

**TESTIMONY OF JAMES R. McDONOUGH
BEFORE THE GOVERNMENT REFORM COMMITTEE
SUBCOMMITTEE ON CRIMINAL JUSTICE, DRUG POLICY AND
HUMAN RESOURCES**

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Good morning, and thank you for the honor of testifying today before Chairman Mark Souder of the Government Reform Committee, Subcommittee on Criminal Justice, Drug Policy and Human Resources. On behalf of Florida Governor Jeb Bush and the many state and community leaders and citizens involved in our combined efforts to bring down the abuse of prescription drugs in Florida, I am appreciative of the national leadership Congressman Souder and the members of the Subcommittee have given to the matter. I thank you for your time and attention to this most important issue and also for the opportunity to meet with you to discuss the urgency of the growing problem of illicit diversion of prescription drugs.

INTRODUCTION

Florida has a serious problem with illegal prescription drug diversion and abuse. Pharmaceutical drug diversion hurts Florida significantly in terms of lost lives, increased crime, human misery from addiction, and substantial costs connected to treatment, medical expenses and Medicaid fraud.

Prescription drug diversion is the channeling of licit pharmaceuticals for illegal purposes or abuse, a practice that far too many have participated in, from addicts seeking a quick high to (unfortunately) children seeking adventure and (sadly) some doctors, pharmacists, and patients in pursuit of ill-gotten income. Much of illegal prescription drug diversion in Florida begins with a stolen, forged, counterfeit, or altered prescription form. Equally as harmful, individuals often seek out multiple doctors (doctor shopping) to prescribe drugs for imaginary or even bogus ailments, and then fill the prescriptions at multiple pharmacies (pharmacy shopping) in order to conceal the sum total of the prescriptions being filled. Contributing to the problem,

doctors may unwittingly over-prescribe powerful drugs not realizing their potential for abuse, or they may simply sell prescriptions and the related doctor office visits knowing full-well that the “patient” is a substance abuser. Likewise, pharmacies can contribute to the problem by failing to recognize when over-prescription and/or fraud is taking place, or by failing to meet their legal and ethical obligations to operate within the law and accepted industry standards.

Across the board, Florida has seen prescription drugs diverted through fraudulent means, outright theft, phony “pharmacy” fronts, loose internet “medical evaluations,” and inappropriate importation. Prescription drug abuse accounts for 30% of the nation’s illicit or illegal drug problem. Scheduled drugs that are prescribed by physicians are diverted from their intended use and then abused or illegally sold. Drugs diverted include Schedule II, III, and IV controlled substances, and nationwide constitutes a multi-billion dollar criminal industry.

The National Household Survey on Drug Abuse (“NHSDA”) reports that 11.1 million Americans used prescription drugs “non-medically” during 2001. Of these, 5.4 million were ages 12-25. In Florida over the past two years, we have seen a 120% increase in admissions to treatment centers for prescription opiates, and steady increases for the past two years in treatment center admissions, especially for children, due to Schedule IV benzodiazepines, such as Xanax and Valium.

In 2002, Florida experienced 9,116 drug overdose deaths. Of these, prescription drugs caused some 3,324 deaths, or 36% of the total. For the year 2002, Florida suffered more deaths from prescription Schedule IV benzodiazepines (such as Xanax and Valium) than from cocaine. This tragic trend has continued in 2003 to the point where now five Floridians die per day solely from prescription drug overdoses. If we include medical examiner autopsy reports that cite prescription drugs used in conjunction with other illegal drugs, the casualty rate is ten killed a day. For the past few years overdose deaths in Florida from prescription drugs have surpassed the combined death rate from heroin and cocaine. Florida urgently needs an effective and comprehensive set of tools to arrest this deadly epidemic.

THE SCOPE OF THE PROBLEM

The intricacies of illicit diversion of prescription drugs are complex. I do not for a minute believe, however, that these problems are germane only to Florida. The problems we have seen here, I suggest, exist elsewhere in the United States. If anything, we may have a lead in addressing the extent of the problem since we have been investigating its reach and its consequences for the last several years. Simultaneously, we attempted to mitigate the harm done by prescription drug diversion and abuse without detracting from the sanctity of the doctor-patient relationship, privacy rights, and the benefits that pharmaceuticals – properly prescribed, dispensed and taken – can bring to the afflicted.

