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New Hampshire Law Banning Commercial Use of Prescription Information Declared Unconstitutional

Ruling Confirms Value of Prescription Data Transparency

CONCORD, N.H.--(BUSINESS WIRE)--A Federal Judge in New Hampshire today struck down a state law that banned the commercial use of provider-identifiable prescription information, finding that it "unconstitutionally restricted speech without directly serving the State's substantial interests." Judge Paul Barbadoro, who presided over the trial in early February, said further in a written opinion that "alternatives exist that would achieve the State's interests as well as or better without restricting speech."

The judge ruled in favor of IMS Health and Verispan LLC, two leading health information companies, which jointly filed a lawsuit seeking to prevent the State from enforcing the statute that went into effect in June 2006.

"We are very pleased with the Judge's decision, and there are no losers in the outcome of this trial," said Robert H. Steinfeld, IMS senior vice president and general counsel. "Patients will benefit from a more transparent, safer and more competitive healthcare system as a result of this ruling."

Legislative challenges to the free flow of provider-identifiable data are not a new development. Over the years, more than a dozen states have considered – and rejected – legislation comparable to New Hampshire's.

"We know some states are still considering legislation modeled on the New Hampshire law," Steinfeld said. "This important decision by Judge Barbadoro clarifies that the Constitution protects the dissemination of provider-identifiable information, which is also vital to ensure patient safety and improve healthcare quality."

New Hampshire is the only state in the nation to pass a law restricting the use of provider-identifiable information.

"We respect the challenges lawmakers face in their efforts to balance decisions about healthcare quality and cost," said Randolph Frankel, IMS vice president, External Affairs. "In order to address those challenges, however, legislators will need more information, not less, since the free flow of healthcare information is central to evidence-based medicine and improved patient outcomes."

John Kamp, executive director of the New York-based Coalition for Healthcare Communication commented, "The majority of medical education and quality improvement projects being developed around the nation seek to do the very things the New Hampshire Legislature had forbidden – to evaluate the treatment decisions of healthcare professionals and provide them with accurate prescription drug information. Healthcare quality in the United States is inconsistent, with more Americans dying each year from preventable medical errors than from AIDS or breast cancer. That is why it was so important to overturn this law."

The Coalition submitted an Amicus Brief in support of IMS and Verispan. A number of other experts in constitutional law and health information technology also submitted Amicus Briefs on behalf of the plaintiffs, including the **Washington Legal Foundation**, the National Alliance for Health Information Technology, Surescripts, the eHealth Initiative, the National Association of Chain Drug Stores and Wolters Kluwer Health.

Verispan Vice President Jody Fisher said, "Patient privacy was never an issue in this litigation, as the information we collect does not identify individual patients. Our primary objective was to maintain transparency in the healthcare system, which is central to the efforts to improve quality of care in this nation."

Throughout both the legislative and judicial processes, IMS and Verispan strongly endorsed the provisions of the law which protect the privacy of individual health records.

Additional background information on the trial and the positive applications of provider-identifiable information is available at www.imshealth.com/newhampshire.

About IMS

Operating in more than 100 countries, IMS Health is the world's leading provider of market intelligence to the pharmaceutical and healthcare industries. With \$2.0 billion in 2006 revenue and more than 50 years of industry experience, IMS offers leading-edge market intelligence products and services that are integral to clients' day-to-day operations, including portfolio optimization capabilities; launch and brand management solutions; sales force effectiveness innovations; managed care and consumer health offerings; and consulting and services solutions that improve ROI and the delivery of quality healthcare worldwide. Additional information is available at <http://www.imshealth.com>.

About Verispan

Verispan, a healthcare informatics joint venture of Quintiles Transnational Corp. and McKesson Corp., provides a broad array of information products and services to the healthcare industry, including sales targeting and compensation products; market research audits; healthcare profiles; comprehensive managed care offerings; primary market research; data integration, warehousing and mining; data analysis and consulting; direct mail; list services; disease management studies; clinical trial investigator targeting and protocol recruitment evaluation; healthcare outcomes; and cost/benefit analyses, among many others. Verispan is also the nation's leading provider of patient-centric longitudinal data, with dozens of products used by clients spanning the industry.

Headquartered in Yardley, Pa., Verispan employs over 500 dedicated healthcare information professionals. The company's Web site is www.verispan.com.

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