Views from the Nation: An Overview of E-Prescribing Experiences From the States

Co-sponsored by the NCSL/FSL Transforming Health Through Technology Project and HIMSS
Moderator:
- Representative Peggy Welch, Indiana

Agenda
- Representative Peggy Welch, Indiana
  - Welcome and Opening Remarks
- Patricia L. Hale MD, PhD
  - Associate Medical Director, Informatics, Albany Medical Center
- Lee Stevens, Manager, State HIE Program
  - Policy Office of the Office of the National Coordinator for Health Information Technology, U.S. Department of Health and Human Services, Washington, DC
- David Blumenthal, M.D., MPP
  - Samuel O. Thier Professor of Medicine and Professor of Health Care Policy, Harvard Medical School, Mongan Institute for Health Policy, Massachusetts General Hospital
- Q & A
Views from the Nation:
An Overview of E-Prescribing Experiences From the States

Patricia L Hale MD, PhD
Associate Medical Director for Informatics,
Albany Medical Center

“We tried dedicating this computer to deciphering our doctors’ handwriting.” Cartoon by Dave Harbaugh
E-Prescribing

The Problem:
• 4 out of 5 patients who visit a physician leave with at least one prescription
• 65% of the US population with at least one prescription medication each year
• Between 1.5%-4.0% handwritten prescriptions are in error with adverse drug events occurring in 5%-18% of ambulatory patients

The Solution:
• 52% of office-based physicians now use e-prescribing (increased from less than 10% 3 yrs ago) with >75% using full EHRs
• 69% of E-Prescribing physicians are in primary care (Family practice, Internal Medicine, Pediatrics)
• 91% of retail pharmacies nationwide are receiving e-prescriptions (73% of independent pharmacies)
• 41% of patient visits benefit from electronic medication history information

From SureScripts Report November 2011 www.surescripts.com
True eRx – “All Electrons, All the Time”

1. Patient and Doctor review history from EMR and discuss current issue.
2. Doctor uses on-line tools from multiple sources to write eRx.
3. Pharmacist receives eRx and Prior Auth. information electronically.
4. Pharmacist fills script and sends fill notification to Doctor.
5. Pharmacist sends renewal request doctor at time of last refill.
6. Doctor sends renewal approval before the patient arrives for next refill.

Electronic Prescribing for the Medical Practice: Everything You Wanted to Know But Were Afraid to Ask, Edited by Patricia L. Hale, MD, PhD, FACP
E-Prescribing Benefits:

• Eliminates illegible handwriting
• Promotes access to more complete prescription history
• Decreased costs and increased formulary compliance
• Decreased risk for adverse drug events through drug-drug and drug-allergy interaction alerts
  — 30-50% decrease in adverse drug events and 0.25% reduction in ER and hospital costs
• Increased access to clinical guidance including drug safety alerts, adherence reminders, and alerts for possible gaps in care of chronic disease
  — 15% decrease in cost for Diabetes management, increase from 50 to 90% compliance with cholesterol treatment
• Decrease time spent on process (especially for pharmacy callbacks and renewals)
  — A study by MGMA’s Group Practice Research Network estimated that the time spent managing unnecessary administrative complications related to prescriptions is estimated at approximately $15,700 annually for each full time physician
• Improved Convenience for Patients and improved Patient medication adherence.
  — A study by IMS and Walgreens showed an 11 percent increase in prescriptions reaching the pharmacy when e-prescribing was used
  — 15% increase in patient compliance
Challenges for E-Prescribing:

- Acceptance and trust of process by patients
- Federal requirements for controlled substances
- Variations in rules and regulations between states
- Implementation challenges
  - Cost
  - Workflow changes
  - Communication challenges
  - Incomplete Standards for:
    - Drug terminology and codified instructions which can result in errors translating data between systems,
    - Prior authorization approval messages from insurance companies, which causes increased risk of errors and manual processes
Challenges for E-Prescribing:

Federal Requirements for E-Prescribing of Controlled Substances (EPCS)

• The DEA now permits prescriptions for controlled substances to be issued as long as its regulatory requirements are met

• Prescribers that wish to manage these prescriptions electronically must use technology that has been certified for this transmission

• Prescribers themselves must undergo an ID Proofing process before they begin to submit prescriptions for controlled substances electronically

• Prescribers must use a ‘two-factor authentication process’ each time they send a prescription for a controlled substance electronically
  – something you know (user name and password)
  – something you have (authentication device)
Challenges for E-prescribing:

State Requirements for E-Prescribing of Controlled Substances (EPCS)

Some states have not yet aligned their prescribing regulations with that of the DEA and DEA regulations do not pre-empt regulations issued by states.

