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With e-prescribing, US doctors pick cheaper drugs

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By Will Dunham

WASHINGTON, Dec 8 (Reuters) - Doctors who put aside their paper pads and prescribe medicines electronically may be more likely to choose lower-cost drugs, saving money for patients and insurers, U.S. researchers said on Monday.

Only about 6 percent of U.S. doctors use "e-prescribing" even though doing so may improve efficiency and reduce errors such as a pharmacy misreading a doctor's sloppy handwriting or dispensing a different drug with a similar name.

Dr. Michael Fischer of Brigham and Women's Hospital and Harvard Medical School in Boston and colleagues detailed another e-prescribing benefit: encouraging doctors to choose cheaper drugs.

The researchers evaluated a program in Massachusetts in which two large insurers worked with a maker of e-prescribing systems, Zix Corp (ZIXI.O), to get doctors to use one that employed simple color coding to identify prescription medication, whether name-brand or generic, by price level.

Insurers use a three-tiered system regarding drug costs.

In the year after adopting this e-prescribing system, the doctors increased their use of tier 1 prescriptions -- those with the lowest cost -- by 3.3 percent, while prescriptions for the more expensive drugs declined, the researchers wrote in the Archives of Internal Medicine.

That translates to a savings for consumers and insurers of \$845,000 per 100,000 patients per year. In a country of 300 million people, such savings could be substantial.

"When you use an electronic prescribing system to give physicians information on which drugs are less expensive for their patients at the point of prescribing -- right when they're making that decision -- they're going to choose medications that are more affordable for their patients," Fischer said in a telephone interview.

The rising cost of prescription drugs accounts for a big chunk of overall medical spending as U.S. policymakers are looking for ways to make the health care system cost less and deliver better results.

In 2009, the U.S. government's Medicare health insurance program for the elderly will begin to offer financial incentives to doctors to adopt e-prescribing.

The two insurance companies involved in the program that Fischer's team evaluated were Blue Cross Blue Shield of Massachusetts and the Tufts Health Plan of Massachusetts. The e-prescribing system was put in place in April 2004.

The Zix PocketScript e-prescribing system enables doctors to order prescriptions through a secure mobile wireless device or Web site and deliver them electronically to pharmacies. (Editing by Maggie Fox and Vicki Allen)

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