

## Electronic Prescribing – An Update

### Introduction

*E-prescribing*, or eRx, means the transmission, using electronic media, of prescription or prescription-related information between a prescriber, dispenser, pharmacy, benefit manager, or health plan, either directly or through an intermediary, including an e-prescribing network. E-prescribing includes, but is not limited to, two-way transmissions between the point of care and the dispenser. (1) As evidence that prescribers are increasingly turning to e-prescribing and abandoning traditional paper prescriptions, the number of e-prescriptions transmitted nationwide nearly tripled to 191 million in 2009 (vs. 68 million in 2008) and now represents about 12 percent of the 1.63 billion original prescriptions. In addition, Surescripts LLC, whose online network handles the bulk of the electronic communications, reported that, for the first three months of 2010, nearly one in five prescriptions was filed electronically and about 25 percent of all office based providers have the technology to e-prescribe. Nearly all chain drug stores and 62 percent of independent pharmacies now accept e-prescriptions that are uploaded directly to their computers. For medical practices, the cost of e-prescribing software and hardware, such as laptops, as well as training can range from about \$1,000 to \$1,750 per provider. (2)

### What are the benefits of e-prescribing?

- **Improves patient safety and quality of care:** E-prescribing can reduce medication errors and the resulting adverse effects that they can cause by: a) eliminating illegible hand-written prescriptions; b) reducing oral communications; c) providing automated clinical warning and alert systems (e.g., drug allergies, drug-drug interactions, FDA safety alerts, etc.); d) alerting prescribers about possible drug diversion of controlled substances; and e) providing access to patients' medical and medication histories.
- **Reduces time spent on phone calls and call-backs to pharmacies:** It is estimated that physician offices receive over 150 million call-backs per year from pharmacies with questions, clarifications, and renewal requests. A survey of Boston area providers indicated that office staff estimated that they spend nearly one-third of their time responding to phone calls from pharmacies.
- **Reduces time spent faxing prescriptions to pharmacies:** Both prescribers and pharmacies can save time and resources spent on faxing prescriptions (e.g., reduced labor costs, handling, unreliability, and paper expenses, etc.).
- **Automates the prescription renewal request and authorization process:** For providers utilizing e-prescribing, renewal authorization can be an automated process that provides efficiencies for both prescribers and pharmacies. With just a few clicks of the mouse, prescribers can complete renewal authorization tasks, document that activity and create staff-related activities.
- **Improves patient convenience and compliance with therapy:** By reducing or eliminating the hassle of dropping off and waiting for prescriptions to be filled at pharmacies, e-prescribing may help reduce the number of unfilled prescriptions. Availability of information on when patient prescriptions are filled can aid clinicians in evaluating and addressing issues of patient compliance.
- **Improves formulary adherence and permits lower drug cost substitutions:** By checking with health plan/insurer formularies at the point of care, generic substitutions or lower cost therapeutic equivalent medications can be utilized to lower patients' out-of-pocket expenses.
- **Allows for greater prescriber mobility:** Mobile devices and wireless networks allow prescribers to write or authorize prescriptions everywhere they go.
- **Improves drug surveillance and recall ability:** E-prescribing systems enable providers to request analytical queries and reports. A useful example would be to identify all patients on a particular medication during a drug recall. (1)

### Medicare Prescriber Incentive Program:

Helping win medical providers over to e-prescribing are financial incentives by the Centers for Medicare and Medicaid Services (CMS). The new five year e-prescribing incentive program began on Jan. 1, 2009, and was authorized as part of the Medicare Improvements for Patients and Providers Act of 2008 (MIPPA). Physicians who are eligible for the incentive payments but fail to adopt e-prescribing will face penalties beginning in 2012. The program provides incentives in 2010 equal to two percent of their total Medicare payments for those "eligible professionals" who are also "successful prescribers." In general an "eligible professional" includes nearly all health care providers (e.g., physician, physical/occupational therapist, speech therapist, Certified Nurse Practitioner, etc.) for whom office visits, eye exams, psychotherapy, etc., or other services listed in the CMS E-Prescribing Measure Specifications represent at least 10 percent of their Medicare charges. The American Medical Association (AMA) estimates that nearly all physicians who have an office practice will meet this threshold. (3)

