Forces Leading Towards the Adoption of ePrescribing

Presented by

Kate Berry
SureScripts-RxHub
E-Prescribing Overview
Definition of E-Prescribing

Prescribing without paper.

When a physician uses a computer or handheld device with software that allows them to:

1. With a patient’s consent, electronically access information regarding a patient’s drug benefit coverage and medication history.

2. Electronically transmit the prescription to the patient’s choice of pharmacy.

3. When the patient runs out of refills, their pharmacist can also electronically send a renewal request to the physician’s office for approval.
E-Prescribing - A Scenario

Certified Clinician Application
- Collects Patient:
  - Consent
  - Name
  - Date of Birth
  - Gender
  - Zip
- Validates Information Received with Patient
- Reviews Benefit and Selects Therapy
- Pharmacy Selected by Patient
- E-Prescription Generated

Patient uniquely identified in MPI. Request for patient information sent to payer & pharmacy.

Certified Payer
- Provides Patient:
  - Eligibility
  - Benefit & Formulary
  - Medication Claims History

Certified Pharmacy
- Processes:
  - Medication Pharmacy History
  - E-Prescriptions
  - E-Refills/Renewals

E-Prescribing Benefits
- More complete medication history
- Displays economic alternatives
- No illegible handwriting
- Reduces pharmacy callbacks
- More convenient for patients
- Reduces time spent on renewals
E-Prescribers: Quarterly Growth

Number of E-Prescribers

Q1 Q2 Q3 Q4 Q1 Q2 Q3 Q4 Q1 Q2 Q3 Q4 Q1 Q2 Q3 Q4

2004 2005 2006 2007

Source: Pharmacy Health Information Exchange, operated by SureScripts (December 2007).
E-Prescription Transactions – Annual Growth

Source: Pharmacy Health Information Exchange, operated by SureScripts (December 2007).
E-Prescribing Pharmacies – Annual Growth

Source: Pharmacy Health Information Exchange, operated by SureScripts (December 2007).
E-Prescribing - Certified Solution Providers

<table>
<thead>
<tr>
<th></th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008 Est.</th>
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<tr>
<td>TOTAL</td>
<td>22</td>
<td>47</td>
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<td>Pharmacy Tech Vendors</td>
<td>14</td>
<td>20</td>
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<td>Physician Tech Vendors</td>
<td>8</td>
<td>27</td>
<td>64</td>
<td>105</td>
<td>150</td>
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</table>

Source: Pharmacy Health Information Exchange, operated by SureScripts (December 2007).
Starting at “0” in 2003…vs. estimates for full year 2008:

<table>
<thead>
<tr>
<th>Category</th>
<th>Estimate</th>
<th>Percentage</th>
</tr>
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<tbody>
<tr>
<td>Member Records</td>
<td>200 million</td>
<td>(66%)</td>
</tr>
<tr>
<td>Patient Visits*</td>
<td>70 million</td>
<td>(14%)</td>
</tr>
<tr>
<td>E-Prescribers</td>
<td>85,000</td>
<td>(15%)</td>
</tr>
<tr>
<td>E-Prescribing Retail Pharmacies</td>
<td>45,000</td>
<td>(79%)</td>
</tr>
<tr>
<td>E-Prescribing Mail Order Pharmacies**</td>
<td>6 of the Top 10</td>
<td>(70%)</td>
</tr>
<tr>
<td>E-Prescriptions</td>
<td>100 million</td>
<td>(6%)</td>
</tr>
</tbody>
</table>

*Patient eligibility, formulary and medication history requests. National Center for Health Statistics estimates 964 million patient visits per year.

**Percent of prescriptions processed by these mail order pharmacies
E-Prescribing - What’s working well?

- **Industry’s Technical Readiness**
  - Pharmacy, Prescriber, and Network Solution Providers
  - Transaction Standards and Organizations
  - End User Pharmacies and Early Adopter Prescribers

- **Strategic Understanding of its Importance**
  - National Safety Organizations and Studies
  - Federal & State Legislative, Financial, and Regulatory Support
  - Investment in the Future by Private Industry

- **Momentum and Participation by Key Organizations**
  - Medicare Part D legislation which promotes e-prescribing
  - Payor, Employer, and Health System Adoption Programs
  - Competition among the States to be top in e-prescribing
E-Prescribing – What are today’s barriers?

