Electronic Prescribing (eRx) Incentive Program

David Nilasena M.D.
Chief Medical Officer
CMS Region VI
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What Does Value-Based Purchasing Mean to CMS?

- Transformation of Medicare
  - From a passive payer to an active purchaser of higher quality, more efficient health care
- Tools and initiatives for promoting better quality, while avoiding unnecessary costs
  - Tools: measurement, payment incentives, public reporting, conditions of participation, coverage policy, QIO program, *e-tools*
  - Initiatives: pay for reporting, pay for performance, gainsharing, competitive bidding, bundled payment, coverage decisions, direct provider support

What is E-Prescribing?

- Computer-based electronic generation, transmission and filling of a prescription

- New prescriptions and refills

- Takes place of paper or faxed prescriptions

- Stand-alone system vs. EHR with integrated e-prescribing module

Why E-Prescribing?

- Lower administrative costs

- Reduces verbal miscommunications

- Solves problem of hard-to-read prescriptions

- Reduces duplicate prescriptions

- Reduces drug-drug interactions

- Reduces confusion at transitions of care

Why E-Prescribing?

- Provides warning and alert systems

- Provides access to patient's medication history and allergies

- Reduces time on pharmacy phone calls and faxing

- Automation of renewals and authorizations
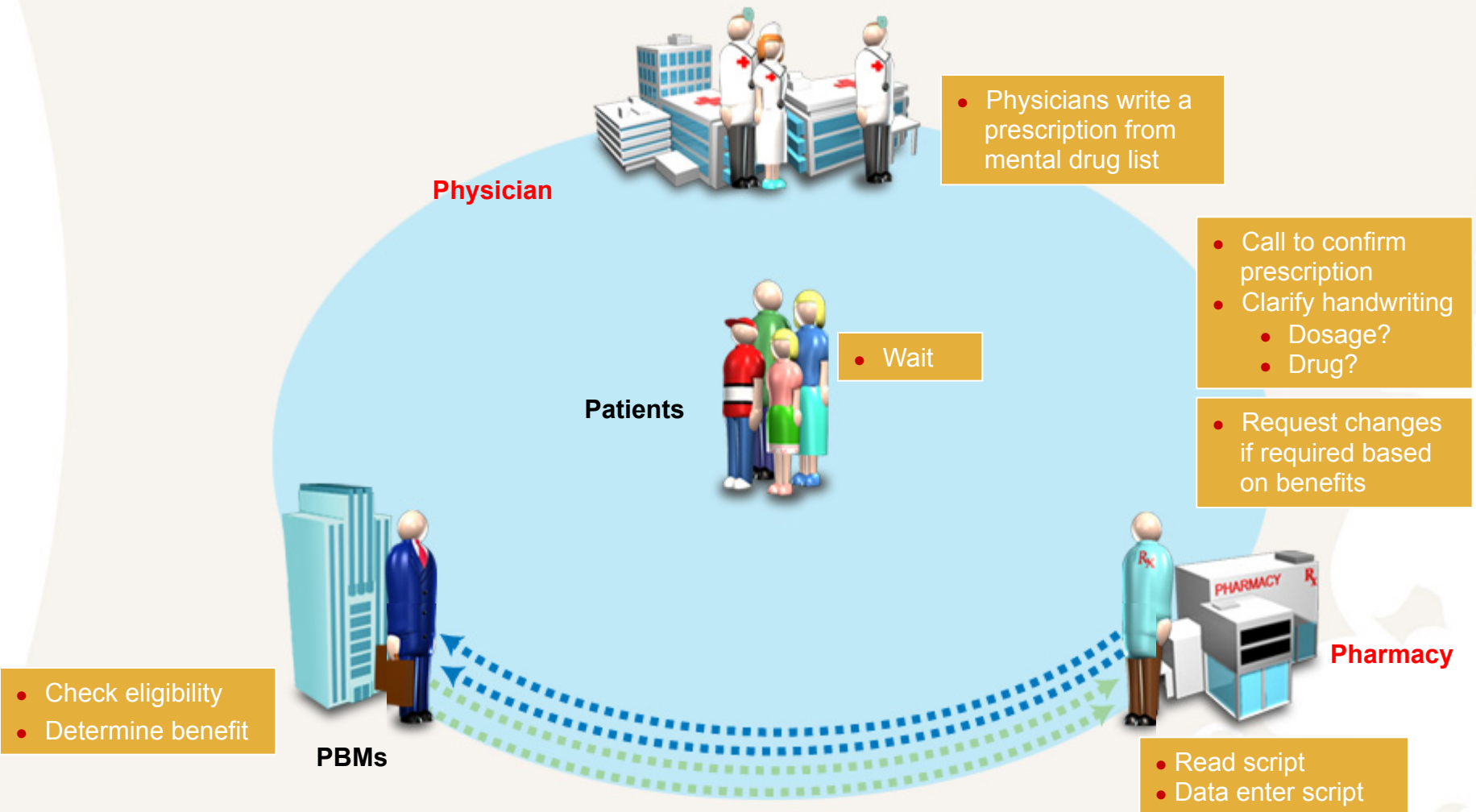
- Improves formulary adherence

