

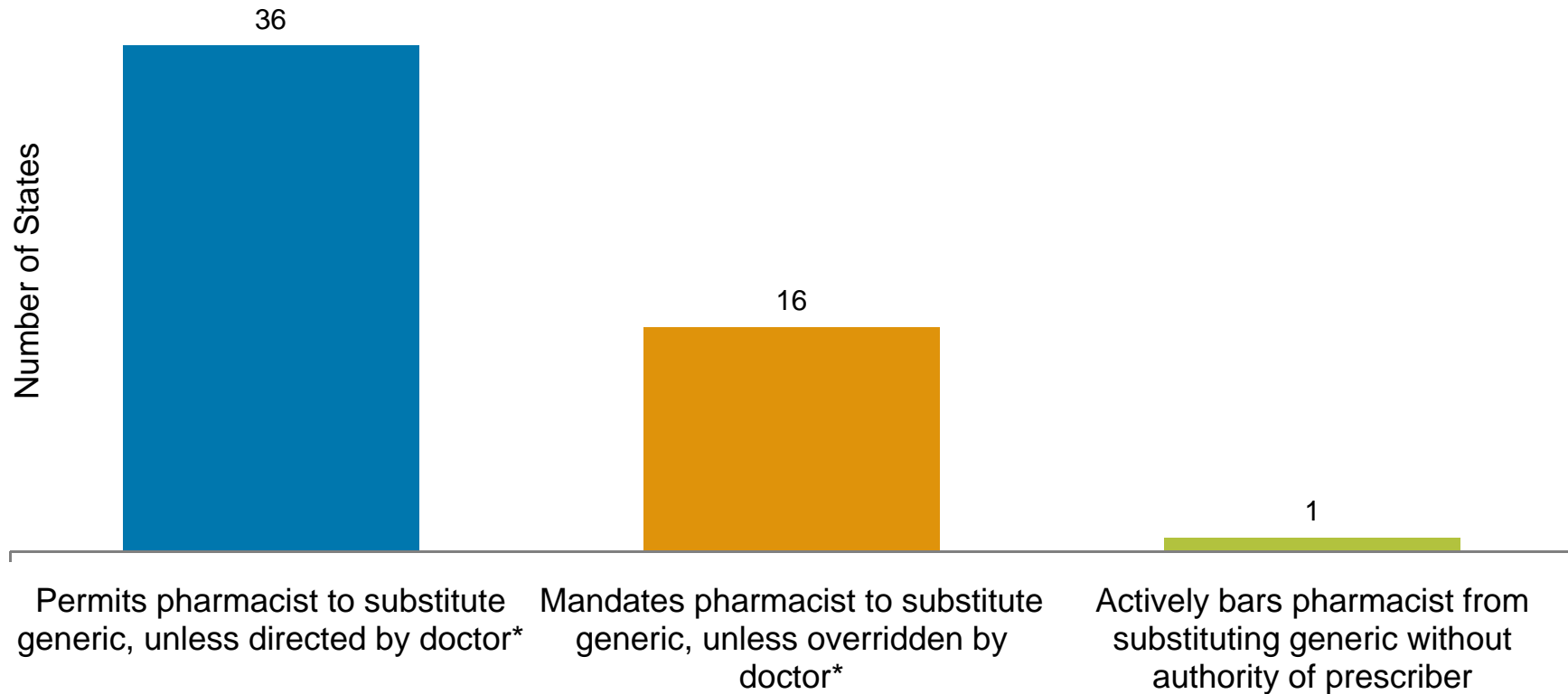


State Policies Regarding Generic Substitution, 2010

Avalere Health LLC

Thirty-Six States Allow Pharmacists to Dispense Generics if the Prescription Does Not Specify That Brand is Necessary

State Policies Regarding Pharmacist Generic Substitution Authority, 2010



Source: Avalere Health analysis of states' legislative websites, March 2010. Includes 50 states and District of Columbia.

*Two states have mandatory substitution policies for government-funded health programs while allowing generic substitution in other cases. These states are included in both categories.

