



## BUSINESS & LOBBYING

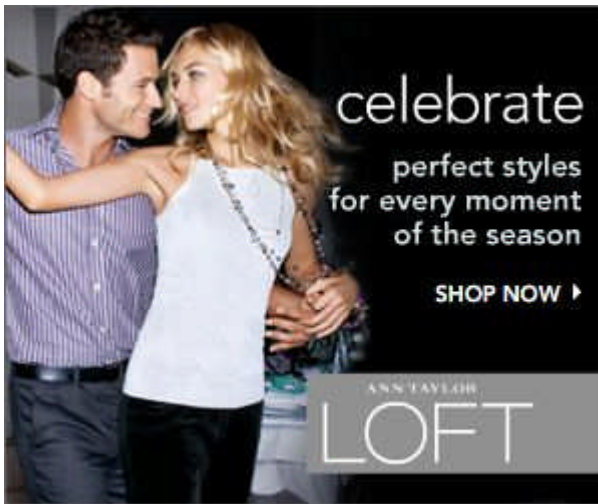
### Electronic-prescription Medicare provision gets push from groups

By Jeffrey Young

November 07, 2007

Supporters of legislation to require doctors who treat Medicare patients to use electronic prescriptions are planning a full-court press as the legislative year winds down.

The Pharmaceutical Care Management Association (PCMA), which has assembled a coalition comprising consumer groups, labor unions, large employers, pharmacies and health insurance companies, will roll out an advertising campaign Wednesday to support its lobbying efforts.



The centerpiece of the ad effort is a television spot featuring Lyle Bootman, the dean of the University of Arizona's College of Pharmacy and the chairman of an influential blue-ribbon panel that last year called for all physicians to use e-prescribing by 2010.

The goal is to convince lawmakers to include an e-prescribing mandate in a large Medicare package being assembled for passage before the end of the year. The main component of the vehicle is language to prevent a scheduled 10 percent cut in Medicare's payments to doctors next year, something the physician lobby would be hard-pressed to oppose.

"Now, it's very clear that several different healthcare provisions are going to have to be piled together and funded at the end of the year," said PCMA President and Chief

Executive Mark Merritt. "Both Republicans and Democrats we've talked to are excited about this issue."

Sen. John Kerry (D-Mass.), Rep. Allyson Schwartz (D-Pa.) and Rep. Pete Stark (D-Calif.), chairman of the Ways and Means Committee's health subcommittee, are considering e-prescribing legislation this year, supporters of the effort said.

A Kerry spokesman said in an e-mail that lawmakers are "in the drafting phases of an effort to advance e-prescribing, with a goal of getting a fix into the Medicare package this year." Along with Kerry, Sen. Debbie Stabenow (D-Mich.) and a number of Republican offices are interested as well, the spokesman said, adding that Kerry is still looking at whether the financial incentives for doctors included in the PCMA-backed proposal are sufficient.

PCMA represents pharmacy benefit managers (PBMs) like CVS Caremark and Express Scripts, the private corporations that administer prescription drug coverage for most health insurance companies, including Medicare Part D prescription-drug plans. PCMA has placed e-prescribing at the top of its list of legislative priorities for the year and has been busily promoting the initiative since this summer.

The principle that wider adoption of e-prescribing would prevent harmful medication errors and reduce paperwork is widely supported throughout the healthcare system. Physicians, however, managed to fend off the last concerted effort at an e-prescribing mandate in 2003, when Congress enacted the Medicare drug benefit.

The American Medical Association (AMA) sent letters last week to Kerry and Schwartz, along with Senate Finance Committee Chairman Max Baucus (D-Mont.) and ranking member Chuck Grassley (R-Iowa)

emphasizing its support for e-prescribing but its opposition to a mandate.

Physician groups complain that doctors' offices cannot bear the cost of acquiring and implementing the systems without federal assistance. According to the AMA letters, more than half of physician offices have five or fewer doctors on staff and lack the resources to pay for e-prescribing. "The costs for such small practices of e-prescribing technology, training and upgrades are significant," AMA Executive Vice President and Chief Executive Michael Maves wrote.

The PCMA-backed proposal includes subsidies, but not to the level deemed adequate by the AMA and others.

PCMA has trumpeted the clinical benefits of e-prescribing, citing the findings of the Institute of Medicine panel chaired by Bootman that 1.5 million people are injured each year because of medication errors, leading to excess annual costs of at least \$3.5 billion.

Electronic prescriptions would help doctors, patients and pharmacists know about what drugs were available under a patient's insurance plan, what the costs were, whether they would safely interact with other medications the patient is taking and whether the patient is refilling his or her prescriptions. In addition, replacing handwritten prescriptions with electronic transmissions diminishes the risk of confusion between physicians and pharmacists.

The PBMs' trade association has attracted the endorsements of a diverse cadre of interest groups. PCMA has "gathered a coalition and worked it very hard since June," said Bill Vaughan, senior policy analyst at Consumers Union, which has signed on to the e-prescribing efforts.

PCMA also has its parochial interests in mind, not least of which is that e-prescribing would facilitate patients' use of the mail-order pharmacy services provided by PBMs. In addition, electronic prescriptions would provide PBMs and health plans with a treasure trove of information on physicians' and patients' medication preferences.

PCMA also has tried to tout the budgetary savings of implementing e-prescribing in Medicare as a further enticement to lawmakers. Earlier this year, the group issued a report claiming electronic prescriptions would save taxpayers \$7 billion over 10 years.

Yet health lobbyists indicated that the Congressional Budget Office threw cold water on that notion, estimating only \$1.5 billion in savings to Medicare over five years.

Bootman expressed sympathy for physicians who object to a new federal mandate but said the stakes are too high and the time has come for e-prescribing to be put in place more broadly. "It's an airplane coming down daily," Bootman said of the prevalence of medication errors.

Vaughan suggested that the inclusion of the e-prescribing mandate in this year's Medicare bill is far from certain, but he expressed confidence that it would be enacted eventually. "This fall is the best chance outside of the next [budget] reconciliation bill — but it is coming," he said.

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