

(FORM UPDATED: 08/11/2010)

# WISCONSIN STATE LEGISLATURE ... PUBLIC HEARING - COMMITTEE RECORDS

2011-12

(session year)

# <u>Assembly</u>

(Assembly, Senate or Joint)

Committee on Health...

## **COMMITTEE NOTICES ...**

Committee Reports ... CR

Executive Sessions ... ES

Public Hearings ... PH

# INFORMATION COLLECTED BY COMMITTEE FOR AND AGAINST PROPOSAL

- Appointments ... Appt (w/Record of Comm. Proceedings)
- Clearinghouse Rules ... CRule (w/Record of Comm. Proceedings)
- Hearing Records ... bills and resolutions (w/Record of Comm. Proceedings)

  (ab = Assembly Bill) (ar = Assembly Resolution)

(**sb** = Senate Bill)

(sr = Senate Resolution)

(ajr = Assembly Joint Resolution)

 $(\mathbf{sr} = Senate Resolution)$ 

(sjr = Senate Joint Resolution)

Miscellaneous ... Misc

<sup>\*</sup> Contents organized for archiving by: Stefanie Rose (LRB) (October 2013)

### **Assembly**

### **Record of Committee Proceedings**

#### Committee on Health

### **Assembly Bill 440**

Relating to: electronic prescriptions for schedule II controlled substances. By Representative Stone; cosponsored by Senator Vukmir.

December 20, 2011 Referred to Committee on Health.

January 25, 2012 PUBLIC HEARING HELD

Present: (10) Representatives Stone, Severson, Kaufert, Van Roy, Strachota, Petersen, Litjens, Pasch, Seidel,

C. Taylor.

Absent: (0) None.

Excused: (1) Representative Richards.

#### Appearances For

- Sen. Leah Vukmir, Wauwatosa Author; 5th Senate District
- Rep. Jeff Stone, Greendale Author; 82nd Assembly District
- Robert Phillips, MD, Madison Medical Director, State Govt Relations - Marshfield Clinic

#### Appearances Against

• None.

#### Appearances for Information Only

- Kyle O'Brien, Madison DHS
- Denise Webb, Madison DHS

#### Registrations For

- Mark Grapentine, Madison WI Medical Society
- Nathan Berken, Thiensville WI Academy of Family Physicians
- Nathan Berken, Milwaukee Medical College of Wisconsin

### Registrations Against

• None.

### Registrations for Information Only

• None.

Present: (10) Representatives Stone, Kaufert, Van Roy, Strachota, Petersen, Litjens, Richards, Pasch, Seidel, C. Taylor.

Absent: (0) None.

Excused: (1) Representative Severson.

Moved by Representative Kaufert, seconded by Representative Litjens that **Assembly Amendment LRB 2257/1** be recommended for introduction and adoption.

Ayes: (10) Representatives Stone, Kaufert, Van Roy, Strachota, Petersen, Litjens, Richards, Pasch, Seidel, C. Taylor.

Noes: (0) None.

Absent: (1) Representative Severson.

INTRODUCTION AND ADOPTION OF ASSEMBLY AMENDMENT LRB 2257/1 RECOMMENDED, Ayes 10, Noes 0

Moved by Representative Stone that **Assembly Bill 440** be recommended for passage as amended.

Ayes: (10) Representatives Stone, Kaufert, Van Roy, Strachota, Petersen, Litjens, Richards, Pasch, Seidel, C. Taylor.

Noes: (0) None.

Absent: (1) Representative Severson.