What we have been able to do in Florida is categorize the scope of the problem in its many parts. Beginning with a review of provider (e.g., treatment center) phenomena and trend-lines, we ascertained several years ago that addicts were shifting their focus from the traditional drugs of abuse (i.e., cocaine, heroin, etc.) to man-made drugs, some completely illegal (such as “home-cooked” methamphetamines) and some perfectly legal – and beneficial – when used properly. These include benzodiazepines and pharmaceuticals containing hydrocodone, oxycodone, and methadone. The reasons for this shift by addicts appear to have been three-fold. First, addicts believe that such drugs are safer (which they are not when abused) because they are pharmaceutically produced and obtainable through the medical system. Second, they are readily available through the legitimate free-market system. And, third, they produce a quicker, longer and deeper high.

Aware of such trends by addicts, Florida officials turned to law enforcement officers and state medical examiners for their insights as to the depth of the problem. All reports confirmed our worst fears – diversion of illicit drugs to feed (and also fuel) addiction was rife. Law enforcement revealed whole patterns of abuse, from outright theft of pharmaceuticals (at the pharmacy, at outlets such as nursing homes, in transient to market, etc.), to black-marketeering, doctor/pharmacy complicity, and even organized crime. Medical examiner reports – now mandated to record benzodiazepines, oxycodone, hydrocodone, and methadone – indicated an alarming number of overdose deaths (with corroboration from emergency room interviews) and an alarming rise in the rate of deaths over time, in some cases rising at more than one hundred percent a year. Simultaneously, extensive newspaper articles began to cover stories of this new wave of drug abuse. By every measure, it was apparent that a new phenomenon of drug abuse had come upon the scene, with devastating effect.

Doctor shopping and pharmacy hopping, clearly, was only one part of the trend. Greatly exacerbating the problem was fraud, and, in particular, Medicaid fraud. In 2003 Florida initiated a Statewide Grand Jury investigation looking into what was called “recipient” fraud. The “Report on Recipient Fraud in Florida’s Medicaid Program” defines a professional recipient as an individual who routinely defrauds one or more entitlement program. Florida is plagued by recipient fraud because, as the report lays out, “...Florida is hampered by a lack of state statutes, federal limitations that restrict Florida’s attempts to control this fraud, and a lack of awareness by some state and federal officials of the extent of the problem of recipient fraud.” (*Report*, Page 2)

As the Grand Jury *Report* describes, so-called “street sales” are the most commonly encountered form of recipient fraud. Quite simply, Medicaid recipients sell their Medicaid-bought drugs to criminal wholesalers, who, in turn, repackage the pharmaceuticals for resale to regional wholesalers or to local pharmacies. According to the *Report*, one illegal wholesaler bought and sold approximately \$2.4 million worth of three specific prescription drugs in just the first three months of 2002, the drugs coming largely from Medicaid recipients reselling their own drugs. (*Report*, Page 4)

Indeed, the diversion and abuse of pharmaceutical controlled substances is already a well-established multi-billion dollar illicit market operating in the United States. The National Household Survey of Drug Abuse indicates that approximately 13 million Americans are current illicit drug users, meaning they had used an illicit drug in the month prior to their interview. This represents over 6% of the population 12 years old and older. The Survey also indicates that the non-medical use of prescription drugs exceeds that of all illicit substances except marijuana and hashish.

Even though Drug Enforcement Administration statistics have consistently identified pharmaceuticals as almost 30% of the overall drug problem in the United States, to date there is no nation-wide reporting system in effect that might mitigate the harm from such abuses. As the *Grand Jury Report* surmised, it is almost impossible to know the true extent of the prescription drug abuse problem because so much of the problem goes unreported. We can only rely on drug abuse indicators and the information that is available from health regulatory authorities and state and local law enforcement officials.

