EXTENSIONS OF REMARKS

THE MEDICARE MEDICATION EVALUATION AND DISPENSING SYSTEM ACT OF 1995

HON. FORTNEY PETE STARK
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES

Friday, December 22, 1995

Mr. STARK. Mr. Speaker, today, I am introducing a bill that, if adopted, would dramatically improve the quality of medical care received by our Nation's elderly. This legislation instructs the Secretary to implement an on-line, prescription drug information management program for Medicare beneficiaries. This system, referred to as the Medicare Medication Evaluation and Dispensing System [MMEDS], would provide the tools and information to beneficiaries and their health care providers that are necessary in order to reduce instances of adverse drug interactions, over-medication, and other problems related to prescription drug use that plague our elderly.

BACKGROUND

The inappropriate use of prescription drugs is a health problem that is particularly acute for the elderly. The elderly not only use more prescription drugs than any other age group, they are also more likely to be taking several drugs at once, increasing the probability of adverse drug reactions.

The General Accounting Office reported in July 1995 that 17.5 percent of the almost 30 million noninstitutionalized Medicare recipients 65 or older used at least one drug identified as generally unsuitable for elderly patients. In a recent study published in the Journal of the American Medical Association [JAMA], researchers concluded that nearly one in four noninstitutionalized elderly patients take prescription drugs that experts regard as generally unsuitable for their age group. If other situations were taken into account, such as incorrect dosage levels, for example, the number of medicare patients affected by the inappropriate use of prescription drugs would far exceed 25 percent.

The inappropriate use of prescription drugs has not only proven to be dangerous to the health of the elderly, it has also proven to be expensive. The Food and Drug Administration estimates that the annual cost of hospitalizations due to inappropriate prescription drug use is $20 billion.

The concept of using computer-based systems to improve patient care is not a new one. Advanced on-line computer technology is currently available that permits prescriptions to be screened before they are filled in order to identify potential problems. Thirty States currently operate automated drug utilization review [DUR] information systems for their Medicaid populations. Much of the initial cost—up to 90 percent—incurred by States to implement these on-line drug utilization review systems has been covered by the Federal Government.

IS IT COST EFFECTIVE?

The General Accounting office has found that automated prospective drug utilization review, like that called for in MMEDS, is cost effective to implement and to operate. In the State of Tennessee, a reduction of over $4 million in Medicaid drug costs was seen in just a 6-month period, representing 3.9 percent of the total cost of claims processed. In Maryland, over 7,000 prescription doses considered excessive for elderly Medicaid patients were modified, resulting in $385,252 in savings in just 10 months, and a total of $6.7 million in claims were reversed as a result of their on-line MMEDS-like system, accounting for 7.1 percent of the cost of Medicaid claims processed overall. There is no doubt that if Congress acts to approve this bill, the taxpayer's investment will not be lost and Medicare beneficiaries will be healthier as a result.

GOALS

The goal of this legislation is to provide a comprehensive outpatient prescription drug information system available to all Medicare beneficiaries which educates physicians, patients, and pharmacists concerning: First, instances or patterns of unnecessary or inappropriate prescribing and dispensing practices; Second, instances or patterns of substandard care with respect to such drugs; Third, potential adverse reactions and interactions; and Fourth, appropriate use of generic products.

PROGRAM

The Medicare Medication Evaluation and Dispensing System will build on the existing Medicaid infrastructure. MMEDS will give all Medicare beneficiaries and their health care providers the medication management tools they need to identify the direct threats posed by inappropriate medication. In the process, hospital and other medical costs otherwise picked-up by Medicare as a result of these adverse reactions will be reduced.

The program would provide on-line, real-time prospective review of drug therapy before each prescription is filled or delivered to an individual receiving benefits under Medicare. The review by a pharmacist would include screening for potential drug therapy problems due to therapeutic duplication, drug-drug interactions, and incorrect drug dosage or duration of drug treatment.

ASSURING APPROPRIATE PRESCRIBING AND DISPENSING PRACTICES

While the MMEDS system will be operated under contract with private entities, the Secretary of DHHS would be responsible for overseeing the development of the program to assure appropriate prescribing and dispensing practices for Medicare beneficiaries. The program would provide for prospective review of prescriptions, retrospective review of prescriptions filled, and standards for counseling individuals receiving prescription drugs. The program would include any elements of the State drug use review programs required under Section 1927 of the Social Security Act that the Secretary determines to be appropriate.

