

2008 Innovations Awards Program APPLICATION

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ID # (assigned by CSG): 08-M-21MN

Please provide the following information, adding space as necessary:

State: Minnesota

Assign Program Category (applicant): Health & Human Services: Health Services

1. **Program Name:** Minnesota RxConnect
2. **Administering Agency:** Minnesota Department of Human Services (DHS)
3. **Contact Person:** Kris Young, Pharmacy Services Manager
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8. **Web site Address:** www.MinnesotaRxConnect.com
9. **Please provide a two-sentence description of the program.**

Minnesota RxConnect is a website with comprehensive information about prescription medicine, safety and cost-saving tips, and prescription drug assistance programs. It includes information about purchasing lower-cost medicines from contracted Canadian pharmacies and a newer feature, Minnesota RxPrice Compare, which displays local pharmacy prices for brand name and generic options for about 250 medications.

10. How long has this program been operational (month and year)? Note: the program must be between 9 months and 5 years old on March 1, 2008 to be considered.

The Minnesota RxConnect site was launched in January 2004; Minnesota Rx PriceCompare was added in June 2006.

11. Why was the program created? What problem[s] or issue[s] was it designed to address?

The website was developed at the direction of Governor Tim Pawlenty to give Minnesotans options for purchasing safe, affordable prescription medication. This was done to address the high cost of prescription medicine for Minnesotans without adequate drug coverage, many of whom

were purchasing drugs from Canada but did not have information about safe, reliable pharmacies. Initially, the site focused on providing information about Canadian pharmacies, which sold brand name medications at lower costs. Because not all medications are cheaper in Canada and prices often vary among pharmacies, a local price comparison tool, Minnesota RxPrice Compare, was added. The latest enhancement includes information about generic alternative and equivalent medications, which can provide less-expensive, effective options for many consumers.

12. Describe the specific activities and operations of the program in chronological order.

- November 2003 — At the direction of Governor Tim Pawlenty, DHS staff begin exploring options to help Minnesotans with prescription drug costs, including a website to provide information about purchasing from selected Canadian pharmacies; department-wide team formed to oversee project with policy, legal, pharmacy, technical, communications and senior leadership staff; team continues to meet as needed through various phases and change members as required.
- December 2003 — Requests for responses sent to several dozen Canadian pharmacies; 25 responded and nine were selected for site visits; staff also researched Canadian pharmaceuticals, pharmacies and pharmacist training.
- Week of Dec. 13, 2003 — Pharmacies reviewed by DHS pharmacy manager and two surveyors from the Minnesota Board of Pharmacy for quality, operation procedures, source of medicines, responses to questions and licensure; two initial pharmacies selected and pharmacy contracts developed; pharmacies agree to honor prices for up to 60 days for Minnesota residents.
- December 2003 – January 2004 — Website work conducted, includes building database for medications and dynamic information for medications, developing search pages and web content, conducting usability testing, with review by seniors, and producing information materials.
- January 30, 2004 — Governor Pawlenty announces launch of Minnesota RxConnect; ongoing public awareness activities include numerous national and state media coverage, promotional brochure, coordination with Minnesota Senior Linkage Line and State Health Insurance Assistance Program, which provides phone assistance for those not using the website.
- May 2004 — Minnesota Department of Employee Relations launches www.advantage-med.com for state employees to order prescription medicines from a Canadian pharmacy.
- February - March 2005 — After concerns that sales through Canadian pharmacies might be cut off, DHS staff begin exploring obtaining drugs from the United Kingdom; site visits are conducted at two UK pharmacies and a recommendation is made to the Governor that UK options be added to Minnesota RxConnect.
- March - June 2005 — The website is updated to include UK options and medicine-specific alerts for brand name medicine that may have a less expensive generic available in the United States.
- June 8, 2005 — Governor Pawlenty announces addition of U.K. option and price alerts.
- May 2006 — DHS staff begins work on a project to add a local price comparison tool to Minnesota RxConnect. This includes developing a dynamic interface with state's Minnesota Medicaid Information System to include the usual and customary prices (those paid by consumers without insurance) of prescription medication at 1,000 pharmacies in Minnesota and border cities. It incorporates features for users to search for pharmacy prices by city, county or ZIP code.
- June 22, 2006 — Governor Pawlenty unveils Minnesota RxPrice Compare. Other additions include consumer information on alternative prescription medication and a link to [Consumer](#)

Reports Best Buy Drugs, <http://www.consumerreports.org/health/bestbuy-drugs.htm>, which selected Minnesota as an outreach state.