Yet another area of abuse is internet access with little or no scrutiny by qualified medical professionals. Florida law requires a physical examination by a doctor for the proper prescription of Schedule drugs, (Fla. Statute 465 and Chapter 64F-12). Many internet sites offer in lieu of that physical examination a questionnaire, allegedly reviewed by a doctor on site. Far too often, the questionnaires are so general and cursory in nature as to be farcical. Whether or not a doctor ever reviews them, or is even available to review them, is unknown. Either way, internet questionnaires do not suffice under Florida law as a physical examination. Nonetheless, prescriptions are filed and filled, much of it, we believe, for illicit purpose.

Nor can we be certain where internet purchased drugs come from or even what is actually in them. An earlier Florida Statewide Grand Jury Report, *The First Interim Report of the Seventeenth Statewide Grand Jury*, revealed an extensive system of adulteration of drugs. Subsequently, the Florida legislature passed, and Governor Bush signed, legislation that would guard against adulteration. Internet sales, however, too often bypass normal systemic safeguards. Some of the drugs provided come in from abroad – a further manifestation of the scope of the problem – circumventing not only local statutory constraints but U.S. Customs procedures as well. Clearly, internet sales are a whole category of complexity that must be adequately addressed.

Indeed, the potency of the modern genre of pharmaceuticals and the lack of understanding of that very potency and its relationship to addiction by inadequately trained and educated medical professionals contributes greatly to the problem. As a general observation, too many doctors do not recognize the signs of addiction. Even when treating a legitimate patient, they may not recognize when the line between medical benefit and debilitating addiction has been crossed. Lacking such recognition, they may inadvertently feed an addiction and miss the underlying diagnosis.

So too do law enforcement officials lack adequate training to deal with the complexity of illegal diversion of pharmaceuticals. Criminal activity has gravitated to this sector because of the vast amounts of money to be made in both primary and secondary markets. Drug traffickers, corrupt officials, and other criminal elements have been drawn to illicit diversion because, in the words of the famous bank robber Willie Sutton, "...that's where the money is." We will need to improve and specialize the training of law enforcement officers in this area if we are to reduce the crime we are seeing there.

Law enforcement operations, however, are not enough in and of themselves to stop the hemorrhaging of lost lives and criminally diverted money. Even should better training and greatly enhanced commitment of resources be available to this particular field of criminal activity, law enforcement necessarily comes in only after the fact, when the damage has already been done. The law is broken only when an act is committed, and by then it may be too late to save lives. A number of newspaper articles in Florida have documented just how horrific some of that damage can be, most notably a series done by Doris Bloodsworth in the Orlando Sentinel (submitted herewith) and Fred Schulte in the Fort Lauderdale Sun-Sentinel (also submitted). Among many examples of egregious findings, they include reports of 61 deaths associated with the top 16 Medicaid prescribers in Florida, 23 of the top 24 prescribers having either criminal or administrative charges against them, a doctor long-since dead having recently billed million of dollars worth of prescriptions to Medicaid, and a criminally charged doctor having the charges dropped in exchange for ethics training, only to subsequently see eleven deaths associated with her prescriptions. Their accounts, and the reports of many others, make for shocking reading.

To be sure, Florida has taken aggressive action against criminal practices. Dr. James Graves of Pensacola was convicted of 4 counts of manslaughter for prescribing excessive amounts of oxycodone to his patients. In 2003, Dr. Sarfraz Mirza of Melbourne was arrested for the fraudulent prescription of over \$500,000 in prescription drugs and 11 counts of trafficking in OxyContin. Dr. Mitchell Wick of Plantation was barred in April 2003 from prescribing narcotics because the Medical Examiner's Office discovered 16 overdose deaths among his patients. Dr. Asuncion Luyao of Port St Lucie has recently been charged with six counts of manslaughter for overdose deaths due to medications she prescribed. Many phony and/or corrupt pharmacies have been busted. We will continue to go after criminal activity. But we need other systems in place that can help to deter such activities and prevent the unacceptable damages before they are done.