Alignment challenges include:
- Regulations that do not permit any EPCS.
- Regulations that permit EPCS except for Schedule II Medications.
- State regulations that control medications not on DEA schedules.
- Longer record retention cycles than the DEA’s 2-year requirement.
- Regulations limiting transfers of EPCS between pharmacies.

Status: A federally funded pilot project was completed in Berkshire County, Mass. and limited deployment has begun in some states (including Texas, California and Virginia). Inquire with your state board of pharmacy as to the specific status of EPCS regulations in your area.
Challenges for E-Prescribing:
State Laws, Rules and Regulations

• Contradictory prescription requirements across different sets of statutes and regulations;
  – Example = Requirement for hand writing of “brand necessary”
• Pharmacy recordkeeping requirements mandating that electronic prescriptions and other pharmacy records be maintained in hard copy (rather than electronically);
• Direct transmission requirements for e-prescribing that may interfere with employing an electronic data intermediary; and
• Patient consent requirements for the electronic transmission of a prescription.
• Permission for out of state electronic prescribing
State Level Challenges for E-Prescribing
Conflicting Priorities and Concerns

• Legislation has been proposed in several states that would prohibit physicians from seeing messages from third-party information providers as they write an e-prescriptions.
  – Intended to limit info about other prescribing options including formulary restrictions but also may limit viewing of drug-drug and drug allergy interactions
  – According to the Pharmaceutical Care Management Association: “By removing the third party message, the legislation doesn’t allow the technology to get to the doctor”

• Legislation is pending in 11 states, including Indiana, Kansas, Mississippi, Missouri, Nebraska, New Mexico, New Jersey, North Dakota, Oklahoma, Pennsylvania and South Dakota.
<table>
<thead>
<tr>
<th>Strategies to Increase Adoption</th>
<th><strong>Strategies</strong></th>
<th><strong>Examples</strong></th>
</tr>
</thead>
</table>
| **Providers – Hospitals and Health Systems** | • Large health systems invest in EHRs that include E-Prescribing capabilities  
• Others have implemented “best of breed” systems that are not fully integrated across the continuum of care  
• Grants from public and private organizations assist in funding for rural and single-site adoption | • Large health systems among those with E-prescribing capabilities, Hospitals responding to Joint Commission recommendations  
• Federal programs: HITECH “meaningful use” and grant programs, AHRQ grants support EHR adoption by Trinity Health in rural Iowa, HRSA awards annual Rural Health Network Development Planning Grants  
• State programs: NYS Medicaid E-Prescribing incentive, NYS HEAL grants, NYS NYeC programs |
| **Providers – Medical Group** | • Payer-sponsored Pay For Performance (PFP) plans support adoption  
• Beginning to take advantage of Stark and Anti-Kickback exceptions to finance IT investments | • Federal and state programs (as above)  
• Payer-sponsored programs: eRx Collaborative, Highmark eHealth Collaborative, BCBS plans  
• Over 59 EHR programs, representing 159 hospitals, enacted in response to Stark exceptions  
• Increase from <10% to over 50% of office-based physicians utilize e-prescribing in the last 3 years |
| **Pharmacies** | • Major chains are driving E-Prescribing adoption with slower adoption by smaller/independent pharmacies  
• Align with Rx Data Aggregators to provide consistent, standardized data | • 78% of E-Prescribing pharmacies are chain pharmacies and 22% are independently owned  
• 91% of chain pharmacies and 73% of independent pharmacies accepting electronic prescriptions  
• Medication history requests and prescription change notifications increasing but not supported by all group  
• State programs: NYS Medicaid incentive program |
| **Payers** | • Provide P4P, hardware & service support programs to encourage provider adoption  
• Limited cooperation between health plans despite demonstrated success in collaborative initiative | • Payer-sponsored programs: eRx Collaborative (MA), Highmark eHealth Collaborative (PA), ePrescribe Florida, Southeast Michigan E-Prescribing Initiative, various BCBS plan |
| **Rx Data Aggregators** | • Revenue streams from multiple stakeholders: pharmacies, providers, and payers  
• Collaborate with RHIOs and other information hubs to achieve integrated health information repositories | • SureScripts working with RHIOs to establish connectivity  
• SureScripts pilot with Google Health, potentially making medication history available |
## Incentive Program Examples