PASSAGE AS AMENDED RECOMMENDED, Ayes 10, Noes 0

Marsha Dake

Committee Clerk

# Vote Record Committee on Health

Date: 2.8-12  Moved by: Kaufert	— Seconded	by: Liti	e hs			
AB 440 SB_ AJR SJR_ AR SR_	Clearingh Appointm	Clearinghouse Rule Appointment Other				
A/S Amdt  A/S Amdt  A/S Sub Amdt  A/S Amdt  A/S Amdt	to A/S Amdt to A/S Sub Amdt					
Be recommended for:  Passage Adoption Introduction Rejection	☐ Confirmation☐ Tabling	□ Concurren	ce	□ Indefinite P	ostponement	
Committee Member		<u>Aye</u>	No	<u>Absent</u>	Not Voting	
Representative Jeff Stone				브		
Representative Erik Seve	Ц					
Representative Dean Kau	X					
Representative Karl Van						
Representative Patricia S	$\nabla$					
Representative Kevin Pet	$\boxtimes$	П	П	$\overline{\Box}$		
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Representative Michelle Litjens		₩ ₩				
Representative Jon Richards		LAJ 1771				
Representative Sandy Pasch			Ш		닏	
Representative Donna Seidel		Ž				
Representative Chris Taylor		囟				
	Total	s: 10	D	1		

# Vote Record Committee on Health

Date: 2-8-18							
Moved by: Van Roy	Seconded	by: <u>Litjen</u>	15	_			
AB_ <u>440</u> sв_		Clearingh	ouse Rul	le			
AJRSJR		Appointment					
AR SR							
A/S Amdt							
A/S Amdt	to A/S Amdt						
A/S Sub Amdt							
A/S Amdt	to A/S Sub Amdt						
		to A/S Sub Amdt					
Be recommended for:  A Passage	☐ Confirmation☐ Tabling	□ Concurren □ Nonconcu		□ Indefinite P	ostponement		
Committee Member		<u>Aye</u>	<u>No</u>	<u>Absent</u>	Not Voting		
Representative Jeff Ston	e, Chair	X					
Representative Erik Seve			$\square$				
Representative Dean Kau							
Representative Karl Van							
Representative Patricia S	X						
Representative Kevin Pe	K						
Representative Michelle							
Representative Jon Richards		囚	$\overline{\Box}$	F	$\overline{\Box}$		
		,— .[7]		· •			
Representative Sandy Pa	isch	Ĵĸi	브	<u></u>			
Representative Donna Seidel							
Representative Chris Tay	<i>l</i> or	X					
	Totals	s: <u>10</u>	0				







ABYYO/SB 317

One Voice. One Vision.

of Wisconsin

### Testimony by Tom Engels, Vice President of Public Affairs, Pharmacy Society of Wisconsin

### Before the Wisconsin Senate Committee on Health in Support of Senate Bill 317

#### Tuesday, December 13, 2011

Thank you Chair Vukmir and members of the Senate Committee on Health for this opportunity to testify in support of Senate Bill 317 (SB 317) related to electronic prescriptions for schedule II controlled substances.

Senate Bill 317 would amend current law to allow prescribers and pharmacies to send and receive schedule II controlled substances contingent upon both healthcare providers meeting the federal Drug Enforcement Administration (DEA) requirements. Under current law, schedule III, IV and V controlled substances may be prescribed and dispensed electronically, but they too must meet the DEA requirements.

The Pharmacy Society of Wisconsin supports this legislation because it will create efficiencies and protections within the current pharmacy system. According to the DEA's Office of Diversion Control, approximately 11 percent of all prescription orders are for a controlled substance. Further, roughly 90 percent of prescribers write prescriptions for controlled substances.

Effective June 1, 2010, the DEA Electronic Prescriptions for Controlled Substance regulations became effective. This federal rule revised DEA regulations to provide prescribers with the option of writing prescriptions for controlled substances electronically. The regulations also permit pharmacies to receive, dispense and file controlled substances electronically. Although this regulation is in effect, the decision of a pharmacy to accept orders electronically is voluntary.

This legislation simply adds schedule II controlled substances to the current list of controlled substances that can be transmitted electronically in Wisconsin. The security of the system that is used is dictated by federal DEA requirements.

It is our strong belief that electronic prescription orders will reduce incidences of adverse drug events and will decrease errors caused by orders that cannot be clearly read. Additionally, electronic orders will reduce incidences of fraud and abuse because the orders will be electronically sent to pharmacies by the patient's prescribing physician and negate the ability to alter the prescription order.

