



April 30, 2014

Donald Clark
Secretary
Federal Trade Commission
Office of Secretary
Room H-113 (Annex X)
600 Pennsylvania Avenue, NW
Washington, DC 20580

Re: Health Care Workshop, Project No. P131207

Dear Secretary Clark:

I am writing on behalf of Surescripts in response to your request for comments regarding proceedings of the public workshop, “Examining Health Care Competition.” In particular, we are responding to the FTC’s interest in advancements in health care technology. We believe that Surescripts is a useful case study of how the health information technology industry has responded to the combined forces of market demand and federal financial incentives over the past six years.

Surescripts operates the nation’s largest clinical health information network. We are owned jointly by the National Association of Chain Drugstores (NACDS), the National Community Pharmacy Association (NCPA), Express Scripts, and CVS/Caremark. The company is the product of a merger in 2008 that combined Rx Hub (founded by Express Scripts and CVS/Caremark) and SureScripts (founded by NACDS and NCPA). Surescripts was originally created to enable electronic prescription routing, and provide access to medication history and formulary to points of care in providers’ offices and pharmacies.

Surescripts was one of the pioneer health information technologies and typically the first clinical technology adopted by providers and pharmacies in ambulatory settings as they shifted from paper to electronic record sharing and messaging. Early on, our owners recognized that the Surescripts network could not succeed without committing significant clinical and technological resources to quality assurance and user experience. E-prescribing was relatively new, and growing the network meant assuring new users on both ends that the system would both enhance quality of patient care and improve work flow. Consequently we designed the network to connect to providers through electronic health record (EHR) applications and created a program that certifies each EHR application in accordance with industry standards and qualitative requirements built on our company’s guiding principles of neutrality, transparency, open standards, collaboration, and privacy and security.

In 2008, with 75,000 prescribers using our network, we enabled a total of 282 million transactions. By the end of 2013, total number of transactions exceeded 6 billion. Over 600 EHR applications had been certified and the network connected 566,000 prescribers, 95 percent of all community pharmacies, more than 70 percent of all physicians, 21 health information exchanges (HIEs) and health information service providers (HISPs) and over 400 hospitals and integrated delivery networks (IDNs). Attached is our National Progress Report for 2013, which outlines the growth in scope and depth of the network as well as the expansion in the types of clinical messages the network now supports.

We believe the dramatic growth in adoption and use is a function of the combined forces of federal financial incentives and an aggressive response by the technology sector. Although e-prescribing and related messaging were generally believed to improve health care quality and reduce costs, physicians were slow to embrace the technology until 2008 when Congress authorized e-prescribing incentives as part of the Medicare Improvements for Patients and Providers Act (MIPPA). In 2009, Congress enacted the Health Information Technology for Economic and Clinical Health Act (HITECH), which set meaningful use of interoperable EHR adoption in the health care system as a critical national goal and authorized additional incentives for EHR adoption. Using transactional data from the Surescripts network researchers have documented the powerful effect the incentives created by these two laws have had on provider adoption and use of health information technology. Notably, adoption and use have occurred at similar rates in both rural and urban ambulatory settings throughout the country. Attached are three examples of that research, all of which have been published in peer-reviewed journals.

Researchers have also been able to document improvements in patient care and cost savings for the health care system associated with adoption and use of e-prescribing. Specifically, e-prescribing with formulary decision support was demonstrated to improve on-formulary prescribing and use of generic prescriptions, reducing patient copays and yielding up to \$845,000 in savings per 100,000 members^{1,2}. E-prescribing has also been associated with reducing adverse drug events^{3,4} and improving first-fill medication adherence⁵.

¹ Fischer, Michael A., et al. "Effect of electronic prescribing with formulary decision support on medication use and cost." *Archives of Internal Medicine* 168.22 (2008): 2433-2439.

² Stenner, Shane P., Qingxia Chen, and Kevin B. Johnson. "Impact of generic substitution decision support on electronic prescribing behavior." *Journal of the American Medical Informatics Association* 17.6 (2010): 681-688.

³ Ammenwerth, Elske, et al. "The effect of electronic prescribing on medication errors and adverse drug events: a systematic review." *Journal of the American Medical Informatics Association* 15.5 (2008): 585-600

⁴ Weingart, Saul N., et al. "An empirical model to estimate the potential impact of medication safety alerts on patient safety, health care utilization, and cost in ambulatory care." *Archives of internal medicine* 169.16 (2009): 1465-1473.

⁵ Surescripts Press Release. E-Prescribing Shown to Improve Outcomes and Save the U.S. Healthcare System Billions of Dollars. Accessed April 1, 2014 and available at http://surescripts.com/news-center/press-releases/content/212_eprescribing

We hope this information is of use to the Commission and we appreciate the opportunity to comment on the Health Care Workshop. If you have any questions, please feel free to contact me at 703.879.5517 or maryann.chaffee@surescripts.com.

Best regards,

Mary Ann Chaffee
Senior Vice President
Policy and Federal Affairs