• Individual Understanding of Importance and Value
  – Thousands of prescribers and pharmacies have systems capable of e-prescribing but have not requested activation
  – Perceived disconnect between costs and benefits

• DEA Regulations on Controlled Substances
  – Dual workflow makes e-prescribing impractical for prescribers
  – July 2008 Proposed Rules from DEA still a barrier

• Concerns regarding Data Sharing
  – Patient Consent & Privacy
  – Sensitive Medication Regulations
  – Liability regarding Use of Data

• Variations and Changes in State Regulations
  – One national standard, but, potential for varying implementations
  – Coordination between Boards of Pharmacy & Standards Organizations
The Business Case for E-Prescribing
Importance of E-Prescribing: Saving Time/Money

• MGMA
  – E-prescribing with pharmacy interoperability can significantly reduce the $10,000 spent annually per physician on phone calls with pharmacies related to prescription refills¹

• SureScripts
  – Refills management costs $50,000 a year/per practice²
  – Practices spend on average 4.78 to 4.92 hours/day² managing refills
    • Prescribers spend on avg. 1.84 – 1.88 hrs/day
    • Staff spend on avg. 2.94 to 3.04 hrs/day

• MMA E-Prescribing Pilots
  – Average time spent per day on renewals was cut in half ³

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¹ 2004 MGMA – Analyzing cost of administrative complexity in group practice.
² 2006 SureScripts Get Connected Campaign Report
³ Brown University: 2006 MMA E-Prescribing Pilots
Importance of E-Prescribing: Saving Time/Money

- **Drug Spending**
  - Based on generic usage and formulary compliance, health plans could save between $0.75 and $3.20 per prescription (CGE&Y, IMS Health and Allscripts)

- **Henry Ford Health System**
  - **Improved Generic Use Rate**
    - Henry Ford Medical Group = 20%
    - Health Alliance Plan = 71%
  - **Reduced Administrative Costs**
    - 2 minutes per script
    - $.03 per script pad savings

- **Blue Cross Blue Shield of Massachusetts (BCBSMA)**
  - 81 percent of prescribers would recommend e-prescribing
  - 71 percent of respondents say e-prescribing saves time
    - Majority say 1-2 hours per day
The Business Case for E-Prescribing

- Dr. Mark Fracasso, an OB/GYN specialist from Virginia
  - Staff now spends about 4 seconds per renewal authorization, down from 13 minutes prior to implementing electronic prescribing.

- Dr. Richard Olarsch, a Family Medicine physician from New Jersey
  - Saving as much as 5 hours a day by virtually eliminating prescription-related phone calls and faxes after he adopted an e-prescribing application.

- Dr. David Gorelick of Newport, Rhode Island
  - Estimates savings of roughly 10 hours each week, by having reduced the prescription-related phone and fax burden on the staff.

- Patricia Hernandez, PA-C of Richland, Washington
  - Electronic prescribing has taken a 15 minute process to approve a refill down to 15 seconds.

- Dr. Samuel Kelly of High Point, North Carolina
  - E-prescribing reduced the time spent managing prescriptions from 10% of total work hours to approximately 5%.
The Business Case for E-Prescribing

• Dr. Michael Randolph of Baltimore
  – Cites a tenfold increase in daily efficiency and ability to authorize and transmit 20-30 refill authorizations in a matter of seconds.

• Dr. Rebecca Andrews of New Britain, Connecticut
  Dr. Kenneth Adler of Tucson, Arizona
  – Both report that e-prescribing has eliminated 2 hours a day previously spent managing charges and paper prescriptions.

• Dr. Gul Chablani in Rockville, Maryland
  – His practice formerly spent 3-4 hours/day to fulfill prescription refill requests, they now spend one hour/day. Clarification requests from pharmacies have been reduced from 6-10/day to nearly zero.

• Dr. Lorenever Po and Dr. Kenneth Aquilinio of Holyoke, Massachusetts
  – E-prescribing efficiencies allowed their practice to see an additional 3-5 patients each day, without having to work longer hours.

• Dr. Robert Resnik of Cary, North Carolina
  – In the last year alone, through a combination of reduced overhead costs and increased revenue (from being able to see more patients), his medium-sized practice saved roughly $40,000.
Physicians using e-prescribing are vocal about the benefits they see for their practice and patients.