On behalf of the Pharmacy Society of Wisconsin, we are requesting your support of SB 317. Thank you again for this opportunity. I will try to answer any questions that committee members may have on this bill.





### **Wisconsin Chapter**

Suite B Kimberly, WI 54136 Phone: 262/490-9075

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#### Via Facsimile and Email to:

#### **Governor Scott Walker**

#### Secretary Dennis Smith, Wisconsin Department of Health Services

#### **WISCONSIN SENATE COMMITTEE ON HEALTH**

Sen. Leah Vukmir, Chair Sen. Pam Galloway, Vice Chair Sen. Tim Carpenter, Member Sen. John Erpenbach, Member Sen. Terry Moulton, Member

#### WISCONSIN ASSEMBLY COMMITTEE ON HEALTH

Rep. Jeff Stone, Chair

Rep. Erik Severson, Vice Chair

Rep. Dean Kaufert, Member

Rep. Michelle Litjens, Member

Rep. Sandy Pasch, Member

Rep. Jon Richards, Member

Rep. Donna Seidel, Member

Rep. Patricia Strachota, Member

Rep. Chris Taylor, Member

Rep. Karl Van Roy, Member

The Wisconsin Chapter of the American Academy of Pediatrics (WIAAP) expresses its support for **SB317** and **AB440**, both of which authorize electronic prescriptions for schedule II controlled substances.

There is careful regulation of controlled substances due to abuse potential. The Drug Enforcement Agency maintains a schedule of various substances under different classifications based on abuse potential. These range from Schedule V (minimal potential) to Schedule II (higher potential). Schedule II substances have had significant restrictions placed upon them, including the inability to designate refills on the original prescription and, significantly, only written prescriptions to be acceptable (except in the case of a true emergency).

# WIAAP Support of SB317 and AB440

December 21, 2011

Wisconsin State Senate and Assembly Committees on Health

Page 2/2

For primary-care pediatricians, developmental-behavioral pediatricians, pediatric neurologists and child psychiatrists, this is significant because of a substantial population of children who are receiving stimulant medications (which are Schedule II) for the treatment of Attention-Deficit/Hyperactivity Disorder. Additionally, for both primary-care and specialty physicians, there is a small population of children who are receiving chronic pain medication.

While the written prescription prohibition was valid in an era where the only other alternative was a phoned-in order (clearly subject to potential abuse), times have changed. Electronic prescribing has taken hold in many practitioner offices throughout Wisconsin and the country, and is arguably more secure that a paper prescription which can be easily lost. Changes at the federal level make e-prescribing of Schedule II substances a possibility as long as certain security standards are followed. However, it is necessary to have authorization in state law for this to become a reality.

The passage of SB317 and AB440 would eliminate current cumbersome processes by which families requiring refills of their child's stimulant medication would have to call, wait for a prescription to be filled out, and then physically make a trip to the clinic to pick it up and then bring it to the pharmacy and wait for it to be filled. Under e-prescribing, a single communication to the clinic could result in an electronic prescription being sent and the filled prescription waiting for them at the pharmacy. Compliance with planned regimens, consistent therapy due to a lower likelihood of running out of medication, and decreased staff time spent on paperwork are all key benefits of this legislation.

Accordingly, the Wisconsin Chapter of the American Academy of Pediatrics supports the passage of SB317 and AB440 on the grounds it is beneficial for patients and families, our members' practices, and still retains excellent safeguards against abuse.







# State of Wisconsin Department of Health Services

Scott Walker, Governor Dennis G. Smith, Secretary

### **MEMORANDUM**

To: Representative Jeff Stone, Chair – Assembly Committee on Health

From: Kyle O'Brien – Legislative Liaison at the Wisconsin Department of Health Services

**Date:** January 24, 2012

Subject: Proposed Amendment to Assembly Bill 440

I would like to thank you for considering the following proposed amendment language to Assembly Bill 440. This legislation will give doctors and pharmacists the ability to interact electronically when prescribing schedule II substances (i.e. hydrocodone, oxycodone, opium, Ritalin, morphine, and other narcotics).

