

Legislative Analysis



REVISE DEFINITION OF "REVIEW ENTITY" TO INCLUDE STATEWIDE PHARMACIST GROUP

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House Bill 4821 as introduced
Sponsor: Rep. Leslie Mortimer
Committee: Health Policy

First Analysis (6-8-05)

BRIEF SUMMARY: The bill would allow for the establishment of a statewide pharmacists peer review entity.

FISCAL IMPACT: The bill should have no fiscal impact on state or local government.

THE APPARENT PROBLEM:

Public Act 270 of 1967 permits the release of confidential medical information to a "review entity," and establishes immunity for the release of that information. Under the act, a person, organization, or entity may provide to a review entity information or data relating to the physical or psychological condition of a person; the necessity, appropriateness, or quality of health care rendered to a person, or the qualifications, competence, or performance of a health care provider. Release or publication of the findings and conclusions of a review entity must be for the purpose of advancing health care research or education; maintaining the standards of health care professionals; providing evidence relating to ethics or discipline of a health care provider; or carrying out other purposes provided in the act.

The act contains a list of governmental entities, associations, and organizations that are considered review entities. Public Act 600 of 2002 amended the 1967 act to expand the list to include as review entities certain groups of physicians who have formed partnerships. At that time, it was argued that expanding the list of review entities was necessary to reflect changes in health care delivery systems. Some people feel that the list should be expanded again – this time to include a statewide group representing pharmacists.

THE CONTENT OF THE BILL:

Under Public Act 270 of 1967, a person, organization, or entity is allowed to provide certain types of confidential information on patients and health care providers to review entities listed in the act. House Bill 4821 would amend the act to include in the definition of "review entity" an organization established by a state association of pharmacists that collects and verifies the authenticity of documents and other data on the qualifications, competence, or performance of licensed pharmacists and pharmacies.

MCL 331.531

ARGUMENTS:

For:

Review entities perform an important function in the health care system, by reviewing the appropriateness, necessity, and quality of health care rendered and the competence and performance of health care providers with the ultimate goals of saving lives and preventing injuries caused by inappropriate care. The Institute of Medicine's Committee on Quality of Health Care in America, in a recent study, claims that medical errors are one of the nation's leading causes of death and injuries. Among its recommendations, the committee states that a critical component of a comprehensive strategy to improve patient safety would be to encourage organizations to identify errors, evaluate the causes of errors, and take appropriate action to improve performance.

Reportedly, pharmacists feel that because they are not considered review entities, they cannot do such in-depth quality reviews of their systems. In order to improve the care provided by pharmacists and pharmacies, total candor is required so that individuals and organizations assigned a review function can address problems appropriately and implement procedures to reduce or eliminate the problems unique to dispensing medications. The bill would address this concern by allowing pharmacists to anonymously self-report errors and near misses. They also could report steps they undertook to identify why the incident or near incident occurred and steps they took to prevent or minimize a repeat occurrence. The pharmacist peer review entity could then monitor such self-reports as well as quality standards free from liability concerns and would make it easier to gather internal data and enhance quality control and provider competence.

As is the case for all review entities, the entity created by the bill would still have to report to the Board of Pharmacy any negligence on the part of a pharmacist that came to its attention. Creation of a pharmacist and pharmacy review entity would in no way circumvent current processes established by the Public Health Code, but could have a significant impact in reducing medical errors related to the dispensing of prescription medications.

POSITIONS:

The Michigan Pharmacists Association supports the bill. (6-7-05)

A representative of the Michigan Medication Safety Coalition indicated support for the bill. (5-31-05)

The Department of Community Health is neutral on the bill. (6-7-05)

Legislative Analyst: Susan Stutzky

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