Part of the problem may stem from such issues as the classification of pain medications themselves. Medication that is appropriate for severe pain may not be appropriate for moderate pain. Doctors and their patients make that decision, but the Food and Drug Administration classification of the appropriate categories of pain must guide them. The Doris Bloodsworth articles, referred to above, suggest that this is a major area of concern. Focusing on only one of the many prescription drugs containing

oxycodone, OxyContin, she reviewed several hundred autopsy reports in Florida and narrowed in on 247 of them. Her findings were that OxyContin was found to be the drug of use in 205 (83%) of them. In her words: “Of those who died from oxycodone, 52% were white men between the ages of 30 and 60, many of whom suffered from back pain. When health histories were specified in oxycodone overdoses, autopsy and police reports mention pain-related medical problems much more frequently than recreational-drug abuse. The Sentinel furthermore determined health histories in 303 of the 500 cases studied. Back pain or injuries accounted for 87 cases, while drug abuse accounted for 38 cases.”

What this suggests is that it may not be illegal diversion alone that contributes to the extent of the problem. It may also be fed by inappropriate degrees of classification and education. If so, no solution would be complete unless these considerations were also taken into account.

SOLUTIONS TO THE PROBLEM

Florida has already taken a number of strong steps to address these challenges. Governor Bush, immediately upon his election to a first term of office in 1999, prioritized bringing down drug abuse in Florida. Now deep into his second term, that goal remains a priority.

He has directed a number of administrative, policy, and legislative initiatives to deal specifically with the problem of prescription drug abuse. In 2003 he reinforced this determination by directing that a Principals’ Group form to develop an action agenda to address the breadth and the depth of the problem, while ensuring the sanctity of the doctor-patient relationship, privacy rights, and appropriate access to pain medication. The Principals’ Group consists of the Florida Attorney General, the Secretaries of the Department of Health, Agency for Health Care Administration, and Department of Children and Families, the Commissioner of the Florida Department of Law Enforcement and myself as the Chair.

Assisting this group is a Deputies’ Committee (composed of principle staff leadership from each of the involved agencies) that is exploring the administrative, technological and analytical steps necessary to ensure a smoothly operating process for early warning of possible diversion, appropriate education and training of all involved professionals, interagency and intergovernmental coordination and appropriate board reviews, and when necessary, criminal investigation of suspicious practices. These recent initiatives follow three years of efforts that have included involvement by all pertinent parties, legislators, interest groups, medical professionals, pain-management experts, law enforcement officials, private industry, parents, and the public in general.

Legislation

Government leaders, lawmakers, and professional groups have considered three salient points when addressing the problems of illicit drug use. First and foremost, modern medications, when used appropriately, help alleviate the pain of thousands of Floridians who otherwise would suffer needlessly. Second, it is the abuse and misuse of these medications, not the medications themselves, that is the cause of the problem. Third, according to the Florida Medical Examiners reports, the majority of drug-related fatalities occur from a lethal cocktail of several drugs. (Notwithstanding the sad statistic of five dead a day in Florida from lethal doses of prescription drug alone.)

Armed with this insight, the Principals' Group's considerations for reducing drug diversion recommends a number of effective and properly focused statutes. Foremost among them is a system for prescription validation, a method to preclude doctor-shopping/pharmacy-hopping, fraud and corruption.

The proposed Florida prescription validation program will, if fully implemented, go a long way toward easing Florida's prescription drug diversion problem. Administered by the Florida Department of Health (DOH), it will consist of two major components – an electronic database in the DOH containing patient prescription history, and the voluntary use of counterfeit-proof prescription forms by prescribing physicians. The primary purpose of this system is to assist physicians in the proper treatment of their patients. The secondary purpose is to assist law enforcement, once properly activated, during investigations. The use of counterfeit-proof prescription forms for Schedule II-IV controlled substances will serve as a deterrent to those who would forge or copy ordinary doctor scrip pads.

