this vulnerable population. Moreover, the pharmaceutical infrastructure should include program elements which foster quality and cost effective use of medications. Such programmatic elements should include:

- 1) Support for a medication reconciliation program to ensure that patients have a complete record of their medication history (A program of this nature is under development by the Iowa Healthcare Collaborative).
- 2) Payment for Medication Therapy Management (MTM) services provided by pharmacist for patients who are at risk for developing drug related problems. (Similar to that provided to Medicaid patients in Iowa).
- 3) The establishment of a Pharmacy and Therapeutic (P & T) Committee to provide needed direction regarding drug formularies and/or preferred drug lists.
- 4) A program of quality assurance (Drug Utilization Review – DUR) to assess the quality and cost effectiveness of the pharmaceutical infrastructure.

To facilitate these efforts at ensuring the quality and cost effective use of medications by this population, IPA would encourage that the legislation create an oversight body of pharmacists, physicians and others to provide direction and feedback to the executive and legislative branches of government in Iowa.

Summary of Recommendations:

1. Include a representative of the Iowa Pharmacy Association on the “Commission”.
2. Substitute an “Independent Drug Information Internet Service” which focuses on quality and cost effective medication use, for the proposed “price disclosure” proposal offered in the draft legislation.
3. Create an oversight body of pharmacists, physicians and others, appointed by the Governor to provide direction for a “Pharmaceutical Infrastructure for Safety Net Providers”.
4. Incorporate the following programmatic elements in the pharmaceutical infrastructure program which would foster quality and cost effective use of medications.
 - Medication Reconciliation Program
 - Medication Therapy Management Program for High Risk Patients.
 - A program of drug utilization review (DUR) to provide a quality assurance assessment for use of pharmaceuticals by uninsured Iowans.
 - A Pharmacy & Therapeutics (P&T) Committee to provide needed direction for formulary development.