Barriers to Adoption

- Surveys consistently show adoption remains limited due to:
  - Financial cost and ROI
  - Workflow
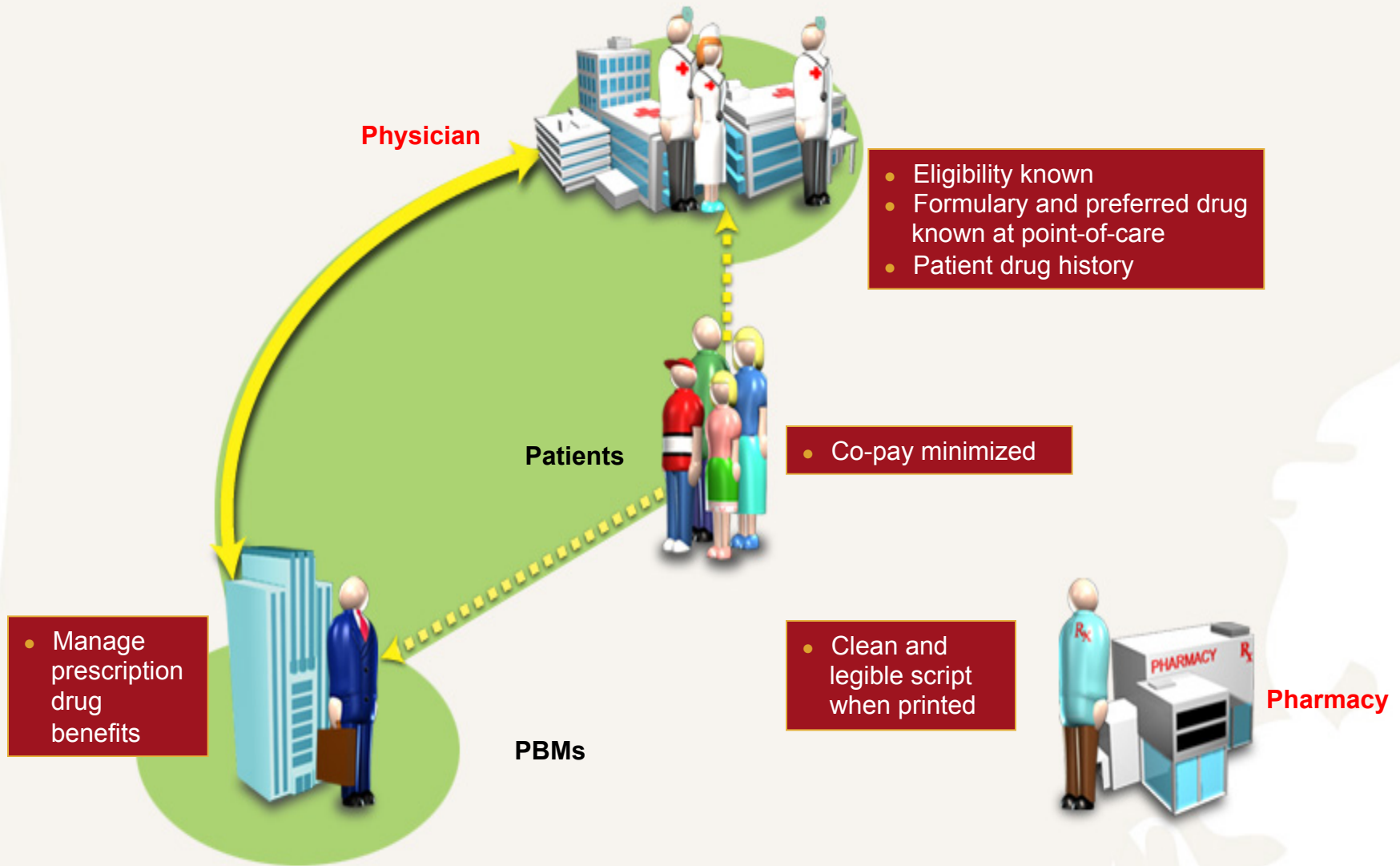 - Controlled substances
  - Standards

E-Prescribing Challenges

- Prescribers unsure of what system to buy

- Lack of certified products

- Not all standards are in place

- DEA prohibits eRx of controlled substances

- eRx not yet adopted for use in long-term care settings

Prescribing Today

Physician

- Physicians write a prescription from mental drug list

Patients

- Wait

- Call to confirm prescription
- Clarify handwriting
  - Dosage?
  - Drug?