As part of the prospective drug use review, any participating pharmacy that dispenses a prescription drug to a Medicare beneficiary would be required to offer to discuss with each individual receiving benefits, or the cargiver of such individual—in person, whenever practicable, or through access to a toll-free telephone service—information regarding the appropriate use of a drug, potential interactions between the drug and other drugs dispensed to the individual, and other matters established by the Secretary.

The Secretary would be required to study the feasibility and desirability of requiring patient diagnosis codes on prescriptions, and the feasibility of expanding prospective drug utilization review to include the identification of drug-disease contraindications, interactions with over-the-counter drugs, identification of drugs subject to misuse or inappropriate use, and drug-allergy interactions.

The Secretary, directly or through subcontract, would provide for an educational outreach program to educate physicians and pharmacists on common drug therapy problems. The Secretary would provide written, oral or face-to-face communication which furnishes information and suggested changes in prescribing and dispensing practices.

In addition, the Secretary is instructed to, directly or through contract, disseminate a consumer guide to assist beneficiaries in reducing their expenditures for outpatient drugs and to assist providers in determining the cost-effectiveness of such drugs.

PHARMACY PARTICIPATION

Participation by pharmacies would be on a voluntary basis. Participating would be required to meet standards of participation including, but not limited to maintenance of patient records, information submission at point-of-sale, patient counseling, and performance of required drug utilization review activities. Participating pharmacies would be required to obtain supplier numbers from the Secretary. Such supplier numbers would only be provided to pharmacies that meet requirements specified by the Secretary. Beneficiaries would be notified of which pharmacies are designated Medicare participating pharmacies.

PAYMENT OF SERVICES

Within a 2-year period after the initial operation of the MMEDS system, the Secretary would be required to submit to Congress an analysis of the effect of the MMEDS on expenditures under the Medicare Program and recommended, in consultation with actively practicing pharmacists, a payment methodology for professional services provided to Medicare beneficiaries. The payment methodology would be designed in a manner that generates no net additional costs to the Medicare Program, after accounting for the savings to Medicare as a result of demonstrable reductions in the inappropriate use of outpatient prescription services. The Secretary would submit a report to Congress regarding such recommendations as the Secretary determines appropriate.

PRIVACY OF PRESCRIPTION INFORMATION

Standards would be established to maintain the privacy of protected health information. Protected health information means any information collected in any form under this provision that identifies an individual and is related

to the physical or mental health of the individual, or is related to payment for the provision of health care to the individual.

CONCLUSION

As the number of elderly in our society increases, the number and proportion of drugs used by these older Americans will also increases. It is true that drugs, when used appropriately, can reduce or eliminate the need for surgical and hospital care, prevent premature deaths, and improve quality of life. Unfortunately, a good deal of drug use among older persons is inappropriate, often resulting in hospitalization. While some drug-related hospital admissions are unavoidable, many can be attributed to errors in prescribing. By implementing the Medicare Medication Evaluation and Dispensing System Act, we could greatly improve the quality of care received by our Nation's elderly. I look forward to receiving any comments and feedback from interested parties.

CONFERENCE REPORT ON H.R. 4, PERSONAL RESPONSIBILITY AND WORK OPPORTUNITY ACT OF 1995

SPEECH OF

HON. LUCILLE ROYBAL-ALLARD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 27, 1995

Ms. ROYBAL-ALLARD. Mr. Speaker, I rise in opposition to the Republicans' welfare reform proposal. Welfare reform should promote self-sufficiency in a way that does not compromise human dignity and self-respect, the cornerstones of the American tradition.

Tragically, the Republican proposal does little to promote self-sufficiency. It fails to provide specific resources for job training and placement which are necessary to help recipients become productive members of the work force. Yet it punishes those who, although willing, are unable to find work.

The Republican plan violates the basic principles of human dignity and self respect. It punishes poor families, especially our children, by eliminating the guarantee of health services for poor families and denying critical health care to millions of women and children. In addition it allows States to deny benefits to innocent children who are born into families currently receiving assistance.

Equally as tragic, the Republican bill eliminates our country's long-standing commitment of a guaranteed safety net for people living in poverty. In Los Angeles County alone, thousands of children will join the nearly half a million children who already live below the poverty line.

And it eliminates the safety net for all Americans who experience economic hardship resulting from the loss of their jobs and who depend on this safety net to protect their family until they can find other employment.

The Republican plan does not do what it claims. It does not encourage responsibility and self-sufficiency. It will not help people to help themselves and worse, it severely punishes the most vulnerable among us, our children.

While we can all agree on the need for welfare reform, the American people do not want a plan which violates the basic American principles of fairness, human dignity, and self-respect; the Republican bill violates all of these.

