NACDS NATIONAL ASSOCIATION OF CHAIN DRUG STORES

VIA EMAIL: marietta.squire@cdc.hhs.gov

April 30, 2009

Mr. James Scanlon
Deputy Assistant Secretary
Office of Science and Data Policy
Office of the Assistant Secretary
for Planning and Evaluation, DHHS
Humphrey Building, Room 442-E
200 Independence Avenue, S.W.
Washington, DC 20201

Dear Mr. Scanlon and the NCVHS Executive Subcommittee:

**Re: Defining "Meaningful Use"**

413 North Lee Street
P.O. Box 1417-D49
Alexandria, Virginia
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The National Association of Chain Drug Stores (NACDS) appreciates the opportunity to provide a statement to the Executive Subcommittee of the National Committee on Vital and Health Statistics (NCVHS) on our perspectives on "meaningful use" of health information technology as it relates to the use of that term in the HITECH Act as part of the American Recovery and Reinvestment Act (ARRA). NACDS represents traditional drug stores, supermarkets and mass merchandisers with pharmacies. Its approximately 200 chain member companies include regional chains with a minimum of four stores to national companies. NACDS members also include approximately 1,000 suppliers of pharmacy and front-end products, and approximately 100 international members representing more than 30 countries. Chains operate more than 39,000 pharmacies, and employ a total of more than 2.7 million employees, including 114,000 pharmacists. They fill more than 2.4 billion prescriptions yearly, and have annual sales of over $700 billion.

NACDS and the pharmacy industry strongly support the widespread adoption of e-prescribing to enhance provider access to important health care information to benefit patients. E-prescribing is a proven technology that can vastly improve the health care outcomes by reducing prescription errors, saving money for public and private health care programs, and ultimately improving the quality of patient care. NACDS partnered with the National Community Pharmacists Association in 2001 to create SureScripts in an effort to improve the quality, safety, and efficiency of the overall prescribing process. The SureScripts Electronic Prescribing Network is the largest network to link electronic communications between pharmacies and physicians, allowing the electronic exchange of prescription information. Today, there are over 110,000 prescribers registered on the SureScripts network and 68 million prescriptions were routed electronically in 2008, an increase from 29 million in 2007.

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In 2008, Congress passed the Medicare Improvements for Patients and Providers Act (MIPPA) allowing e-prescribing adopters to become eligible for financial incentives. Early signs indicate these incentives may be working, as the momentum behind the adoption of e-

prescribing continues to grow. In the first quarter of this year alone, SureScripts processed over 50% of the 2008 volume across their network.

However, we believe it is important that "meaningful use" be defined to mean the actual use of all of the functionality that will lead to better health outcomes, efficiency, and control of costs. We believe that the structure for the incentives in MIPPA can be improved upon as the incentives under ARRA are implemented. Under MIPPA, to be eligible to receive incentives, a prescriber must have an application that can route prescriptions electronically, access medication history where available, and access formulary and benefit information where available. But, to receive the incentives, a prescriber need only route prescriptions electronically 50% of the time, and the prescriber need never look at benefits information or medication history.

NACDS strongly encourages the definition of meaningful use to include not only the use of e-prescribing, but also the full benefits of e-prescribing. In order to realize the full benefits of e-prescribing, meaningful use should also include the use of all available e-prescribing capabilities such as prescription benefit review, medication history, and access to formulary and benefit information.

Going forward, the focus of policy and rule making must be on actual use of a robust set of available data, and not merely on the availability of the functionality of the application. Without this emphasis, the full benefits of e-prescribing will not be realized. For example, a prescription sent electronically to the pharmacy without utilizing benefit information could result in a phone call from the pharmacy to the practice. If the prescribed drug is not on formulary, a new prescription has to be issued, all of this diminishing the value of e-prescribing.

Finally, although meaningful use must be robust enough to require use of data, the definition of meaningful use must be reasonable and measurable, and cannot be a barrier to adoption. We must build on current available technologies and move in an iterative way over time to include more functionality and requirements in meaningful use.

Again, we thank you for the opportunity to share our perspectives on "meaningful use" of health information technology, as it is used in the HITECH Act of ARRA. If we can provide any additional information please do not hesitate to contact me at 703-837-4183 or knicholson@nacds.org.

Sincerely,

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