- Request changes if required based on benefits

Pharmacy

- Read script
- Data enter script

PBMs

- Check eligibility
- Determine benefit

Electronic Connection From Physician to PBMs

Physician

- Eligibility known
- Formulary and preferred drug known at point-of-care
- Patient drug history

Patients

- Co-pay minimized

PBMs

- Manage prescription drug benefits

Pharmacy

- Clean and legible script when printed

Electronic Connection From Physician to Pharmacy

Physician

- Electronic SCRIPT standard

Patients

- Reduced wait time

- Legible script
- Reduced double data entry

PBMs

Pharmacy
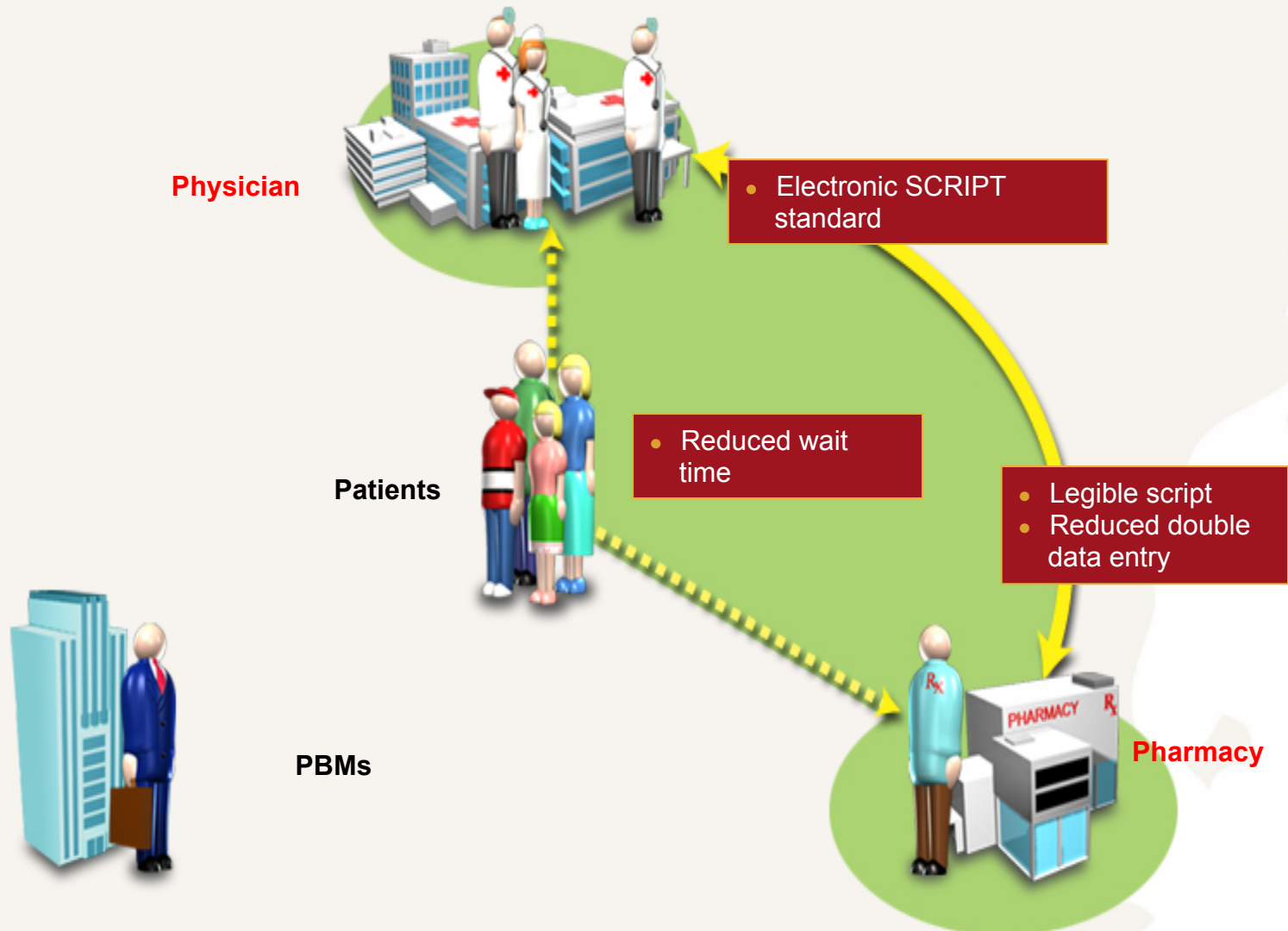
eRx "Big Picture"