The validation program is a streamlined operation. Once a prescription is presented at the pharmacy, the pharmacy retains the original scrip and enters the data electronically. The system will assist doctors by providing them with a record of prescriptions previously received by the patient so that the physician can appropriately treat the patient. The physician can then see exactly what the patient has been prescribed in the past by other physicians. This will quickly identify a patient who visits many physicians for the same medications. Pharmacies who suspect that a patient is presenting an invalid prescription can check to insure the prescription they are filling is legitimate.

In this proposed program, the Florida Department of Health will maintain strict confidentiality ensuring that both patient and doctor privacy rights are protected. Queries will only be accepted from physicians (concerning their own patients), pharmacies (only access to recent history to validate prescription permitted), Agency for Health Care Administration (access only for ongoing investigation of practitioner/Medicaid fraud), the Department of Health, and the Florida Department of Law Enforcement (access permitted for active criminal investigations only). To enforce the confidentiality of patient and physician information, a companion bill will make it a 3rd degree felony crime for knowing disclosure of data to non-authorized persons.

A patient may withhold access to prescription history by his or her doctor. Children of a certain age will be excluded from the system. We believe that privacy will be adequately protected. We note that in more than 20 years of other states operating prescription validation systems similar to the one being proposed here in Florida - with over 65 million prescriptions processed - not a single breach of patient confidentiality has been identified.

Nor do we believe that a prescription validation system would detract from a doctor's willingness to prescribe medicine. Indeed, all the states that operate serialized prescription systems report no evidence of any decrease in prescription for legitimate patients. Nor have they had complaints from either practitioners or patients that would indicate a lessening of necessary prescriptions. In fact, states that have analyzed prescribing data have found that the drugs that have decreased in being prescribed are limited to the drugs that were being heavily abused, and that other controlled substances stayed the same or increased consistent with national treatment patterns.

The benefits of a prescription validation program for Florida are numerous. First, the electronic system assists patient treatment. The physician will be able to query the system concerning his patient and quickly receive the patients' prescription information. The use of this system will greatly reduce doctor and pharmacy shopping as well as the over-prescribing of prescription drugs. Secondly, the use of counterfeit -proof pads will help eliminate the forgery and counterfeiting of prescription forms, thereby greatly reducing the illegal diversion of prescription drugs. Additionally, this will improve law enforcement's ability to investigate, prosecute, and stop criminal activity. The benefit to both physicians and pharmacies will be the reduction of doctor and pharmacy shopping by unscrupulous patients. In short, the establishment of this system in Florida will prevent a great number of deaths from the illegal diversion and subsequent abuse and overdose of prescription drugs in our state.

The prescription drug validation system is not the only piece of legislation needed to address the scope of the diversion challenge. We are also advocating a Florida law that would require that internet pharmacies obtain a permit in order to operate. It further provides for disciplinary action when a pharmacist knows or has reason to believe a prescription is invalid and fills it anyway. During the 2001 legislative session, the Florida Legislature passed Florida Law 2002-81 making it a crime (3rd degree felony) for doctors to write prescriptions for fictitious persons, write prescriptions solely to make money, and knowingly assist patients in fraudulently obtaining controlled substances. It also encompasses a patient who withholds information regarding previous receipt of a prescription for a controlled substance (doctor shopping).

Other key legislative initiatives address:

- Internet Pharmacies – Requires internet pharmacies to obtain a permit to operate. Also provide for disciplinary action of dispensing

medicinal drug when pharmacist knows or has reason to believe prescription is not valid. This statute provides a penalty of a second-degree felony for distribution of medicinal drugs without a permit (aimed at the illegal distribution of drugs via internet pharmacies).

- Prescription Drug Protection – Based on findings from Seventeenth Statewide Grand Jury this bill requires high end/high cost drugs to have pedigree papers from manufacture to dispensing to prevent unauthorized adulteration and dilution of drugs. This bill will also prohibit purchase or sale of Rx drugs in wholesale distribution in exchange for currency.
- Medicaid Fraud and Abuse – Authorizes the Agency for Health Care Administration to impose mandatory enrollment in drug-therapy-management or disease-management programs for certain categories of recipients; provides specified conditions for providers to meet in order to submit claims to Medicaid program; provides that claims may be denied if not properly submitted; and, finally, provides that agency may seek any remedy under law if provider submits specified false or erroneous claims, etc.
- Protection Against Use of False Identification – Creates third degree felony for using false or stolen driver's license or ID to obtain a prescription drug or controlled substance from a pharmacist and for dispensing prescriptions without first being furnished photo identification.
- Early Warning – An amendment to existing statute would require medical examiners to report multiple suspicious deaths by overdose tied to a single practitioner.

