

HOUSE BILL REPORT

HB 1850

As Reported by House Committee On:
Health Care & Wellness

Title: An act relating to prescription information.

Brief Description: Limiting the sale or use of prescription information.

Sponsors: Representatives Pedersen, Schual-Berke, Morrell, Cody, Hasegawa, Moeller, Rolfes, Lantz, Green, Hurst, Campbell and Ormsby.

Brief History:

Committee Activity:

Health Care & Wellness: 2/19/07, 2/22/07 [DP].

Brief Summary of Bill

- Prohibits the sale or use of prescription information containing patient or prescriber identifiable information by pharmacy benefits managers, insurance companies, electronic transmission intermediary, retail, mail order or internet pharmacy, or other similar entity for any commercial purpose.

HOUSE COMMITTEE ON HEALTH CARE & WELLNESS

Majority Report: Do pass. Signed by 9 members: Representatives Cody, Chair; Morrell, Vice Chair; Barlow, Campbell, Green, Moeller, Pedersen, Schual-Berke and Seaquist.

Minority Report: Without recommendation. Signed by 3 members: Representatives Hinkle, Ranking Minority Member; Alexander, Assistant Ranking Minority Member and Condotta.

Staff: Dave Knutson (786-7146).

Background:

Health care information companies purchase electronic records of prescriptions from pharmacies and other sources and link them with information about doctors that is licensed from the Physician Masterfile of the American Medical Association (AMA). The Physician Masterfile contains information on virtually every physician in the United States, including

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physicians who do not belong to the AMA. This information can then be sold to pharmaceutical companies who may use it to target individual physicians using their personal prescribing patterns. In 2005, the AMA received \$44.5 million from sales of physician prescription information from the Masterfile. The AMA recently began a prescribing data restriction program which allows physicians to prevent their own prescribing data from being released to pharmaceutical companies through an opt-out process.

Summary of Bill:

The sale or use of prescription information containing patient or prescriber identifiable information by pharmacy benefits managers, insurance companies, electronic transmission intermediary, retail, mail order or internet pharmacy, or other similar entity for any commercial purpose is prohibited. Commercial purposes include: advertising, marketing, promotion, and any activities that can influence the sales or market share of a pharmaceutical product, the prescribing behavior of an individual prescriber, or evaluate the effectiveness of a pharmaceutical detailing sales force. A violation of this act will be considered a violation of chapter 19.86 RCW, the Consumer Protection Act.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: The bill takes effect 90 days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony:

(In support) Most physicians are not aware that their prescribing information is collected or sold by the American Medical Association (AMA). The AMA opt-out provision is not well-known by physicians. Physicians' prescribing information should not be sold to pharmaceutical companies to pressure physicians to change their prescribing practices.

(Opposed) The sale and use of physicians' prescribing information can help with drug recalls, dear doctor letters, and other valuable purposes.

Persons Testifying: (In support) Representative Pedersen, prime sponsor; Steve Albrecht, Washington Academy of Family Physicians; Dr. Art Zoloth; and Lauren Moughon, American Association of Retired Persons, Washington.

(Opposed) Cliff Webster, Pharmaceutical Research and Manufacturers of America.

Persons Signed In To Testify But Not Testifying: Robert Hinkler and Brian Foy, IMS Health; Jeff Huebner, Washington Academy of Family Physicians; and Judy Zerzan, National Physician's Alliance.