

GOVERNMENT & MEDICINE


## Part D standards aim to encourage e-prescribing

**Drug benefit managers say the rules complete the groundwork needed for doctors to embrace the technology. Physicians argue that more needs to be done.**

By [David Glendinning](#), AMNews staff. April 28, 2008.

**Washington --** Doctors who want to go paperless when ordering drugs for their Medicare patients now have a set of federal standards on how to do it. Those who are prescribing electronically already have a year in which to become compliant with the rules.

The Centers for Medicare & Medicaid Services on April 2 released final e-prescribing regulations for Medicare Part D. Under the rules, physicians and pharmacies will not be required to use electronic prescriptions but must follow the new standards if they do.

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The regulations, set to take effect in April 2009, have four categories: formulary and benefits; medication history; fill status notification; and provider identifiers. The standards, required by Medicare law, will govern how physicians, pharmacies and drug plans will communicate electronically to handle drug orders.

The new rules join a set of "foundation standards" that went into effect with Part D in 2006. The earlier standards guide such activities as determining drug benefit eligibility, issuing new prescriptions, and modifying or cancelling drug orders.

Now that the final regulations are in place, more physicians can embrace a technology that can help prevent some of the hundreds of thousands of adverse drug events that occur each year, said Health and Human Services Secretary Michael Leavitt. It can save money for the health care system, he added.

"Establishing standards for e-prescribing under Medicare's prescription drug program will help pave the way for widespread adoption of e-prescribing throughout the medical community," Leavitt said.

**30% of pharmacies are not able to receive electronic drug orders.**

But the American Medical Association and others noted that CMS' work is not complete. Physicians still need e-prescribing guidance on prior authorization, structured and codified patient instructions, and clinical drug terminology. CMS field-tested standards in those three areas but found that they were not yet ready to be finalized for Medicare.

The final rules are "a significant step toward advancing greater use of e-prescribing," said AMA Board of Trustees Chair Edward L. Langston, MD.

However, he added, "To move forward with the widespread adoption of e-prescribing, the health care community needs a comprehensive set of e-prescribing standards."

The AMA also asked for more time before the standards took effect. The April 2009 deadline does not give software vendors and doctors enough time to get systems in line with the requirements, the AMA argued. But CMS did not change the effective date.

The Pharmaceutical Care Management Assn., which represents the pharmacy benefit managers that administer Medicare Part D, says no more time is needed. Since last year, PCMA has been pushing strongly for a congressional mandate on physicians to use e-prescribing in Medicare. The standards were the final piece needed for this to happen, said Mark Merritt, the organization's president and CEO. "E-prescribing is ready to go."

## **Hurdles remain**

For the AMA, the lack of comprehensive final standards is just one barrier to physician adoption of the technology. The Association opposes an electronic prescribing mandate because of the financial burden these systems impose on physicians. Even in a voluntary system, doctors should get adequate federal financial incentives to adopt the technology, the AMA says.

Before Congress considers an e-prescribing mandate, the government should work toward certifying commercially available prescribing software that meets all of the new standards, said Robert M. Tennant, senior policy adviser for the Medical Group Management Assn. Many doctors will not be comfortable making the leap unless the new technology has an official stamp of approval.

Government certification of stand-alone e-prescribing products would be valuable to physicians who are not ready to invest in a full-fledged electronic medical record system but who want to "dip their feet in the health IT waters," Tennant said.

But even if federal certification becomes a reality, other challenges will give physicians pause about going paperless, said Steven E. Waldren, MD, director of the American Academy of Family Physicians center for health information technology.

The Drug Enforcement Administration does not allow e-prescribing of controlled substances. It has floated proposed regulations within the administration to lift this ban but has not indicated when it might issue them. In addition, roughly 30% of pharmacies are not able to receive electronic drug orders, so physicians still would need to retain a paper-based prescription system as a backup, Dr. Waldren said. "If you have to maintain two systems, you're not going to get much efficiency or savings."

Still, Dr. Waldren said many doctors are interested in the potential safety and efficiency gains of e-prescribing. In March, the AAFP, MGMA and four other physician organizations launched GetRxConnected ([www.getrxconnected.com](http://www.getrxconnected.com)). The site helps physicians determine whether they are ready for e-prescribing and how to proceed if they are.

It aims to educate physicians who might be misinformed about electronic prescribing. Some doctors whose practices have computer systems, for instance, might think they are sending electronic drug orders when they are only transmitting computer-generated faxes to pharmacies. Starting in January 2009, these faxes no longer will be compliant with Medicare regulations, though CMS said it may issue more rules that extend that deadline.

"We appreciate that CMS is considering an extension of the fax exemption, because not all physicians and pharmacists are ready to fully transition to the computer-to-computer

technology," Dr. Langston said.

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#### **ADDITIONAL INFORMATION:**

### **Medicare e-Rx plan**

The final Medicare electronic prescribing rules released in April include four standards for physicians, pharmacies and drug plans.

**Formulary and benefits:** Governs how physicians communicate with plan sponsors about what drugs are covered under their patients' plans and what generic alternatives might be available.

**Medication history:** Describes how doctors, plans and pharmacies can share information about what drugs a particular patient is taking or has taken.

**Fill status notification:** Allows a physician to receive e-mail notices from a pharmacy saying whether a patient has filled a prescription that the doctor called in.

**Physician identifier:** Requires use of the National Provider Identifier to identify physicians who utilize e-prescribing.

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Centers for Medicare & Medicaid Services on e-prescribing ([www.cms.hhs.gov/eprescribing](http://www.cms.hhs.gov/eprescribing))

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