ePrescribing
Incentives, Benefits & Challenges

Presentation By
Director of Government Affairs
"That's what it says: 'one tablespoonful, 300 times a day'."
Presentation Goals

- Appreciate the benefits of ePrescribing
  - Why it’s a win-win for all
  - Evolution of ePrescribing
- Understand how ePrescribing works
  - “The Nitty-Gritty”
  - Program challenges
- Develop framework for decision-making
  - Is there a business case for ePrescribing in your practice?
  - How to move forward
More Than Electronic Rx Transmission

- Automated clinical decision support:
  - Medication list
  - Rx history
  - Alerts
  - Eligibility

- Coordination of information from payers and pharmacies
- Two-way communication with pharmacy
- eRefills
A Win-Win Program: Patients — Safety/Quality of Care

- Adverse drug events*:
  - 7,000 deaths from preventable medication errors
  - 1.5 million injuries

- Sources of errors:
  - Prescribing
  - Transcribing
  - Verbal communication

* Source: The institute of Medicine, National Academies of Science
A Win-Win Program: Patients — Additional Benefits

- Cost savings:
  - Formulary compliance
  - System-wide efficiencies reduce Rx cost
- Convenience:
  - Speed of Rx process
  - eRefills
A Win-Win Program: Other Stakeholders

<table>
<thead>
<tr>
<th>PAYERS</th>
<th>PHARMACIES</th>
<th>PHYSICIANS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost savings</td>
<td>Efficiency</td>
<td>Quality of care</td>
</tr>
<tr>
<td>Better patient care</td>
<td>Customer satisfaction</td>
<td>Practice efficiencies</td>
</tr>
<tr>
<td></td>
<td></td>
<td>$$ incentives</td>
</tr>
</tbody>
</table>
Evolution of ePrescribing

- PQRI
- MIPPA (Section 132)
- AR&R Act of 2009

- Measure 125
- Independent Program
- Part of EHR “Meaningful Use”

2006 – 2008
2009 →
2011 →
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Program Overview

- Requirements:
  - Eligible professional
  - Qualified ePrescribing system
  - 10% threshold for applicable encounters
  - Report (G-Codes) on at least 50% of applicable claims

- Incentive:
  - 2% Medicare bonus
Requirement #1: Eligible Providers

- Eligible professionals must have prescribing authority and have NPI number:
  - Medicare physicians
    - Doctor of Medicine
    - Doctor of Osteopathy
    - Doctor of Podiatric Medicine
    - Doctor of Optometry
    - Doctor of Oral Surgery
    - Doctor of Dental Medicine
    - Doctor of Chiropractic
  - Practitioners
    - Physician Assistant
    - Nurse Practitioner
    - Clinical Nurse Specialist
    - Certified Registered Nurse Anesthetist (and Anesthesiologist Assistant)
    - Certified Nurse Midwife
    - Clinical Social Worker
    - Clinical Psychologist
    - Registered Dietician
    - Nutrition Professional
    - Audiologists (as of 1/1/2009)
  - Therapists
    - Physical Therapist
    - Occupational Therapist
    - Qualified Speech-Language Therapist

- No registration required – participate by reporting
Requirement #2: Qualified System

- A qualified system must do **all** of the following:
  - Generate complete active medication list
  - Select medications, print prescriptions, electronically transmit prescriptions, and conduct all alerts
  - Provide information on lower-cost, therapeutically appropriate alternatives (if any)
  - Provide information on formulary or tiered formulary medications, patient eligibility, and authorization requirements received electronically from the patient’s drug plan (if available)
Requirement #3: 10% Threshold

- Applicable encounters* must account for at least 10% of total Medicare Part B allowable charges

*CPT & HCPCS Codes:

90801, 90802, 90804, 90805, 90806, 90807, 90808, 90809, 92002, 92004, 92012, 92014, 96150, 96151, 96152, 99201, 99202, 99203, 99204, 99205, 99211, 99212, 99213, 99214, 99215, 99241, 99242, 99243, 99244, 99245, G0101, G0108, G0109
Requirement #4: Claims-Based Reporting

