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## Electronic Prescribing Saves Patients Money It steers doctors toward lower-cost drugs, study finds

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MONDAY, Dec. 8 (HealthDay News) -- An electronic prescribing system that tells doctors which drugs are the least expensive can save millions a year, a new study finds.

"One of the challenges physicians face is that they don't know which drugs are preferred or not preferred," said Dr. Michael A. Fischer, an assistant professor of medicine at Harvard Medical School and lead author of a report in the Dec. 8/22 issue of the *Archives of Internal Medicine*. "The insurance companies involved in the study provided that information by a color code -- green for drugs that were preferred, red for drugs that were not preferred."

The study of 17.4 million prescriptions filled by more than 1.5 million patients of nearly 1,200 Massachusetts physicians found that use of the least expensive drugs -- classified as "tier 1" for the study, such as those available generically -- increased by 3.3 percent when e-prescribing was used. Use of more expensive "tier 2" preferred brand-name drugs decreased by 1.9 percent, and use of "tier 3" non-preferred brand-name drugs decreased by 1.5 percent.

The result was an estimated savings of 70 cents per patient a month -- not much per individual, but it added up to \$845,000 a year for every 100,000 people filling prescriptions.

And those savings were possible when just 20 percent of the doctors who had access to e-prescribing used it. "The potential savings increase with more availability and use of e-prescribing; for complete e-prescribing use, the projected savings are \$3.91 million per 100,000 patients per year," the report said.

The U.S. government is pushing hard to increase electronic prescribing. Medicare is offering a 2 percent bonus over its regular fees for physicians using such a system in 2009 and 2010. The bonus will be 1 percent for 2011 and 2012, and 0.5 percent for 2013.

A number of different electronic prescribing systems are available, but many doctors have been

reluctant to use them. Establishing a system can cost an estimated \$3,000, with maintenance costs estimated at \$80 to \$400 a month. A study earlier this year found that only 17 percent of U.S. doctors have embraced electronic medical record systems.

The system used in the new study was established by two large insurance companies, which provided doctors in private practice with free wireless devices and access to a Web portal that color-coded drugs according to co-payment.

"Nothing in the system forces the doctor to make a choice of drugs," said Fischer, who is also an internist at Brigham and Women's Hospital in Boston. "But just color-coding, without forcing them to do anything, led to a movement to lower-cost drugs."

The e-prescription system is growing rapidly, said Kate Berry, senior vice president for business development at SureScripts-RxHub, a company formed in the recent merger of two former competitors. The company is an electronic middle man, maintaining a master index of patients of a large number of physicians, and matching requests for their prescriptions with offers from participating pharmacies.

"Right now we have almost 70,000 active subscribers," Berry said. "They are using more than a hundred different electronic medical record systems. We have added about 4,500 new active doctors in the last three months, and the level of use of those who have adopted the service is also increasing."

The decision to use an e-prescription service is up to the doctor, Fischer said, "but patients can certainly ask their doctors if they are e-prescribing."

## **More information**

To learn more about e-prescribing, visit the [U.S. Centers for Medicare & Medicaid Services](#).

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