CMS 'E-Prescribing' Rule Presents Big Challenges

BY JENNIFER LUBELL
Associate Editor, Practice Trends

Without the proper technology, physician practices may find it difficult to participate in Medicare's new "e-prescribing" standards under the Part D drug benefit, physician groups claim.

"Most primary care physicians will be unable to afford to implement this technology on their own, particularly with the projected cuts in Medicare physician payments of 4.4% in 2006 and a cumulative 26% reduction from 2006 to 2011," Neil Kirschner, Ph.D., senior associate for regulatory and insurer affairs with the American College of Physicians, said in an interview.

The Centers for Medicare and Medicaid Services in a final rule established the set of standards for electronic prescribing, or e-prescribing, of drugs covered by Medicare's prescription drug benefit that started Jan. 1, according to the Federal Register.

CMS also plans to pilot test initial e-prescribing standards, which may be included in a final rule to be issued by April 2008.

"These standards will allow Medicare, physicians, hospitals, group practices, other health providers, and prescription drug plan sponsors and Medicare Advantage organizations to take advantage of e-prescribing technology to improve medication prescribing for Medicare beneficiaries that participate in the new prescription drug program," said Mike Leavitt, secretary of the Department of Health and Human Services.

For the most part, medical organizations expressed support for the agency's e-prescribing initiative. "Having standards is good. It will provide a common language for anyone using this method," Dr. Mary Frank, board chair of the American Academy of Family Physicians, said in an interview. E-prescribing would also reduce errors, increase patient safety, and when it is fully interoperable, increase quality in health care as well, she said.

Unfortunately, few practices are using this technology, Dr. Kirshner said. "Surveys vary, but the percentage of practices using it ranges somewhere from 5% to 18%." The number is even lower for the typical small practice, he added.

Only 25%-30% of the AAFP's members have electronic health records, Dr. Frank said. "They are, at present, the only ones who might be able to immediately adopt this approach. I say 'might' because not all EHR systems have the e-prescribing component." Until there is some financial support to help doctors implement this technology, it will not be used widely, she said.

Even if a physician does have the money to adopt e-prescribing, "he or she is at risk of purchasing a system that might not integrate" with a future electronic health record system, she said.

Dr. Kirschner noted that the recent release of safe harbor antikickback and Stark exception rules allowing hospitals, group practices, and Medicare Part D drug plan sponsors to provide necessary e-prescribing technology to physicians may help facilitate its use.

Although e-prescribing may eliminate issues such as bad handwriting and sound-alike medications, it doesn't necessarily address issues such as drug-drug interactions, alerts about possible problems related to existing illnesses, or abnormal lab results, said Dr. Frank."We really have to push for a more integrated approach if we really want to improve care," she said.

E-prescribing is optional for physicians and pharmacies under the new standards, but as of Jan. 1, 2006, Medicare required drug plans participating in the new prescription benefit to support electronic prescribing.

Jeff Trewhitt, a spokesperson for the Pharmaceutical Research and Manufacturers of America, said PhRMA supported the development of a standardized e-prescribing system. In addition to reducing errors and the administrative costs associated with health care, the system would also promote more effective care of drug therapies for chronic conditions.

He agreed, however, that such a system must be designed and implemented correctly. "Keep in mind that the systems needed to convert to an e-Rx system don't even exist yet."

CMS's new standards for e-prescribing include the following technology: NCPDP SCRIPT, Version 5.0; ASC X12N 270/271, Version 4010 and addenda; and NCPDP Telecommunication Standard, Version 5.1, and supporting NCPDP Batch Standard, Version 1.1. ■