



DEPARTMENT OF HEALTH & HUMAN SERVICES
Health Care Financing Administration

Center for Medicaid and State Operations
7500 Security Boulevard
Baltimore, MD 21244-1850

July 23, 1999

Dear State Medicaid Director:

This is the latest in a series of letters from the Health Care Financing Administration to inform you of its progress in preparing for the year 2000 (Y2K) and provide information on Y2K issues that may be helpful to you. Please find enclosed a [fact sheet](#) that speaks to the pharmaceutical industry's readiness to ensure the uninterrupted supplies of pharmaceuticals in the new year.

As you know, many providers and consumers are concerned about their ability to get drugs and other pharmaceutical supplies in January 2000. To address this concern, the Pharmaceutical Industry Roundtable recently was convened by the President's Council on Year 2000 Conversion. Roundtable participants included a wide range of manufacturers, industry groups, retailers, providers, and others involved with the production, distribution, and sale of pharmaceuticals.

The enclosed fact sheet provides highlights from the Roundtable, as well as a list of participant organizations. The bottom line is that the pharmaceutical industry is confident that pharmacists, governments, providers, and consumers should not experience any problems in getting the pharmaceuticals they need. The industry has adequate stocks on hand, as well as emergency response plans should problems arise. The Roundtable suggests that consumers request refills when there is a 5-to-7-day supply remaining of medications. Adopting strategies or other policies that encourage or require longer prescription drug supplies is counter productive and may actually precipitate drug shortages.

Please feel free to reproduce and distribute this fact sheet to interested parties in your State. If you have questions, or need additional information, please contact Mary Hogan, our Y2K program coordinator, at 410-786-6333.

Sincerely,

/S/

Sally K. Richardson Director

Enclosure

cc: All HCFA Regional Administrators All HCFA Associate Regional Administrators for Medicaid and State Operations Lee Partridge American Public Human Services Association Joy Wilson National Conference of State Legislatures Matt Salo National Governors' Association

PRESIDENT'S COUNCIL ON YEAR 2000 CONVERSION

Pharmaceutical Industry Roundtable

**Academy of
Managed Care
Pharmacy**

Government agencies and organizations within the pharmaceutical industry supply system (including manufacturers, group purchasers, distributors, pharmacies, mail order pharmacies, hospitals, physicians, pharmacists, patient advocates, and insurers) have been working closely together to prepare for the Year 2000 date change and its impact on the supply of pharmaceuticals. Substantial progress (Y2K) has been made and government and industry are confident that the pharmaceutical supply system should continue to function normally through January 1, 2000.

American Association of Health Plans

**American Hospital
Association**

Local pharmacists will be within easy access of a substantial supply of pharmaceuticals. The industry typically operates with an average 90day supply in the distribution system among manufacturers, distributors, and pharmacies.

American Medical Association

**American
Pharmaceutical
Association**

It is advisable to get a normal refill of your medication when you have a 5 to 7 day supply of medication remaining. This is good practice for January 1 1 2000 and for any other time. The supply system is resilient and can correct any issue that might arise within 5 to 7 days.

American Red Cross

**Department of
Defense**

The pharmaceutical industry has emergency response plans in place and extensive past experience using these plans in handling disruptions caused by severe weather, transportation, or other unforeseen occurrences.

Department of Health and Human Services

Health Care Financing Administration

**Department of
Veterans**

If you use prescription medications and have any questions about your Affairs supply, we recommend that you speak with your local pharmacist or doctor. Health Industry Distributors Association Health Insurance Association of America National Association of Chain Drug Stores National Wholesale Druggists' Association Pharmaceutical Research and Manufacturers of America

PRESIDENT'S COUNCIL ON YEAR

2000 CONVERSION Pharmaceutical Industry Roundtable

The following organizations and individuals participated in the May 17, 1999, Y2K Pharmaceutical Roundtable:

Academy of Managed Care Pharmacy	Drug Enforcement Agency
Glaxo Wellcome	President's Council on Year 2000 Conversion
Aetna, Inc. Health Care Financing Administration	Eckerd Corporation
American Association of Health Plans	Rx2000 Solutions Institute
American Health Care Association	Eli Lilly and Company
American Hospital Association	U.S. General Accounting Office
American Medical Association	Federal Trade Commission
American Pharmaceutical Association	U.S. Office of Personnel Management
American Pharmaceutical Association	Food and Drug Administration
Foundation American Red Cross American	U.S. Senate Special Committee on the Year
Society of Health-System Pharmacists	Genentech, Inc.
America's Blood Centers	2000 Technology Problem
AmeriNet, Inc.	Generic Pharmaceutical Industry Association
AmeriSource Corporations	Walgreens Co.
Association for the Advancement of Retired Persons	Bristol-Myers Squibb Company
Booz-Allen & Hamilton, Inc.	National Medical Association
National Retail Federation	Association of Military Surgeons of the U.S.
Cardinal Health, Inc.	Bindley Western Drug Company
National Wholesale Druggists' Association	Health Industry Distributors Association
Center for Y2K and Society	Health Industry Group Purchasing Association
Odin Group	Health Insurance Association of America
Columbia/HCA Health Care Corporation	Joint Commission on Accreditation of Healthcare Organizations
PCS Health Systems, Inc.	Kaiser Permanente
Copley Pharmaceutical, Inc.	Kapos Associates
Pharmaceutical Research & Manufacturers of America	Laurene West, Patient Advocate
Department of Defense	McKesson-HBOC
Pharmacia & Upjohn, Inc.	National Association of Boards of Pharmacy
Department of Health and Human Services	National Association of Chain Drug Stores
Premier, Inc.	National Association of Insurance Commissioners
Department of Veterans Affairs	National Association of Pharmaceutical Manufacturers
Prescription Solutions/A Pacificare Company	National Community Pharmacists Association