Aggressive Response

Aggressiveness characterizes Florida's approach to the epidemic of prescription drug abuse and diversion. We will move rapidly to curtail the many manifestations of the overall problem. The scope of that includes: illegal diversion of prescription drugs; doctor shopping/pharmacy hopping; Medicaid fraud; adulteration; criminal organizations; licensing; data screening; nursing home diversion; internet prescriptions, and a host of other concerns. Our approach will be a combined interagency effort coordinating the actions of respective agencies, partnership between public and private concerns, better education and training, and law enforcement. Professional board and law enforcement efforts will, for example, continue to focus especially on the small class of over-prescribing -- and in some instances criminally culpable -- doctors and pharmacists. Florida law enforcement will be augmented with both a greater degree of trained

professionals and new procedures for joint cooperation and intelligence connectivity between state, local and federal fraud diversion investigators. Indeed, we will use the criminal justice system as appropriate, from investigation through arrest and prosecution, to deter criminal activity that would mar our very proficient medical system.

Early Warning

Florida will also develop an aggressive early warning screening system that will flag possible problems (such as operating without a license, suspicious volume of prescriptions by single sources, multiple sources of prescription to a single individual, records' discrepancies, medical examiner observations, etc.). Key elements of Florida's early warning system will include, in addition to the prescription validation program:

- Medical Examiners Early Warning System – Medical examiners will be required to report to both law enforcement and health officials suspicious circumstances surrounding overdose deaths involving prescription drugs. The intent of this process is to identify the origins of the drugs involved in the deaths and prevent future deaths from the same source.
- Medicaid Early Warning – (1) Drug Utilization Review (DUR): Quarterly macro review by physicians and pharmacists to detect fraud and abuse in the system (2) Prescribing Pattern Preview Panel: Quarterly in-depth review of practitioners identified by the DUR to specifically identify practitioners whose prescribing patterns are suspicious. (3) ACS Web Profile: Allows physicians to access up to 90 days of prescription records on Medicaid recipients to identify potential abuse (4) Gold Standard Program – Allows 1,000 physicians to review prescription history of Medicaid patients before issuing prescription. AHCA is seeking to expand this to 3,000 physicians that would include total of 80% of all Medicaid prescriptions (5) Pharmacy Auditing – Under the Heritage program, AHCA reviews pharmacy records to identify suspicious prescribing patterns among Medicaid pharmacies.
- Information Sharing – Florida Department of Law Enforcement (FDLE) will improve information sharing concerning cases on physicians and pharmacists. FDLE will also fold this new type of prescription drug criminal investigation information into its currently existing FDLE regional task force structure. The new effort be well-defined, well-scheduled, and well-executed in order to be both effective and promote the interagency communication required to respond to the problems of prescription drug abuse. Additionally, FDLE will share information concerning those physicians, pharmacists, and patients under investigation with other law enforcement authorities across the state as part of the early warning system.

Education and Training

We will also aggressively develop comprehensive education and training opportunities for medical specialists, appropriate people. Doctors need more information on the potency of what they are prescribing, the possible effects of various drugs in combination. Pharmacists need to be aware of fraud and imposter techniques. Law enforcement needs instruction on how to identify likely cases, track the prescription and money trails, and integrate their efforts with other officials. We will also provide public information messaging to protect the user.