The bill not only creates efficiencies in the health care system, but it allows for greater protection of prescriptions and helps curb the illegal use of narcotics and other controlled substances.

While reviewing the legislation, the Department of Health Services has identified a potential change that would strengthen the bill and ensure that pharmacists would not be required to duplicate administrative services. The bill, in its current format, fails to allow for an emergency schedule II substance prescription to have the option of being reduced to an "electronic record".

The following is a proposed technical fix to the legislation that will ensure that physicians and pharmacists have the most effective and efficient means of serving their patients.

SECTION 2. 961.38 (1r) of the statutes is amended to read:

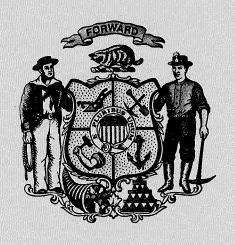
961.38 (1r) Except when dispensed directly by a practitioner, other than a pharmacy, to an ultimate user, no controlled substance included in schedule II may be dispensed without the written <a href="hard-copy">hard-copy</a> or electronic prescription of a practitioner.

SECTION 3. 961.38 (2) of the statutes is amended to read:

961.38 (2) In emergency situations, as defined by rule of the pharmacy examining board, schedule II drugs may be dispensed upon <u>an</u> oral <u>or electronic</u> prescription of a practitioner, reduced promptly to <u>a written hard</u> copy or electronic record writing and filed by the pharmacy.

Prescriptions shall be retained in conformity with rules of the pharmacy examining board promulgated under s. 961.31. No prescription for a schedule II substance may be refilled.

Please feel free to contact me at (608)266-3262 with any questions that you may have on this proposal.





**Robert E. Phillips, M.D.**Medical Director, State Government Relations

Office 715-221-8692 1-800-782-8581, ext. 1-8692 Fax 608-251-1255 phillips.robert@marshfieldclinic.org



# Testimony before the Assembly Health Committee Wednesday, January 25, 2011 Robert Phillips, MD

### Internal Medicine/Geriatrics and Government Relations

#### Marshfield Clinic

#### **AB 440 - Controlled Substances**

Chairman Stone and members of the Assembly Health Committee, and staff, I am Dr. Robert Phillips, a practicing general internist and geriatrician at Marshfield Clinic and Medical Director of State Government Relations. I am here today to testify in support of AB 440 - Controlled Substances which you have authored Chairman Stone.

Marshfield Clinic, based in north central Wisconsin, is one of Wisconsin's largest not-for-profit health systems which covers geographically approximately 1/3 of Wisconsin. We employee 780 physicians, 40 dentists, and close to 200 advanced practice providers including NP's, PA's, nurse mid-wives, and other mid-level providers. We have 54 centers in our primary service territory employing over 7,000 staff. We provide care from 84 different medical/surgical specialties. All of our centers are connected by our in-house electronic medical record - Cattails MD created by physicians for physicians. This allows for ready access to our labs, digitized x-rays, medication lists, allergies, consultations, and immunization records.

Marshfield Clinic's mission is to provide accessible quality health care, to participate in leading edge research to find the next cancer cure, and to train the next generation of physicians and other health professionals to serve in rural Wisconsin. Our vision is to be the health system of choice for cost-effective evidenced-based health care that patients seek and communities benefit from population health initiatives. Based on our experience with the national Physician Group Demonstration Project, a Medicare chronic disease care management program, utilizing our in-house EMR, care coordination, 24-hour nurse phone line, and anti-coagulation clinic we have demonstrated improved quality and reduced preventable hospitalizations leading to costs savings. We are committed to enhancing quality, safety, and efficiency of health care so that patients, payers, and government realize value in health care purchasing and not just units of service.