TRIBUTE TO LOUISE WOLFF KAHN

HON. EDDIE BERNICE JOHNSON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, December 22, 1995

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Speaker, I rise in remembrance of one of the great women of Dallas who reflected the true meaning of giving.

Her name is Louise Wolff Kahn and she was given with unswerving dedication in support of the arts, education and historic preservation in Dallas.

In Dallas, we enjoy a rich heritage of philanthropy. We live in a giving community, and if Louise Wolff Kahn believed in a program, institution, or building project, she would devote herself to making it successful. She dedicated herself to many important endeavors such as the Dallas Symphony, breathing life into the organization during some of its darkest financial days. Much of her work has gone without any publicity, but publicity is not what she wanted; she to create a wonderful learning environment for children of low income families. It is evidenced by her devotion to the East Dallas Community School and the Dallas Public Library systems.

With her passing, Dallas has lost one of its greatest philanthropists.

CONFERENCE REPORT ON H.R. 4, PERSONAL RESPONSIBILITY AND WORK OPPORTUNITY ACT OF 1995

SPEECH OF

HON. NEIL ABERCROMBIE

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 21, 1995

Mr. ABERCROMBIE. Mr. Speaker, I rise in opposition to the welfare reform conference agreement. Instead of addressing the causes of poverty, this bill penalizes people for falling on hard times.

Yes, Mr. Speaker, we do need to change the welfare system; but it is cruel and mean-spirited to dismantle altogether the safety net and basic services for poor families and disadvantaged children.

The Republicans' answer to welfare reform is to deny basic assistance to lawful immigrants who pay Federal taxes, pit foster children against victims of domesitc violence for the same scarce funds, eliminate assistance to disabled kids, and cut programs to reduce child abuse.

The reductions in basic programs for low-income children, families, and elderly and disabled people contained in the conference agreement on welfare reform total nearly $80 billion over 7 years, compared to what the programs would cost under current law.

As a result of these reductions, the legislation would increase poverty among children. An Office of Management and Budget [OMB] analysis found that the welfare conference agreement would add 1.5 million children to the ranks of the poor.

Furthermore, these figures understate the bill's overall impact on child poverty. These figures reflect the legislation's impact just on children whose incomes would exceed the poverty line without the legislation but who would be pushed below the poverty line by the legislation. Yet, the conference report also would have a second major effect on child poverty—it would make large numbers of children who already are poor still poorer. According to the OMB study, the depth of child poverty would be increased by one-third.

The deep benefit reductions in the welfare reform conference report extend far beyond single-parent families on welfare. The large food stamp benefit cuts affect the working poor, the elderly and disabled poor, and welfare recipients alike. The changes in the SSI program adversely affect large numbers of low-income disabled children as well as elderly poor individuals. Changes and reductions in the child protection area will result in fewer services for abused and neglected children. These changes have little to do with reducing out-of-wedlock births or moving welfare families to work.

Unfortunately, certain members of the Republican Party have perpetuated the myth that welfare recipients do not want to go to work, leading to a feeling of resentment toward recipients by the American public. This is simply not true. Forty percent of single mothers combine work and welfare or cycle between these two income sources while on welfare. The majority of people who cycle on and off welfare have substantial work experience—on average about 6.5 years.

However, there are many barriers facing poor American families that prevent them from holding down a permanent job. The primary barriers are lack of medical coverage and lack of adequate child care services. Single-parent families, making up the vast majority of families on AFDC, cannot leave welfare because many jobs do not offer health insurance. AFDC recipients lose their Medicaid benefits when they accept a job and there is no safety net coverage to fill this important need if their new job does not include health insurance. In addition, in every State, including Hawaii, there are waiting lists of up to several years for guaranteed child care for the children of poor families who seek work after welfare. Welfare reform should ensure that these two major barriers are addressed.

Furthermore, many AFDC recipients do not have adequate education or job skills to find a job which would earn them a family wage. Most jobs available to unskilled and uneducated head of households pay the minimum wage, currently $5.25 an hour in Hawaii. With a minimum-wage job, an individual in Hawaii would earn approximately $10,000 each year. This is not adequate for a family to survive. It is also important to remember that our economy does not generate enough jobs for all the people who want them. Today approximately 8 million Americans are currently unemployed and looking for work. Criticizing families on welfare without keeping in mind the limits of the job market condemns them for the failings of the economy.

Many welfare reform advocates have suggested that by eliminating benefits or enacting punitive measures we can solve the problem of welfare dependence. Welfare reform including punitive measure such as cutting off recipients at 2 years or cutting off benefits for additional children would be devastating to poor families in America. According to recent studies, welfare programs are not the reason for rising births to unmarried mothers. Similar