There are many aspects to Florida's campaign to provide education and training to health care professionals and the public. For instance, the Department of Health will conduct workshops throughout the state on addiction, as well as on standards for pain management clinics throughout the state. DOH will also work closely with the state's medical schools to incorporate training on prescription drugs and addiction into the curriculum. A key to the effort to expand physician training is a new Department of Health "continuing education" requirement mandating up to two hours of training every two years for all physicians on recognition of addiction. Florida is also working with the U.S. Department of Health's Substance Abuse and Mental Health Services Administration (SAMHSA) to provide resources and opportunities for more doctor education on substance abuse addiction. Florida will develop a model program that should prove instructive and beneficial to the rest of the nation.

The Department of Health will also use the media to provide appropriate anti-diversion education by rolling out television messages reminding physicians about the dangers of over prescribing. DOH will also publicize the "800" telephone number for doctors to call when in question about a possible patient addiction. Furthermore, DOH will work with the Florida Board of Medicine to craft language making the addiction training mentioned above mandatory. Finally, DOH will mandate that physicians must monitor patients receiving Schedule II, III, or IV drugs every 30 days to check how well medications work to relieve symptoms, adverse reactions, and evaluating need to continue the medication.

Partnership

We are also encouraging pharmaceutical companies to analyze and anticipate the problems leading to over prescribing, addiction and abuse and to develop strategies for combating these problems. Proactive strategies implemented simultaneously with the introduction of powerful new opioid pain relievers will forestall many of the problems associated with over prescription and illegal diversion. Board procedures will also be strengthened to guard against abuse, either intentional or unintentional. Doctor training in pain management must be stressed. The failure to properly set effective guidelines in no small way facilitates a permissive environment where damage might be done.

Interagency Coordination

Florida will also aggressively pursue interagency cooperation at every juncture. Some key breakthroughs here will be a clean hand-off and sharing of responsibilities when criminal activity is suspected, continuous, cross-talk on identification of new and emerging problems with an eye to early resolution, focus on problem areas at the local level, and so on. Florida will develop formal processes, both inter- and intra- agency wide, for establishing routines for data mining and other carefully developed standard operating procedures thereby focusing the search for irregular patterns that signal illegal drug diversion and abuse.

Closely aligned with their effort to establish within their pre-existing regional information network the sharing of criminal information regarding drug diversion, the Florida Department of Law Enforcement will further act to craft legislative language establishing an interagency prescription drug council in statute. This Council will establish a formal process for information sharing involving the Principals' Groups agencies and departments. The concept here is for review, evaluation, and sharing of information to occur at the regional level every month with the same procedure conducted at a statewide level every quarter. The intent of this process is to use the early warning systems to prevent fraud, abuse, and diversion. Secondly, the process would facilitate investigations required by violations of law and regulation.

This communication among the agencies is key to identifying patients, pharmacists and physicians who are in violation of regulations and laws with regard to prescription drugs. The passing of key information as to which physicians have suspended or revoked licenses is a prime example of information that each agency can use to enforce standards. There are many other types of information that can and should be shared in order to reduce diversion and abuse prescription drugs.

Resourcing

Finally, thanks to the leadership of Governor Jeb Bush, we will provide sufficient resources at the appropriate levels. That means that we will develop greater prescription drug abuse expertise within the agencies, appoint adequate numbers of fraud investigators dedicated to prescription drug abuse, employ state-of-the-art technological systems, and commit adequate staff oversight. All agencies involved will submit requirements for additional resources base on immediate needs and long-term needs to be incorporated into future budget requests.

CONCLUSION

Florida recognizes the opportunities for better medical care that today's pharmaceuticals have brought to the market. And we are protective of both the special relationship that exists between doctor and patient and the privacy rights of the patient. But we also recognize the vast amount of damage caused by the illegal diversion of prescription drugs, and are determined to lessen it.

Florida is not alone in experiencing this problem. What may be unique is the manner in which we have identified the scope of the problem in its many parts and in devising a detailed strategy to deal with it. In so doing we have highlighted the issue for the rest of the country.

We, therefore, are appreciative of what you the Committee can do to bring further relief to the issue. Because of its national and international parameters, there is only so much a single state can do alone. Nonetheless, we have adopted an aggressive, holistic approach – one informed by the ethical requirements of sound medical practice and good law enforcement – to stop the criminal practices that have led to so many deaths and wasted resources.