

**TESTIMONY OF  
CONNECTICUT HOSPITAL ASSOCIATION  
SUBMITTED TO THE GENERAL LAW COMMITTEE  
Thursday, March 4, 2004**

**SB 401, An Act Concerning Electronic Transmission of Prescriptions**

On behalf of Connecticut's not-for-profit hospitals, CHA appreciates the opportunity to submit testimony in support of **SB 401, An Act Concerning Electronic Transmission of Prescriptions**, which would allow "electronic prescribing intermediaries" to transfer prescriptions electronically from healthcare providers to pharmacies.

Electronic prescribing intermediaries allow healthcare providers and pharmacies, who are using a variety of information technology systems, to communicate with each other. Essentially, the electronic prescribing intermediary acts as an electronic clearinghouse for prescription information.

The bill would facilitate electronic transmission of prescriptions by clarifying the current Connecticut statutory requirement that no one other than a pharmacy may accept a prescription does not prohibit the use of electronic prescribing intermediaries to transmit such prescriptions.

Electronic prescribing (often called "e-prescribing") is one of many ways in which information technology can be used to improve quality of care and lower health care costs. Electronically generated prescriptions improve patient safety because they eliminate problems with prescription legibility and also may facilitate the notification of physicians of potential adverse effects from drug-to-drug interactions when patients are on multiple medications, particularly when different physicians have prescribed the drugs. The use of e-prescribing was specifically encouraged by Congress in the *Medicare Prescription Drug Improvement and Modernization Act of 2003*, which mandates the development of standards for electronic prescription drug programs and makes grants available to physicians for the purpose of assisting them in adopting an electronic prescription process.

Electronic prescribing intermediaries also may offer physicians the ability to electronically access up-to-date insurance formulary information, which reduces callbacks from pharmacies to physician offices when pharmacies attempt to fill prescriptions that do not meet the insurance formulary requirements. Drug expenditures may be reduced when physicians have the ability to easily review formulary-compliant generic drug equivalents and discuss such alternatives with their patients.

CHA respectfully requests that the bill be amended to include a provision requiring the Department of Consumer Protection to provide oversight of electronic prescribing intermediaries. Such oversight is necessary to ensure that electronic prescribing intermediaries are appropriately qualified.

Thank you for your consideration of our position.