- Report G-Code on at least 50% of the applicable encounters (claims with the specified CPT codes)

<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>G8443</td>
<td>Used a qualified ePrescribing system for all of the prescriptions for this encounter</td>
</tr>
<tr>
<td>G8445</td>
<td>No prescriptions generated during this encounter</td>
</tr>
<tr>
<td>G8446</td>
<td>Prescribed narcotics or other controlled substances</td>
</tr>
<tr>
<td></td>
<td>State or Federal law required you to phone in or print the prescriptions</td>
</tr>
<tr>
<td></td>
<td>The patient asked that you phone in or print the prescription</td>
</tr>
<tr>
<td></td>
<td>The pharmacy system can’t receive electronic transmission</td>
</tr>
</tbody>
</table>

- Reporting period: January 1, 2009 — December 31, 2009
- Based on claims filed by February 28, 2010
### Incentives: Carrot & Stick Approach

<table>
<thead>
<tr>
<th>Bonus</th>
<th>Year</th>
<th>Penalty</th>
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<tbody>
<tr>
<td>2.0%</td>
<td>2009</td>
<td>-</td>
</tr>
<tr>
<td>2.0%</td>
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<td>-</td>
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<tr>
<td>1.0%</td>
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<td>-</td>
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<tr>
<td>1.0%</td>
<td>2012</td>
<td>1.0%</td>
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<tr>
<td>0.5%</td>
<td>2013</td>
<td>1.5%</td>
</tr>
<tr>
<td>-</td>
<td>2014</td>
<td>2.0%</td>
</tr>
</tbody>
</table>
Example

Total 2009 Revenue = $1,000,000

Total 2009 Medicare Part B Allowable Charges = $400,000

2009 Medicare Part B Allowable Charges for Specified CPT Codes = $100,000

Eligibility Threshold Calculation:
($100K / $400k = 25%)

2009 Bonus = 2% of $400,000 = $8,000
Surescripts® Network

- New Rx
- Refills/Renewals
- Authorization
- Rx history (from claims)
- Eligibility
- Formulary

SureScripts

Rx Hub

Practice

Pharmacy or PBM

Practice

SRSsoft
Program Challenges

- Incomplete connectivity – pharmacy, payer, PBM, & mail order
- Controlled substances
- Medicaid & other state requirements
- Rx history and medication reconciliation
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A Business Case for ePrescribing?
Making the Decision

- Acquisition
- Training & implementation
- Customization
- Patient care & service
- Financial incentives
- Increased efficiency
A Business Case for ePrescribing?
Potential Financial Benefits

- Quality of care and patient satisfaction
- Medicare incentives
- Workflow efficiencies & reduced prescribing costs:
  - Automates Rx generation & authorization
  - Eliminates faxing
  - Fewer patient & pharmacy calls
  - eRefills
- Malpractice premium reduction
- Reporting & patient recall capabilities
Practice Challenges

- Planning
- Change Management
- Cost/ROI
- Technology
Selecting ePrescribing Software

“Stand-alone” vs. Integrated EMR System

- Cost and Return on Investment
- Time and Effort in Selection and Implementation
- Impact on Practice Workflow and Productivity

Other Considerations:
- Interface with PM system
- Integration with patient charts
- Compatibility with future EMR
- Potential as first module of EMR
Selecting ePrescribing Software: Other Criteria

- Surescripts certification
- Usability — intuitive, easy to use:
  - Minimal clicks & time to generate/approve prescription
  - Consolidated information
- Impact on workflow
- Medication database and favorites list
- Web-hosted vs. server-based
- Reporting capabilities (ePrescribing and other)
- Vendor track record (KLAS)
Questions & Answers

Websites:
- www.cms.hhs.gov/EPrescribing
- www.surescripts.com
- www.ama-assn.org/go/hit

SRS Resources:
- www.srssoft.com
- e-mail: GovtAffairs@SRSsoft.com
- Blog: http://blog.SRSsoft.com