Medicare May Encourage Electronic Prescriptions

BY MARY ELLEN SCHNEIDER
Senior Writer

Medicare officials have proposed new uniform standards for electronic prescribing that will govern transactions between prescribers and dispensers of prescriptions.

Under the proposal, the standards would take effect in January, to coincide with the beginning of the new Medicare Part D prescription drug benefit. The proposed standards would apply to transactions between prescribers and dispensers of new prescriptions, refill requests, prescription changes, and cancellation requests.

In addition, the standards would govern eligibility and benefits inquiries between prescribers and drug plans and Part D sponsors.

The Health and Human Services Department will accept comments on the proposal through April 5. Additional electronic prescribing standards will be developed by 2008.

Electronic prescribing is voluntary for physicians, but the aim of the standards is to make it more attractive for physicians to do so. "These proposed e-prescription rules would set standards to help Medicare, physicians, and pharmacies take advantage of new technology that can improve the health care of seniors and persons with disabilities," HHS Secretary Mike Leavitt said in a statement.

One of the most successful strategies for getting physicians to adopt electronic prescribing in their offices is to provide ongoing reimbursement, said Jonathan Teich, M.D., chief medical officer at Healthvision, an Internet health care company, who chaired the Electronic Prescribing Project of the eHealth Initiative.

Over the last few years, there's been a lot of work in both the public and private sectors examining what drives adoption of e-prescribing. What they have found is that there is money to be saved through the use of the technology, but it's usually saved by the payer, not by the physician, Dr. Teich said.

But payers and others can provide incentives to physicians by supplying the technology up front, giving increased reimbursement per visit for the use of electronic prescribing, or incorporating electronic prescribing into a pay for performance program, he said.

A group of health plans in Massachusetts has joined forces to cover the costs of electronic prescribing for physicians interested integrating the technology into their practices.

Blue Cross Blue Shield of Massachusetts, Tufts Health Plan, and the Neighborhood Health Plan have partnered with the technology vendor ZixCorp to provide physicians in Massachusetts with the hardware and software needed for electronic prescribing.

The project is called the eRx Collaborative, and from October 2003 through the end of 2004, nearly 2,700 physicians and their clinical staff members signed up to participate in the project. At the end of last year, more than 1,500 doctors had incorporated the technology into their practices.

The collaborative plans to cover the costs of the e-prescribing technology through the end of this year.

The project uses ZixCorp's PocketScript e-prescribing system. This technology allows physicians to create new and refill prescriptions electronically and allows for real-time access to a patient's prescription history, as well as formulary and eligibility information. Physicians can access the program either through a secure Web site or a handheld device.

This year, physicians will also be able to choose to use DrFirst Inc.'s Rcopia electronic prescription management program.

Facilitating the adoption of electronic prescribing is a way to try to curb both high pharmacy costs and medication errors, said Robert Mandel, M.D., vice president of eHealth for Blue Cross Blue Shield of Massachusetts.

And electronic prescribing seems like a good solution because it would easier to incorporate into the physician's workflow than an electronic health record, Dr. Mandel said. But he said he hopes that physicians will choose to move to a fully functional electronic health record in the future.

"We do believe that this is a transitional technology," he said. The project, which is the largest of its kind, could be a model for how to drive adoption of this technology, Dr. Mandel said. ■