To read some first hand accounts, go to www.GetRxConnected.com.
About the merger:

SureScripts and RxHub
SureScripts and RxHub

SureScripts
- Formed in 2001 by pharmacy associations representing nation’s 57,000 retail pharmacies.
- Focused on electronic prescription routing between physician practices and retail pharmacies.

RxHub
- Formed in 2001 by 3 largest PBMs and now provides access to more than 200 million patient records.
- Focused on patient pharmacy benefit and medication history information exchange between payers and physician practices.
SureScripts-RxHub Merger

Core operating principles remain unchanged:

• Based on industry standards
• No charge to physicians or software vendors
• Preserves patient choice of pharmacy (mail or retail)
• Preserves physician choice of therapy
• No advertising or commercial influence
• No data mining
• Require patient consent to access medication history
• Continue operating as a low cost utility
SureScripts-RxHub Merger

• Speeds the transition to paperless prescribing

• More comprehensive medication history information reduces possibility of medication errors

• Expanding access to benefit info will save more patients money and ensure that more clean prescriptions arrive at the pharmacy electronically

• Streamline process for technology vendors to integrate SureScripts-RxHub services
Regulatory Update
Deadlines Approaching

• January 1, 2009
  – Medicare E-Prescribing Incentives
    • *Will provide Medicare payment incentives of up to 2 percent* for practitioners who use qualified e-prescribing systems in 2009 through 2012.
    • The law permits the HHS Secretary to establish a hardship exception to providers who are unable to use a qualified e-prescribing system.

• April 1, 2009 - E-Prescribing Standards
  • *NCPDP SCRIPT 8.1 will be the primary CMS adopted e-prescribing standard, retiring NCPDP SCRIPT 5.0*
  • The Medication History Standard will be an adopted standard
  • The NCPDP Formulary and Benefits Standard 1.0 will be an adopted standard
  • Prescription Fill Status Notification (RXFILL) will be an adopted standard
  • The National Provider Identifier (NPI) will be required to specify the identity of prescribers and pharmacies, but other identifiers (e.g., SPI) will still be able to be used for transaction routing

• January 1, 2012
  – Elimination of the "fax exemption"
    • *Beginning January 1, 2012, all electronic prescriptions for Part D patients must comply with the NCPDP Script Standard*
Once you get started…

…we are there to help you succeed!
The Center for Improving Medication Management has completed a project with the objective to enhance the understanding of why similar practices using similar connected EMRs experience different levels of success with e-prescribing in terms of:

- Adoption
- Utilization
- Workflow
- Physician, staff and patient satisfaction
- And overall sense of how the technology can improve the practice’s business performance and quality of care delivered

Strived to identify key predictors of success and failure and translate those lessons learned into programs including best practices to implement and worst practices to avoid that can be disseminated by the Center, its founders, and other interested stakeholders.
Drivers of Success with High Users

- Vision of paperless prescribing process
- Strong belief that technology will make it safer and more efficient so they stick with it
- Someone in charge of making it work who is the expert and problem solver, others willing to follow that leader, all use
- Financial incentives – profit sharing, subsidies, incentives for use, pay for performance
- Share e-prescribing utilization data with practice so there is peer pressure to e-prescribe rather than fax or print
- Good communication on e-prescribing within practice, with patient, with pharmacies, with vendor
- Proactively reach out to pharmacies and escalate issues for resolution
Problems Low Users Struggle With

- Inadequate training and information on e-prescribing from vendor
- Overwhelmed with implementation of EMR as a whole
- Do not know where to turn to address technical and workflow issues
- Accurate, timely pharmacy directory is critical and often practices are unaware
- Loss of physician / staff confidence in electronic transmission as a result of “script not found” and patient complaints so they print prescriptions
- Pharmacy Fax Refill Requests
- Vendor applications have awkward workflows and systems design, e.g., too many clicks, write/renew one prescription at a time
- Not all mail order is connected
- Very much want to make e-prescribing work but desperate for help and don’t know where to turn for answers
Rx for Success

www.rxsuccess.com

Visit this site for essential information, including:

E-Prescribing Resources and Support
- Best practices to help you integrate electronic prescribing within your practice.
- Tips for dealing with issues you may encounter and resources you can use for support.

Communication Resources
- Educate your patients and your staff about the benefits of e-prescribing.
- Promote your connectivity to pharmacies in your area.

Find a Pharmacy
- Find out which pharmacies in your area are ready to exchange prescription information with your practice electronically.