AB 440 - Controlled Substances is a very important step forward allowing physicians and other providers to electronically transmit prescriptions for all Controlled Substances, including Schedule II drugs which will allow for safe, timely, efficient, effective and patient-centered care. By allowing electronic transmission of such prescriptions specifically the drugs with high abuse potential, more accurate and more readily tracked prescriptions can be provided. Electronic prescribing allows for more timely receipt by a pharmacy in order to dispense a medication. Further deployment of electronic prescribing will support WISHIN'S goals to disseminate Health Information Technology (HIT) and to facilitate Health Information Exchange (HIE) in Wisconsin. In 2011 Marshfield Clinic providers wrote ~2million prescriptions of which ~1million were electronically transmitted to internal and external pharmacies, noting that 170,000 Schedule II prescriptions required paper prescriptions. Those paper prescriptions required specialized and secured non-transferable, non-duplicative paper, dedicated printers, and the time of staff to send such prescriptions off on a timely basis. AB 440 will streamline the process of prescribing such medications for patient safety, efficiency and accessibility and for appropriate patient care.

Marshfield Clinic supports AB 440 and thanks Representative Stone for championing this bill. Thank you for your time. I will gladly answer any questions.

Robert Phillips, MD Marshfield Clinic 10 E. Doty St, Suite 515 Madison, WI 53703 phone:715-221-8692

email: phillips.robert@marshfieldclinic.org

Marshfield Clinic's Response to Assembly Health Committee Hearing on AB 440-

1) Electronic prescribing of Schedule II drugs is more secure than paper due to

DEA two step requirements for electronic submission that eliminates the

potential for diversion of paper scripts.

2) Marshfield Clinic in FY'11 incurred \$17,500 of special tamper-proof paper

costs for writing Schedule II prescriptions. This does not taken into account

the time and effort(opportunity costs) involved in the writing, processing and

delivering these prescriptions safely and securely to pharmacies.

3) Marshfield Clinic appreciates the Assembly Health Committee's and Chair's

leadership in championing this bill-AB 440 and its amendment.

4) Marshfield Clinic supports the companion bill SB 317 which passed the Senate

on Feb.21 amended as AB 440 to allow for electronic submission of Schedule

II prescriptions in an emergency situation as well.

5) Marshfield Clinic urges the Assembly to support SB 317 when it comes to the

floor for a vote.

Thank You!

Robert Phillips, MD

**Medical Director Government Relations** 

Marshfield Clinic

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# State of Wisconsin Department of Health Services

Scott Walker, Governor Dennis G. Smith, Secretary

# Assembly Committee on Health Testimony of Legislative Liaison Kyle O'Brien Wisconsin Department of Health Services Assembly Bill 440

January 25, 2012

Representative Stone and distinguished members of the committee, thank you for allowing the Department to assist this Committee by providing testimony on Assembly Bill 440. The Department is testifying for informational purposes only.

Assembly Bill 440 would align Wisconsin law with recently changed federal rules governing electronic prescriptions for schedule II, III, IV, and V controlled substances. On June 1, 2010, a revised federal Drug Enforcement Administration (DEA) rule became effective that allowed for broader and more permissive utilization of electronic prescription software. While the federal government recently changed these rules, it has been almost 15 years since the state statutes relating to electronic prescriptions of controlled substances have experienced a revision.

In 1997 Act 27 (1997-1999 Biennial Budget), the Wisconsin legislature gave providers the authority to use electronic prescriptions to prescribe schedule III and schedule IV controlled substances. The biennial budget act also allowed schedule II controlled substances to be prescribed electronically in emergency situations but required those prescriptions to be "reduced promptly to writing".

Currently in Wisconsin, 8,623 physicians, physician assistants, or nurse practitioners are connected to Wisconsin's predominant electronic prescription network. In 2008, only 913 physicians were connected to and sent a prescription through this network. Today, 6,444 physicians statewide utilize the system to efficiently and effectively prescribe controlled substances.

Hospitals and pharmacies that choose to take advantage of the ability to prescribe controlled substances electronically must select software that meets very specific federal guidelines and protections. Software systems that are used for electronic prescribing must be compliant with DEA requirements and must undergo an independent third-party audit. If the third-party audit or DEA finds any errors or omissions from the software, the vendor is required to make changes to these applications before the application is certified.