For 2010, a “successful electronic prescriber must report the eRx measure for at least 25 unique electronic prescribing events in which the measure is reportable. The measure can be reported through Part B claims, a qualified registry, or a qualified electronic health record (EHR) system. Lastly, there are Part D standards for transmitting prescriptions electronically and certain prescription related information for Medicare Part D covered drugs. Your system must use the Part D standards in effect at the time of transmission. A qualified e-prescribing system is capable of all of the following:

- Generating a complete active medication history
- Selecting medications, printing prescriptions, electronically transmitting prescriptions and conducting all alerts
- Provides information related to the availability of lower cost, therapeutically appropriate alternatives and
- Provides information on formulary or tiered formulary medications, patient eligibility and authorization requirements from the patient’s drug plan. (3)

For those providers who invest in and use an e-prescribing system, the incentive may offset the initial set-up and operating costs. In addition, financial aid for physicians who purchase eRx may be available from Federal, state, and private sources. For more information, review “A Clinician’s Guide to Electronic Prescribing” at [www.ama-assn.org/ama1/pub/upload/mm/472/electronic-e-prescribing.pdf](http://www.ama-assn.org/ama1/pub/upload/mm/472/electronic-e-prescribing.pdf). (4)

<b>CMS Electronic Prescribing Incentive Program</b>		
<b>Calendar Year of e-prescribing</b>	<b>Incentive Amount</b>	<b>Penalty Amount</b>
2010	2.0%	--
2011	1.0%	--
2012	1.0%	- 1.0%
2013	0.5%	- 1.0%
2014	--	- 2.0%

**New Rules from the Drug Enforcement Agency (DEA) regarding the electronic prescribing of controlled substances:**

One of the most important barriers to widespread adoption of electronic prescribing by medical providers has been the inability to prescribe controlled substances. In March 2010, the Drug Enforcement Administration (DEA) issued a long-awaited interim final rule with request for comment. The DEA took more than two years to develop this rule, which addresses issues and hundreds of comments received on the draft rule issued in 2008. The rule, published in the March 31, 2010, Federal Register, became effective on June 1. Changes to the DEA rule are yet possible based on public comments. Lastly, a number of states have rules prohibiting e-prescribing of controlled substances, and these rules have not changed with the passage of the DEA rule. Therefore, it is recommended that providers confirm with their respective state Boards of Pharmacy whether its rules allow e-prescribing of controlled substances.

For those providers who currently utilize e-prescribing, here’s a summary of the steps you’ll need to take before you can use e-prescribing for controlled substances:

- The e-prescribing software application will need to comply with DEA’s requirements. Your e-prescribing vendor will need to certify that the software is compliant and provide you with a report to that effect. This is true for both medical providers and pharmacies.
- Medical providers will need to provide two forms of identification (i.e., two-factor authentication) to sign e-prescriptions for controlled substances. This two-factor authentication must include two out of three of the following: a) something you have, like a USB key; b) something you know (e.g., PIN, password, etc.); or c) a physiologic identifier (e.g., fingerprint, etc.).
- The first time you use your two-factor authentication, two individuals within your practice will need to give you access to the system. One of these must be a DEA registrant, using his or her two-factor authentication.

In addition, the software application must generate a monthly log of controlled substance prescriptions which can be archived for future provider review, ensure that the content is not altered during transmission, and maintain an internal audit trail that records any modifications, annotations or deletions. Once a prescription is created electronically, all records of the prescription must be retained for two years from the date they were created or received.

Lastly, there is an excellent question and answer document from the DEA which contains more specific information about compliance of software, the logistics of issuing and filling e-prescriptions for controlled substances and record keeping which is available at

[http://www.deadiversion.usdoj.gov/e-comm/e\\_rx/faq/faq.htm](http://www.deadiversion.usdoj.gov/e-comm/e_rx/faq/faq.htm). (5)

**Conclusion:**

According to Surescripts CEO and President Harry Totonis, 2009 was the “tipping point” for e-prescribing. In releasing its “2009 National Progress on E-Prescribing,” Surescripts reported significant growth in the services that support the e-prescribing process as well as its adoption by prescribers, payers, and pharmacies. Totonis noted that the top three drivers that have contributed to e-prescribing growth were federal incentives for Information Technology, rapid adoption by large clinics and health systems, and the support demonstrated by pharmacies. Now that the DEA has issued its long awaited final rule regarding the prescribing of controlled substances utilizing electronic systems, the future for e-prescribing in the U.S. looks very promising indeed. (6)

**References:**

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