THE BENEFITS OF ELECTRONIC PRESCRIBING

KEN WHITTEMORE, JR., R.PH., MBA
VP, PROFESSIONAL & REGULATORY AFFAIRS
KEN.WHITTEMORE@SURESCRIPTS.COM / (703) 921-2114
2001: THE INDUSTRY SEES AN URGENT NEED TO REPLACE PAPER PRESCRIPTIONS.

Pharmacy associations form SureScript Systems to enable e-prescribing. The three largest PBMs form RXHub to connect payers and prescribers.

2008: THESE COMPETING ORGANIZATIONS FORM A HISTORIC ALLIANCE AS SURESCRIPTS.

The goal: build a national network to deliver comprehensive patient information to the point of care, turning data into actionable intelligence.
4.8 MILLION
E-PRESCRIPTIONS DAILY

12.8 BILLION
TRANSACTIONS ANNUALLY

VIRTUALLY ALL:
ELECTRONIC HEALTH RECORDS (EHRs),
PHARMACY BENEFIT MANAGERS
(PBMs), PHARMACIES AND CLINICIANS

PLUS:
HEALTH PLANS, LONG-TERM
CARE AND SPECIALTY
PHARMACY ORGANIZATIONS
73% of medications are e-prescribed, but we have opportunities to improve.  

+90% of non-controlled substances are e-prescribed.  

14% of controlled substances are e-prescribed.  

10% of prescriptions require a manual intervention.  

10% of people who abandon medication do so because of cost.  

+40% of patients abandon treatment when a prior authorization is required.  

SO HOW DOES IT WORK?
FOR ELECTRONIC PRESCRIPTION ROUTING, SURESCRIPTS ACTS AS AN INTERMEDIARY, PROVIDING SECURE AND RELIABLE COMMUNICATION

- Adheres to major industry standards such as NCPDP SCRIPT
- Complies with HIPAA and electronic privacy security regulations
ONE ESSENTIAL STEP
FURTHER—ELECTRONIC PRESCRIBING OF CONTROLLED SUBSTANCES (AKA EPCS)
ABOUT CONTROLLED SUBSTANCE PRESCRIPTIONS

An important therapeutic option for many patients

- 13% of total prescriptions are controlled substances
  - Potential exists for addiction and abuse
  - States have varying regulatory requirements

Challenges with Paper Rx for Controlled Substances

- **Fraudulent** prescription pad forgery is a concern
- Many states require **special prescription pads** and record keeping
- **Dual work** is required when paper Rx pads are used for controlled substances in practices that e-prescribe
ELECTRONIC PRESCRIBING OF CONTROLLED SUBSTANCES (EPCS)

One efficient workflow for all prescriptions

- Reduced fraud and abuse
- Secure electronic records
- Improved safety and patient care
- Permitted by DEA since 2010 & states by 2015

Annualized Cost Savings Potential of $700 Million

- Reduced pharmacy/prescriber phone callbacks
- Reduced need to store paper prescriptions

*Economic Impact Analysis of the Interim Final Electronic Prescription Rule*
*DEA, U.S. Department of Justice, March 2010*
SURESCRIPTS ENABLES PHARMACY & PRESCRIBER SOFTWARE FOR EPCS

- Provides standards for EPCS implementation
  - Access to consultants for successful guidance
- Certifies software applications for secure EPCS transactions
- Connects pharmacy and prescriber software through Surescripts’ trusted national health information network

Prior to certification, Pharmacy system and physician EHR software companies must take additional security and technology steps to comply with the Drug Enforcement Administration’s Interim Final Rule (IFR) and state board of pharmacy regulations.
Surescripts.com website revamp for EPCS data is complete

- Prescriber and Pharmacy enablement
- Includes timing for regulations by state along with enablement percentages
WELL-EXECUTED STATE LEGISLATION: THE KEY TO SUCCESS WITH EPCS
### States with Enacted Legislation

<table>
<thead>
<tr>
<th>State</th>
<th>Effective Date</th>
<th>Additional Info</th>
<th>Prescriber EPCS Enablement*</th>
<th>Pharmacy EPCS Enablement*</th>
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<tbody>
<tr>
<td>Minnesota</td>
<td>01/01/2011</td>
<td>Requires e-prescribing for all medications, including controlled substances, but there are no specific penalties for non-compliance.</td>
<td>30.6%</td>
<td>96.5%</td>
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<tr>
<td>New York</td>
<td>03/27/2016</td>
<td>The I-STOP mandate requires all prescriptions, including controlled substances, to be electronically prescribed.</td>
<td>76.1%</td>
<td>98.5%</td>
</tr>
<tr>
<td>Maine</td>
<td>07/01/2017</td>
<td>Requires e-prescribing for all controlled substances containing opiates. It also has provisions that limit the durations and quantities of opioid prescriptions. The mandate allows prescribers to apply for waivers. There are specific penalties for not adhering to the law ($250/violation up to $5,000/calendar year).</td>
<td>64.2%</td>
<td>99.3%</td>
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<tr>
<td>Connecticut</td>
<td>01/01/2018</td>
<td>Requires e-prescribing for all controlled substances. This bill allows for exceptions and waivers, but does not include any specific penalties.</td>
<td>56.9%</td>
<td>99.5%</td>
</tr>
<tr>
<td>Arizona</td>
<td>01/01/19 &amp; 07/01/19</td>
<td>Requires EPCS for Schedule II opioids on a staggered implementation basis, i.e., the mandate is effective in counties with populations of &gt;150,000 on 01/01/19 and on 07/01/19 in counties of &lt;150,000. There are exceptions, but no waivers or penalties are included in the law.</td>
<td>23.2%</td>
<td>98.1%</td>
</tr>
<tr>
<td>New Jersey</td>
<td>05/01/19</td>
<td>Requires EHR vendors operating in NJ to adopt EPCS for Schedule II controlled substances no later than one year after the effective date of the bill.</td>
<td>12.9%</td>
<td>97.4%</td>
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* as of August 2018
National Prescriber EPCS Enablement is at 28.6%
National Pharmacy EPCS Enablement is at 95.0%
### States with Enacted Legislation