We Want to Hear From You
- Let us know what you think about e-prescribing and our resource site.
Rx For Success Program:
E-Prescribing Resources and Support

• Best Practices
  – Purpose – enhance practice deployment of electronic prescribing
  – Encourage identification of practice champion
  – Set expectations for refill response.
  – Allow practices to better leverage benefits of connectivity
  – Incorporated into material, provided through website, technology provider training.

So you want to e-prescribe?

We applaud your decision to establish a secure two-way electronic connection between your practice and pharmacies in your area. The connection will allow your practice to achieve new levels of efficiency by replacing phone calls and faxes with the secure electronic exchange of refill authorizations and new prescription information.

To help, we’ve collected what we think are the most critical “Best Practices” to make electronic prescribing a success at your practice.

Please note that, once you start to send new prescriptions electronically, using your pre-existing application, pharmacies will recognize your connectivity and will begin to send refill requests electronically. Refill requests are now electronically accepted by the pharmacy. It is important that you and your staff are prepared to respond to these incoming requests.

For more information about electronic prescribing or to ask questions about the way your practice can integrate this connectivity, please contact the SureScripts E-Prescribing Resource Center at 1-866-REFILL8 (866-733-5548) or visit www.surescripts.com. SureScripts operates the Pharmacy Health Information Exchange™, which provides the connectivity that allows the secure exchange of prescription information between physician practices and the nation’s largest network of pharmacies.

Implement the following Best Practices to get the most out of electronic prescribing.

1. Gain the most benefit from your computer-to-computer connection with pharmacies by consistently sending new prescriptions electronically.
   Your choice to e-prescribe allows you to both receive and respond to prescriptions electronically, and saves time by sending prescriptions directly to the computers at pharmacies in your area. This greatly improves the efficiency of your practice through reduced phone calls and faxes. This practice benefits from a more secure and accurate prescribing process.

2. Communicate prescriptions and refill expectations to your staff and patients, and make certain that both the pharmacy and patient know that your practice handles prescriptions electronically. Inform patients that, while the prescription is transmitted directly to the pharmacy’s computer system, it does not automatically mean it will be filled faster. Prescriptions are typically filled on a first-come, first-served basis. There is an advantage to electronic prescriptions in that a patient doesn’t have to make a trip to the pharmacy to pick up his prescription and another to pick it up. Patients should call the pharmacy to confirm that their prescriptions are ready before going to pick them up. Patients may also wish to mention that the prescriptions were sent electronically, rather than by telephone, fax or paper prescription.
Rx For Success Program:
Communication Resources

- Essential to familiarize practice staff about new communication capability
- Also important, and beneficial, to involve pharmacies and patients.
- Rx for Success Program provides communication resources for all three
  - Talking Points, FAQs
  - Announcement letter to pharmacies
  - Patient notification cards
  - Patient Flyer.
In closing…
E-Prescribing – What’s Next?

• Expanded Transaction Set and Utilization
  – Widespread implementation of ChangeRx and CancelRx
  – Support for LTC, Compound Scripts, Queries to Doctors…
  – Take advantage of Codified Sig, RxNorm, NPI in transactions

• High Value uses of Pharmacy Related Data
  – Integration with Personal Health Records
  – Adherence, Compliance, and MTM Programs

• Higher Level Healthcare Interoperability
  – Sharing lab results, medical histories, not just pharmacy data
  – Between Providers (In-store Clinic, Primary Care, Specialist)
  – Between Healthcare Organizations and Exchanges
  – Integrated through Continuity of Care Records (CCR)
The Big Picture

- Technology has made it so much easier to securely share information
- This has dramatically improved so many parts of everyday life
  - Paying bills and taxes
  - Managing personal finances
  - Reserving a flight, hotel, car
  - Shopping
  - Enjoying movies, music, games
  - Staying in touch with friends and family

Q: Why shouldn’t something as fundamental as our healthcare benefit in the same way?

A: It can…and will…with your continued support.
For More Information

- Prescribers
  - GetRxConnected.com
  - RxSuccess.com
- Pharmacists
  - SureScripts.com
- Policymakers
  - SureScripts.com/Safe-Rx
- Consumers
  - LearnAboutEPrescriptions.com
- Media
  - SureScriptsRxHub.com/mediaguide
- All
  - TheCIMM.org

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Thank You!