<table>
<thead>
<tr>
<th>Program name</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>ePrescribe Florida</td>
<td>Collaborative effort of several health plans, provider organizations, pharmacies and vendors aimed at accelerating the adoption of e-prescribing. In the first phase, the initiative offers free educational and implementation programs to prescribers, including information related to how to select and implement the right application.</td>
</tr>
<tr>
<td>Highmark eHealth Collaborative (Pennsylvania)</td>
<td>Sponsored by Highmark, a health insurer in Pennsylvania, the Highmark eHealth Collaborative works with providers to “pay up to 75% of the cost for a physician practice to acquire, install and implement the electronic technology system, up to a maximum of $7,000 per physician”</td>
</tr>
<tr>
<td>Massachusetts eRx Collaborative</td>
<td>Broad collection of health plans, pharmacies, technology vendors, and supporting organizations that sponsors programs and education activities to accelerate e-prescribing adoption in Massachusetts, including hand-held devices loaded with e-prescribing software, license fees and support, and internet connectivity. In five years, 17.8 million prescriptions have been sent electronically through Collaborative prescribers; in 2008, nearly 83,000 prescriptions were changes as a result of drug alerts</td>
</tr>
<tr>
<td>Southeast Michigan e-Prescribing Initiative (SEMI)</td>
<td>Collaboration of automakers, health plans, vendors, pharmacies and pharmacy benefit managers to encourage the adoption of e-prescribing throughout Michigan by providing incentives to prescribers and measure the impact of e-prescribing patient safety. In 2007, Michigan became the #5 e-prescribing state in the nation, with 90% of prescriptions coming from the area covered by SEMI.</td>
</tr>
<tr>
<td>NYS Medicaid e-Prescribing Incentive Program</td>
<td>Effective January 1, 2010, Medicaid prescribers can receive an incentive payment of $0.80 per dispensed Medicaid e-prescription, and eligible retail pharmacies can receive $0.20 per dispensed Medicaid e-prescription. Incentives are calculated and dispersed by Medicaid program without need for submission of data. Includes one original fill and up to five (5) refills within 180 days are each eligible for an incentive payment to both the prescriber and pharmacy, provided that the refilled item is picked up by or delivered to the beneficiary</td>
</tr>
</tbody>
</table>


E-Prescribing in New York State

- **Programs:**
  - Multiple health plan “pilots”
  - NYS HEAL Grant programs
  - Federal MIPPA, HITECH, AHRQ and other incentive, penalty and grant programs
  - NYS Medicaid ePrescribing incentive program
  - NYC EHR implementation programs and projects

- **Challenges:**
  - Large variation of settings including NYC, rural, small and large urban practices and IDNs, many funding sources and programs, state regulation challenges spread across multiple agencies

- **Coordination Response:**
  - NYeC and Office of Health Information Technology Transformation (OHITT) are working jointly to coordinate programs and collaborative workgroups across NYS as well as with collaborating with other states to focus on privacy, security, consent, standards, health information exchange, medication history, etc.
Incentives and Penalties: The Medicare Improvements for Patients and Providers Act (MIPPA)

Incentives and Penalties:

- The incentive for E-Prescribing has decreased from a maximum of 2 percent to 1 percent of total allowed charges in 2012.
- Starting in 2012, penalties also begin with a decrease in Medicare fee reimbursement of 1% for not using E-Prescribing. This penalty increases to 1.5% in 2013 and 2% in 2014.
- Prescribers must e-prescribe 10 times using a “qualified” e-Prescribing system by June 30, 2011 to avoid the penalty in 2012. To avoid a 2013 penalty, prescribers must e-prescribe 25 times by December 2011.

Exemptions:

- Not a physician (includes MDs, DOs, and podiatrists), nurse practitioner, or physician assistant as of June 30, 2011.
- Do not have at least 100 cases (that is, claims for patient services) that contain the applicable e-prescription service code for dates of service between January 1, 2011 through June 30, 2011.
- Claims reflect that less than 10 percent of estimated total allowed charges for the January 1, 2011 through June 30, 2011 reporting period are comprised of applicable e-prescription service codes.
- Hardship Exemption requests submitted by Nov. 8, 2011 for a rural area without sufficient high speed internet access, or an area without sufficient available pharmacies for electronic prescribing.
Incentives and Penalties:
The Health Information Technology for Economic and Clinical Health Act (HITECH) – “Meaningful Use” Program

- To receive incentive payments, physicians must prove that they meet government requirements for “meaningful use” of EHR technology which will evolve over 3 “Stages” from 2011 through 2015.

