



It's Prime Time for E-Prescribing

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Several sessions at AHIP's Business Forum 2008 concluded that 2009 will be the year that e-prescribing becomes really big.

Michael Lake, President of Circle Square Inc., opened his session by asking the audience if they agreed that 2009 would be "the" year for e-prescribing. The audience representing plans, employers, and vendors agreed.

Mr. Lake noted that there are obstacles. He expressed concern that many vendors of e-prescribing have work to do on their business models and that many physicians still actively resist the time, cost, and IT support required to adopt an e-prescribing system.

However, Mr. Lake was bullish that 2009 would be big for e-prescribing. He noted that e-prescribing is more than just the paperless transmission of a prescription. It is an opportunity for a plan to provide formulary information to the clinician at the time of prescription and a way to collect fulfillment and compliance data. Mr. Lake has also noticed that plans hope to use e-prescribing as a channel to send messages to their providers and to their individual members through electronic messages and printed receipts. Not surprisingly, Mr. Lake notes that plans are generally supporters of e-prescribing.

The physician push back he noted shows up in adoption rates among practices. Especially, smaller practices who have half the adoption rate of large practices for either e-prescribing or Personal Health Records.

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One factor in Mr. Lake's analysis is the imminent Medicare incentive. Starting in 2009, Medicare will pay providers an extra 2% if they are using electronic medical records. Mr. Lake believes that this will finally provide the physicians with an incentive to adopt something. And as one audience member noted, e-prescribing is the low-hanging fruit.

At a later session, Tom Groom, Senior Vice President of Business Development at the recently merged SureScripts-RxHub, agreed that e-prescribing is more than just routing and re-iterated Mr. Lake's assertions that much of e-prescribing's value is its potential as a communications medium.

Mr. Groom added that e-prescribing's proven ability to provide safer care and save physicians money will be another important driver of adoption.

Mr. Groom presented several findings from the Henry Ford Medical Group relating to their adoption of e-prescribing. The Henry Ford Medical Group's review of claims found a reduction of 24% in the number of contraindicated medications being prescribed all while saving \$1.9 million total over 2005 and 2006 - well in excess of the original implementation costs.

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