Due to the highly addictive nature of schedule II controlled substances, these drugs were not allowed to be prescribed electronically, unless it was for an emergency situation. Over the past two decades, advancements in technology and security capabilities have allowed the federal Drug Enforcement Administration to expand the usage of electronic prescriptions to these substances. While the federal government has allowed these changes, some states, like Wisconsin, still have laws in place that limit the use of electronic prescriptions for schedule II drugs.

This legislation would remove Wisconsin's exception for schedule II controlled substances and create the same system for providers and pharmacists with all schedule II, III, IV, and V substances.

While the Department is testifying for informational purposes only, the Department has also identified a potential change to the legislation that the committee may be interested in considering. Under the proposed bill, a prescription that was done orally in an emergency situation would still be required to be reduced promptly to writing and filed by the pharmacy. To fully integrate the electronic health records system, it may be appropriate for the committee to entertain language that would allow these types of prescriptions to be reduced promptly to a hard-copy or electronic record.

Thank you again for allowing me the opportunity to provide information to the committee. I would be happy to entertain any questions that you may have at this time.







# WISCONSIN LEGISLATIVE COUNCIL AMENDMENT MEMO

### 2011 Assembly Bill 440

### **Assembly Amendment 1**

Memo published: February 15, 2012

Contact: Brian T. Larson, Staff Attorney (266-0680)

A Schedule II controlled substance is a substance that has a high potential for abuse; has a currently accepted medical use in treatment in the United States, or a currently accepted medical use with severe restrictions; and whose abuse may lead to severe psychological or physical dependence.

Currently (except when dispensed directly by a practitioner, other than a pharmacy, to an ultimate user), no controlled substance included in Schedule II may be dispensed without the written prescription of a practitioner. However, in emergency situations, as defined by rule of the Pharmacy Examining Board, Schedule II drugs may be dispensed upon oral or electronic prescription of a practitioner, reduced promptly to writing and filed by the pharmacy. No prescription for a Schedule II substance may be refilled.

2011 Assembly Bill 440 provides that in cases that are not emergencies a Schedule II controlled substance may also be dispensed by a pharmacy with an electronic prescription of the practitioner, without the requirement that the prescription be reduced to writing.

Assembly Amendment 1 provides that no controlled substance may be dispensed without the written hard copy or electronic prescription, rather than the written or electronic prescription, of a practitioner.

Assembly Amendment 1 also provides that when a Schedule II controlled substance is dispensed upon an oral prescription in an emergency, the prescription must be reduced promptly to *a written hard copy or electronic record*, rather than reduced promptly to *writing*.

#### Legislative History

The Assembly Health Committee took executive action on the bill on February 8, 2012. The committee recommended adoption of Assembly Amendment 1, and recommended passage of the bill, as amended, both on votes of Ayes, 10, Noes, 0.

BTL:ksm

Under current law, a drug that is a Schedule II Controlled Substance may be dispensed to a person directly by a practitioner or by a pharmacy with a written prescription by the practitioner or, in an emergency case, by a pharmacist who receives an oral or electronic prescription by the practitioner that is promptly reduced to writing and filed by the pharmacist.

A Schedule II Controlled Substance is one that has a high potential for abuse, which may lead to severe psychological or physical dependence, but currently also has an accepted medical use.

AB 440 provides that a drug which is classified as a schedule II substance may be dispensed by a pharmacy with an electronic prescription by the practitioner in cases that are not emergencies and without the requirement that the prescription be reduced to writing.

As amended by AA1, no controlled substance may be dispensed without the *written hard copy* or electronic prescription, rather than the *written* or electronic prescription, of a practitioner. AA1 also requires that when a schedule II controlled substance is dispensed by direction of an oral prescription in an emergency, the prescription must be reduced promptly to a *written hard copy or electronic record*, rather than reduced promptly to *writing*.