- June 2006 – October 2006 — Staff develops a second phase of RxPrice Compare, which allows pharmacies to directly update their prices for medications. Work included integration with health care provider portal (MN-ITS) and building web pages for pharmacy staff to make updates.
- Oct. 26, 2006 — Site adds a secure Web link for providers to supply up-to date price information.
- March - June 2007 — Staff develops and implements project to add 200 additional prescription medications and a new feature to RxPrice Compare that lists therapeutic alternative medication options for high-priced brand name drugs that do not have a generic.
- June 21, 2007 — Alternative medication information and a printable list of alternative medications added to website.

13. Why is the program a new and creative approach or method?

The increasing cost of prescription medication is a problem that often forces people who do not have adequate drug coverage to make choices between medication they need and other necessities. It also contributes to increasing health care costs. Minnesota RxConnect and RxPrice Compare use technology in a consumer-friendly way to provide Minnesotans with options for safe and affordable prescription medication. The price comparison tool provides specific information in real time so users do not have to scroll through or sort information. It educates consumers and providers about price variances by therapeutic category, brand and generics, and among pharmacies. The site was inexpensive to implement and can be modified and updated fairly easily.

14. What were the program's start-up costs? (Provide details about specific purchases for this program, staffing needs and other financial expenditures, as well as existing materials, technology and staff already in place.)

The program was started using existing staff and technology. We estimate that staff time and travel costs totaled about \$100,000 for both RxConnect and RxPrice Compare.

15. What are the program's annual operational costs?

We estimate that staff time to update the site is about \$500 a month.

16. How is the program funded?

It is funded through existing staff and technology.

17. Did this program require the passage of legislation, executive order or regulations? If YES, please indicate the citation number.

No.

18. What equipment, technology and software are used to operate and administer this program?

The Minnesota RxConnect website seamlessly integrates web content hosted on the state of Minnesota's North Star Portal (www.Minnesota.Gov) with dynamic web pages developed in C# and ASP.NET. The front-end website is accessible to the public so no user access control or authentication is used. Patient education monographs about various medications are provided in XML. The dynamic data, which supports the website, is stored in Microsoft SQL Server database. Other technology used includes: DHS Data Warehouse, databases, Minnesota Medicaid Information System, and a secure transaction system for pharmacies to update prices on an ad hoc basis.

19. To the best of your knowledge, did this program originate in your state? If YES, please indicate the innovator's name, present address, telephone number and e-mail address.

Yes, we believe Minnesota RxConnect was the first state drug website. The website approach with consumer information and contracted Canadian pharmacies was conceived by several individuals, including Governor Pawlenty, Kevin Goodno, then Human Services commissioner, and Cody Wiberg, then DHS pharmacy manager.

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20. Are you aware of similar programs in other states? If YES, which ones and how does this program differ?

We know of five other states – Illinois, Wisconsin, Kansas, Missouri and Vermont – involved in the I-Save Rx program, which was developed following Minnesota RxConnect. It is similar but requires residents to enroll before ordering medication from Canada off line; Nine states (including Vermont and Missouri) have price comparison tools, and we understand that a tenth, California, is planning a site. New Hampshire includes both a link to Canadian pharmacies and price comparison elements, but Minnesota RxConnect appears to be the only site that provides comprehensive information and integrates the comparison tool and Canadian pharmacies and information about generics and therapeutic equivalents.

21. Has the program been fully implemented? If NO, what actions remain to be taken?

Yes, although we will continue to consider updates and enhancements.

22. Briefly evaluate (pro and con) the program’s effectiveness in addressing the defined problem[s] or issue[s]. Provide tangible examples.

In addition to helping Minnesotans access more affordable prescription, RxConnect and RxPrice Compare have helped elevate the issue of the high costs of prescription medication. Since the site was launched, about 23,400 prescriptions have been ordered through the affiliated Canadian pharmacies, Since RxPriceCompare went live, more than 122,000 medication searches have been completed with an estimated potential savings for \$2 million for those using the website.

23. How has the program grown and/or changed since its inception?

It has expanded to include Minnesota RxPrice Compare and incorporated generic alternatives and equivalents. UK options were added and then removed following changes in Canadian regulations and the number of affiliated pharmacies has changed. Medications and prices listed have changed.

24. What limitations or obstacles might other states expect to encounter if they attempt to adopt this program?

For RxPrice Compare, Minnesota was able to create and continue to update the price comparison tool because we adjudicate pharmacy claims. States that use a vendor to adjudicate claims would have to work with the vendor to create and update the content for the site, especially regular price information. Also, Minnesota has already implemented a data warehouse and had access to detailed pharmacy claims information and provider information. This assisted in the analysis that was done to determine what we wanted on the site as well as making regular price updates easy to accomplish and automate.