As of 2015, all 50 states plus the District of Columbia have approved EPCS for all schedules.

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<td>Iowa</td>
<td>01/01/2020</td>
<td>Requires e-prescribing for all prescriptions, including controlled substances. The law includes the possibility of waivers and exceptions and specific penalties for noncompliance.</td>
<td>12.1%</td>
<td>98.1%</td>
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<tr>
<td>Massachusetts</td>
<td>01/01/2020</td>
<td>Requires e-prescriptions for Schedules II through VI. (Massachusetts statute states that Schedule VI drugs consist of all prescription drugs that are not included in Schedules II-V, which effectively means that e-prescribing will be required for all prescriptions.) The law includes the possibility of waivers and exceptions, but there is no mention of specific penalties.</td>
<td>14.8%</td>
<td>98.0%</td>
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<td>North Carolina</td>
<td>01/01/2020</td>
<td>Requires e-prescribing for &quot;targeted&quot; controlled substances, which means Schedule II and III opioids. It does not mention waivers or specific penalties.</td>
<td>37.1%</td>
<td>97.0%</td>
</tr>
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<td>Oklahoma</td>
<td>01/01/2020</td>
<td>Requires e-prescribing for all controlled substances. The law includes the possibility of waivers and exceptions, but there is no mention of specific penalties. In addition, on 06/17/2018, the Oklahoma Board of Pharmacy adopted a regulation stating that &quot;Any pharmacy that dispenses controlled dangerous substances shall have computer software that supports EPCS by January 1, 2019.&quot;</td>
<td>14.0%</td>
<td>98.0%</td>
</tr>
<tr>
<td>Rhode Island</td>
<td>01/01/2020</td>
<td>Requires e-prescribing for all controlled substances &quot;no sooner than January 1, 2020,&quot; pursuant to regulations adopted by the RI Department of Health.</td>
<td>29.3%</td>
<td>99.4%</td>
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<td>Virginia</td>
<td>07/01/2020</td>
<td>Requires e-prescribing for all prescriptions containing opiates and prohibits pharmacists from dispensing opiate prescriptions unless they are electronic. The law does not mention waivers or exceptions, but the VA E-Prescribing Work Group has recommended that exceptions be adopted and that the pharmacist mandate be modified. These recommended changes are due to be considered during the 2019 VA legislative session.</td>
<td>13.4%</td>
<td>96.6%</td>
</tr>
<tr>
<td>Tennessee</td>
<td>07/01/2020</td>
<td>Requires e-prescribing for all Schedule II Controlled Substances. The law includes the possibility of waivers and exceptions. There is the potential for specific penalties for noncompliance with the law, i.e., a civil penalty of $1,000 for each violation. Prescribers who issue 50 or fewer prescriptions for Schedule II controlled substances per year are exempt from the law’s requirements.</td>
<td>20.1%</td>
<td>96.1%</td>
</tr>
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<td>California</td>
<td>01/01/2022</td>
<td>Requires that health care practitioners authorized to issue prescriptions have the capability of transmitting prescriptions electronically, as well as requires that pharmacies have the capability to receive prescriptions electronically, by 01/1/2022. On and after 01/01/2022, all prescriptions must then be transmitted electronically. The law includes exceptions, and it states that the failure to meet the requirements of the law shall result in a referral to the appropriate state professional licensing board solely for administrative sanctions as deemed appropriate by that board.</td>
<td>25.7%</td>
<td>93.8%</td>
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## States with Legislation Introduced

Industry stakeholders expected to pursue additional legislation in another 5-10 states in 2019

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<td>Pennsylvania</td>
<td>1 year from enactment</td>
<td>HB 353 will mandate e-prescribing for all controlled substances. The bill includes exceptions, the possibility of exemptions (waivers) and specific penalties for noncompliance.</td>
</tr>
<tr>
<td>Michigan</td>
<td>01/01/2020</td>
<td>SB 802 will require e-prescribing for opioids and benzodiazepines, both for prescribers and pharmacies. The bill does not mention exceptions, but it does allow for waivers and includes specific penalties.</td>
</tr>
<tr>
<td>Illinois</td>
<td>01/01/2022</td>
<td>SB 2058 will mandate e-prescribing for all drugs, including controlled substances, and medical devices. There is no mention of exceptions, waivers, or specific penalties, but the bill does require the Department of Health &amp; Human Services to adopt rules governing the use of electronically transmitted prescription orders.</td>
</tr>
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PERCENT OF PRESCRIBERS EPCS ENABLED
(NATIONAL AVERAGE IN JUNE 2018 = 27%)
Q&A

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