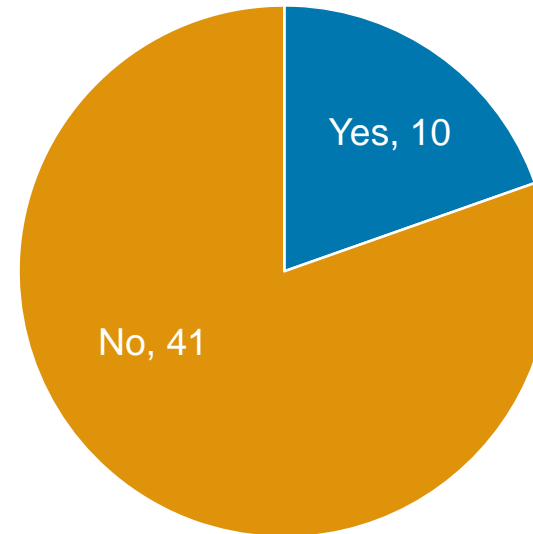


Nearly All States Allow Prescribers to Require a Brand-Name Product; Ten Via a Signature Line on the Prescription Form

49 of 50 States

have laws or regulations specifying brand override procedures for prescribers, requiring language such as “dispense as written” or “brand medically necessary” on the prescription form.

States' Brand Override Policies: Prescriber's Signature Required on Appropriate Line of Two-Line Form

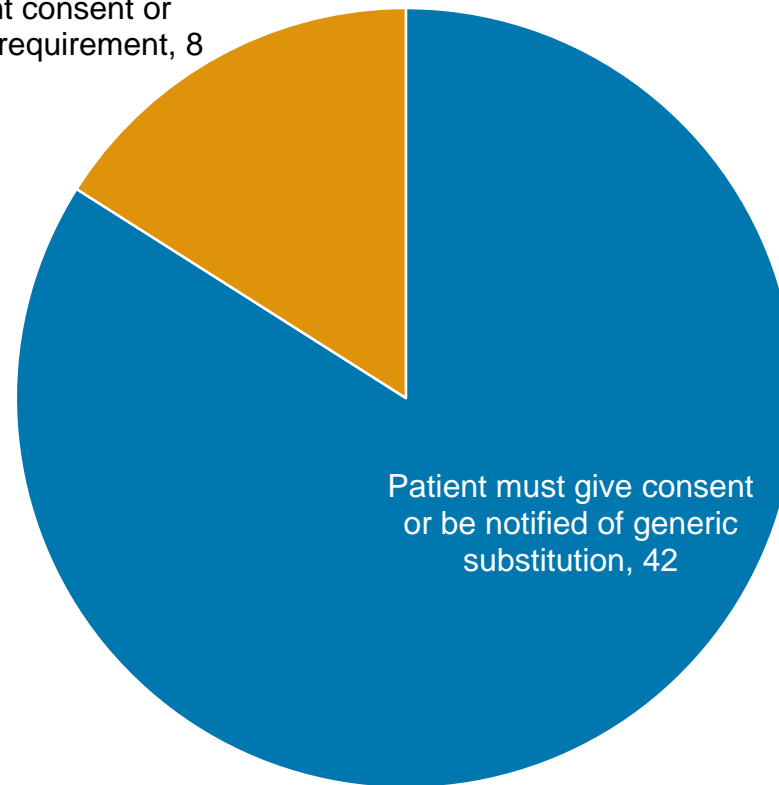


Number of States
(n=51)

Eight States Allow Pharmacists to Substitute Generics Without Patient Consent or Notification

States Requiring Patient Consent and Notification Prior to Generic Substitution, 2010*

No patient consent or notification requirement, 8



Patient must give consent or be notified of generic substitution, 42

Source: Avalere Health analysis of states' legislative websites, March 2010. Includes 50 states and District of Columbia.

*One state prohibiting generic substitution is not included in totals.



State Example / Hawaii

	Procedure	Hawaii
Pharmacist Generic Substitution Authority¹	Permits pharmacist to substitute generic, unless directed by doctor	No
	Mandates pharmacist substitute generic, unless overridden by doctor	Yes
	Actively bars pharmacist from substituting generic without authority of prescriber	No
Brand Override Procedures¹	Written or oral prescriber procedures for brand overrides	In the physician's handwriting, the words "Brand Medically Necessary" or other words of similar meaning must appear on the prescription.
	Pharmacist can substitute generic unless prescriber's signature is on appropriate line of a two-line form	No
	Mandates two-line prescription form	No
Patient Consent and Notification¹	Patient must give consent or be notified of generic substitution	Yes
	No patient consent or notification requirement	No
Formulary Specifications¹	Formulary lists brand name drugs that can not be substituted with generics	No
	Formulary lists brand name drugs that can be substituted with generics	Yes
	Pharmacist must use FDA "therapeutic equivalence list" when making judgments about generic substitution	No
Notes	Each pharmacist or practitioner shall maintain a record of any substitution of an equivalent generic drug product for a prescribed brand name drug product	
State Law/ Regulation	HI PracAct §328-92; HI PracAct §328-94;	HI PracAct §328-96