- Stage 1 of meaningful use requires:
  - at least 40 percent of eligible prescriptions are prepared and sent to pharmacies electronically
  - Active medication and allergy lists
  - Drug-drug and drug-allergy interaction checking
  - Medication reconciliation
  - Formulary checking (menu option in Stage 1, expected to be required in Stage 2)

- Future stages of meaningful use place increasing importance on the send and receipt of clinical information between health care providers to inform patient care. This includes:
  - the receipt and use of patient formulary and eligibility information from payers accessed through use of e-prescribing technology certified for this communication.
  - increasing requirements for the percentage of eligible prescriptions prepared and sent to pharmacies electronically

- Physicians can only participate in either the Medicare (up to $44,000) or the Medicaid ($63,750) incentive program but are subject to Medicare penalties either way.

- Physicians participating in the Medicaid program can receive reimbursement for implementation costs and can also participate in MIPPA
e-Prescribing Everywhere: Closing Gaps and Marking Progress

State Health Information Exchange Program
• States are currently identifying and closing gaps in eRx adoption among pharmacies and prescribers by:
  – Leveraging Surescripts data and combining it with other data sources to monitor progress.
  – Increasing eRx adoption by pharmacists and prescribers through outreach and incentives.
  – Deploying policy strategies to encourage adoption and use.
Why ePrescribe?

• ePrescribing (eRx) is safer.
• It is estimated that a switch to eRx could prevent as many as 2 million adverse drug events annually, 130,000 of which are life-threatening.
• eRx could create a cost savings of $2.7 billion a year for physicians in wasted phone time.
• And, potentially, the U.S. Health Care System could save as much as $27 billion per year.

(Source: Agency for Healthcare Research and Quality)
Surescripts is the leading e-prescription network in the United States.

Data on providers and pharmacies are available **quarterly**.

Market presence may vary in certain territories/states.
Office-Based Physicians E-Prescribing Using an EHR on the Surescripts Network October 2011

*Denominator of office-based physicians from SK&A data, June 2011
Pharmacies Enabled to E-Prescribe & Actively Processing E-Prescriptions

Data Source: Surescripts

Office of the National Coordinator for Health Information Technology
• **Chain Pharmacies** are enabled and active. So what’s the problem?

• **Real World Issues...**
  – Cost barriers for small, independent pharmacies
    • Hardware
    • Transaction Fees
  – Limited Internet Access
  – Concerns about “Front of Store” sales

• **Technical Interoperability Issues...**
  – Change to workflow for prescribers and pharmacists
  – Semantic Interoperability (use of a common vocabulary)
  – System-to-System interoperability issues
• California leveraged Medi-Cal 90/10 administrative funds to support statewide education and outreach.

• Approaches include focused outreach and technical assistance to independent pharmacies through the “Partners in e” train-the-trainer program.

• This program works with California schools of pharmacy and through Regional Extension Centers for collaboration and the deployment of fourth-year pharmacy students trained by the “Partners in e” program.
• In 2008 and 2009, the State of Tennessee awarded approximately $4.68 million in grants to prescribers throughout the state to purchase CCHIT certified e-prescribing software and any necessary hardware.

• In 2008, Tennessee began a partnership with the Tennessee Pharmacists Research and Education Foundation (TPREF), the educational arm of the Tennessee Pharmacists Association.

• Through a $675,000 grant to TPREF that remains active to this day, pharmacies are eligible to receive up to $3,500 towards any expense related to e-prescribing. *Pharmacies benefiting from the grant must continue to accept e-prescriptions for five years.*
• Nebraska has an active E-Prescribing Work Group which includes a broad range of stakeholders.

• The E-Prescribing Work Group is working to foster conversations between pharmacists and prescribers about the e-prescribing process.

• Better understanding of the process may lead to a reduction in some e-prescribing errors, a reduction in the number of redundant e-prescriptions, and better communication between pharmacists and prescribers.

• The Nebraska Health Information Initiative (NeHII) is also offering services to pharmacies. Pharmacies currently participating in NeHII are finding that having access to patient health information helps in counseling patients, identifying prescribers with illegible hand writing, updating patient allergy information, entering immunization information, and obtaining documentation for durable medical equipment billing.
David Blumenthal, MD, MPP

• Former National Coordinator for Health Information Technology

• Samuel O. Thier Professor of Medicine and Professor of Health Care Policy at Massachusetts General Hospital/Partners HealthCare System and Harvard Medical School
Q&A Instructions:
If you have a question, please type it in the Q&A box at the bottom right corner of your screen

(NOTE: This webinar is being recorded and will be available for viewing later on the HIMSS eLearning Academy at http://www.himss.org/elearning/ and at http://www.ncsl.org/?tabid=23806)
Thank you for attending “Views from the Nation: An Overview of E-Prescribing Experiences From the States.”