- Enormous potential to create savings
  - Reduction of adverse drug events
  - Improved workflows

- Savings estimated at $27 billion per year [i]

- Promotes Medicare Part D affordability
  - Physicians know which medications are covered by patients' plans
  - Physician able to make appropriate substitutions at the point of care
  - Beneficiary saves out-of-pocket expenses

[i] E-Health Initiative. *Electronic Prescribing: Toward Maximum Value and Rapid Adoption.* 2004, The problem of hard-to-read handwritten prescriptions

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eRx - Background

- Medicare Improvements for Patients and Providers Act of 2008 (MIPPA) authorized a new incentive program for Eligible Professionals (EPs) who are successful electronic prescribers

- EPs must report at least one eRx measure to be considered a successful electronic prescriber

- Began in January 1, 2009 as separate program from PQRI – participation in one program does not preclude participation in the other

- Similar to PQRI, eRx has 1-year reporting periods and incentive payments are based on covered professional services furnished by EPs during the reporting year

2010 Electronic Prescribing Incentive Program

- 2% Incentive Payment
- Reporting Mechanisms:
  - Claims
  - Qualified* Registry (***new***)
  - Qualified* EHR (***new***)
- Reporting Period:
  - Jan 1, 2010-Dec 31, 2010

*   *Only registries and EHR vendors considered "qualified" for the 2010 PQRI are eligible to be considered "qualified" for purposes of the 2010 Electronic Prescribing Incentive Program.*

eRx – Current Status and Results

- 2010 program (beginning January 1, 2010):
  - Successful electronic prescribers must report the eRx measures for at least 25 unique EP-reportable electronic prescribing events

  - Reporting mechanisms include claims, registry, and qualified electronic health record-based reporting

  - Group practices may also potentially qualify to earn an eRx incentive payment equal to 2% of the group practice's total estimated Medicare Part B Physician Fee Schedule (PFS) allowed charges for covered professional services furnished during the 2010 reporting year

Revisions to the Electronic Prescribing Measure for 2010

- Successful electronic prescribers must report the eRx measures for at least 25 unique EP-reportable electronic prescribing events

- Create one new G-code for the measure's numerator

- Expand denominator codes to include home health, domiciliary care, and nursing home codes and one additional psychiatric code

- The revised eRx measure specifications posted at: http://www.cms.hhs.gov/ERxIncentive/06_E-Prescribing_Measure.asp#TopOfPage

2010 Adoption/Use of Medication Electronic Prescribing Measure (Cont'd)

- Reporting Numerator
  - A qualified electronic prescribing system has been adopted and the following G-code applies to the patient visit
    - G8553: At least one prescription created during the encounter was generated and transmitted electronically using a qualified eRx system

What is a "Qualified" Electronic Prescribing System?

Must be capable of **ALL** of the following:

- Generating a complete **active medication list** incorporating electronic data received from pharmacies and pharmacy benefit managers, if available

- **Selecting** medications, **printing** prescriptions, **electronically** transmitting prescriptions, and conducting all **alerts**

- Providing information related to **lower cost, therapeutically appropriate alternatives** (if any)

- Providing information on **formulary or tiered formulary medications**, **patient eligibility**, and authorization requirements received electronically from the patient's drug plan (if available)

E-Prescribing Incentives & Reductions

Year	Incentive for Successful E-Prescribers	Reduction for Unsuccessful E-Prescribers
2009	2.0%	
2010	2.0%	
2011	1.0%	
2012	1.0%	-1.0%
2013	0.5%	-1.5%
2014		-2.0%

eRx GPRO

- Section1848(m)(3)(C) of the Act also applies to reporting of the eRx measure starting in 2010

- Only group practices participating in the PQRI GPRO are eligible to participate as a group practice for the eRx GPRO. Group practices that wish to participate in the eRx GPRO must notify CMS of this at the time that they self-nominate to participate in the 2010 PQRI GPRO

- The group practice must report the eRx measure at least 2500 times during the reporting period for the group practice to be considered a "successful electronic prescriber"

Public Reporting of 2010 PQRI and eRx Data

- CMS intends to publicly report:
  - Names of providers and group practices who satisfactorily report in 2010 PQRI (as required by MIPPA)
  - Names of providers and group practices who are successful electronic prescribers (as required by MIPPA)

Expectations

- E-prescribing *is* the foreseeable future

- CMS' vision requires "meaningful use" of EMRs/EHRs
  - Stay tuned for definition

- View e-prescribing as an opportunity – recognize there are challenges

Resources

- http://www.cms.hhs.gov/EPrescribing/
  - Overview, definitions, and standards

- http://www.cms.hhs.gov/ERxIncentive/
  - MIPPA incentive program

Questions??