



Why E-Prescribe Florida? September 12, 2006

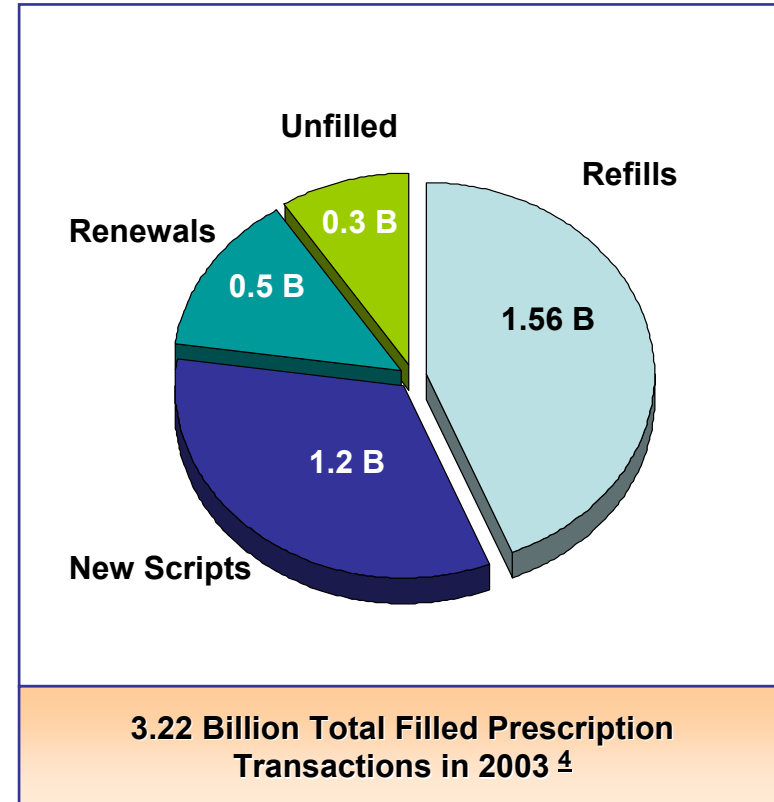
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Prescriptions Volume Rapidly Increasing

- 823 million visits to physician offices in 2000 ¹
- 4 out of 5 patients who visit a physician leave with at least one prescription ²
- 65% of the US population use a prescription medication each year ³
- Over 3 billion prescriptions are dispensed each year ⁴ and the number is expected to rise to 4 billion by 2007 ⁴
- The Institute of Medicine (IOM) reported in July 2006 that Medication errors harm at least 1.5 million patients every year resulting in billions of dollars in extra costs ¹³

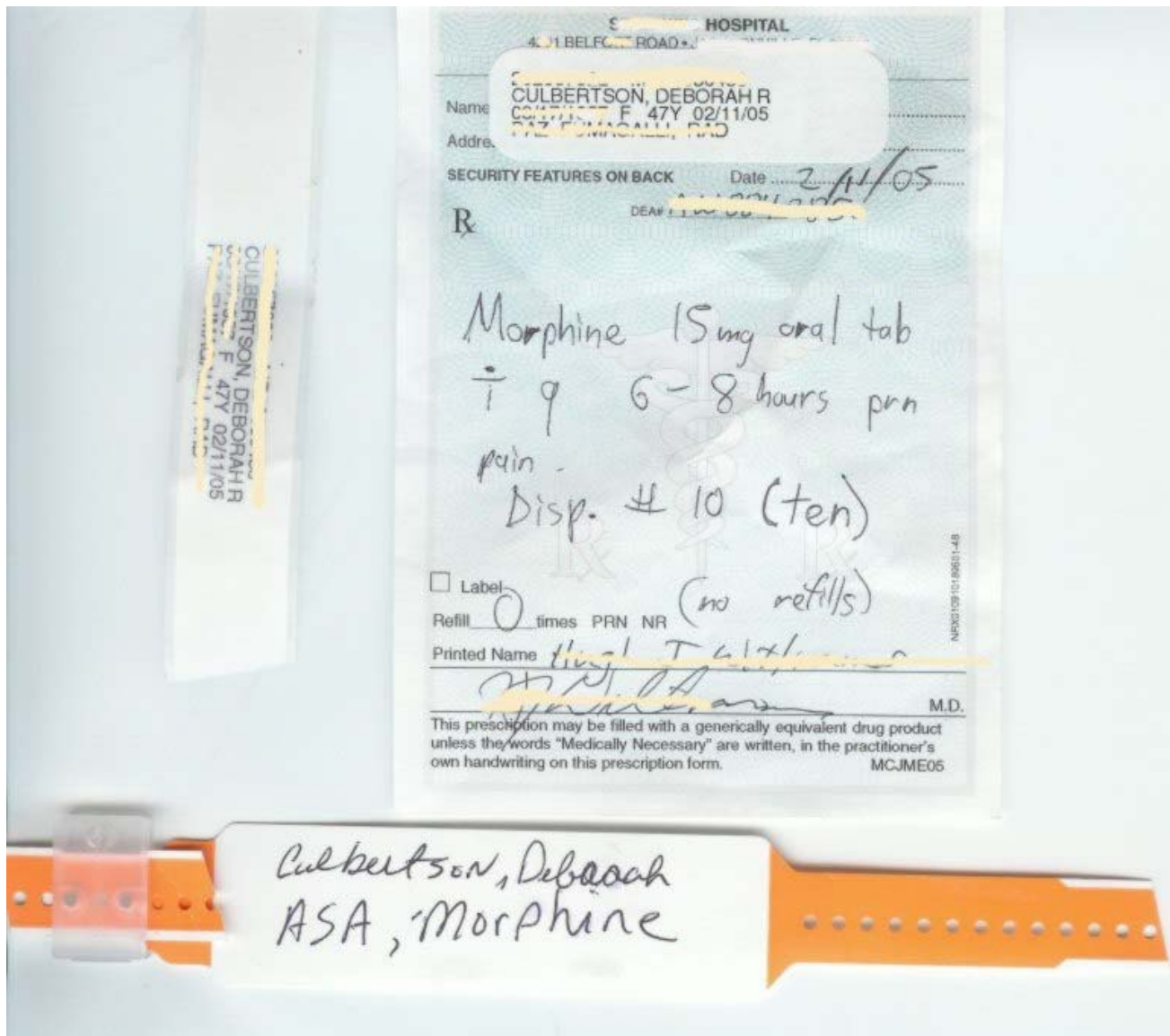




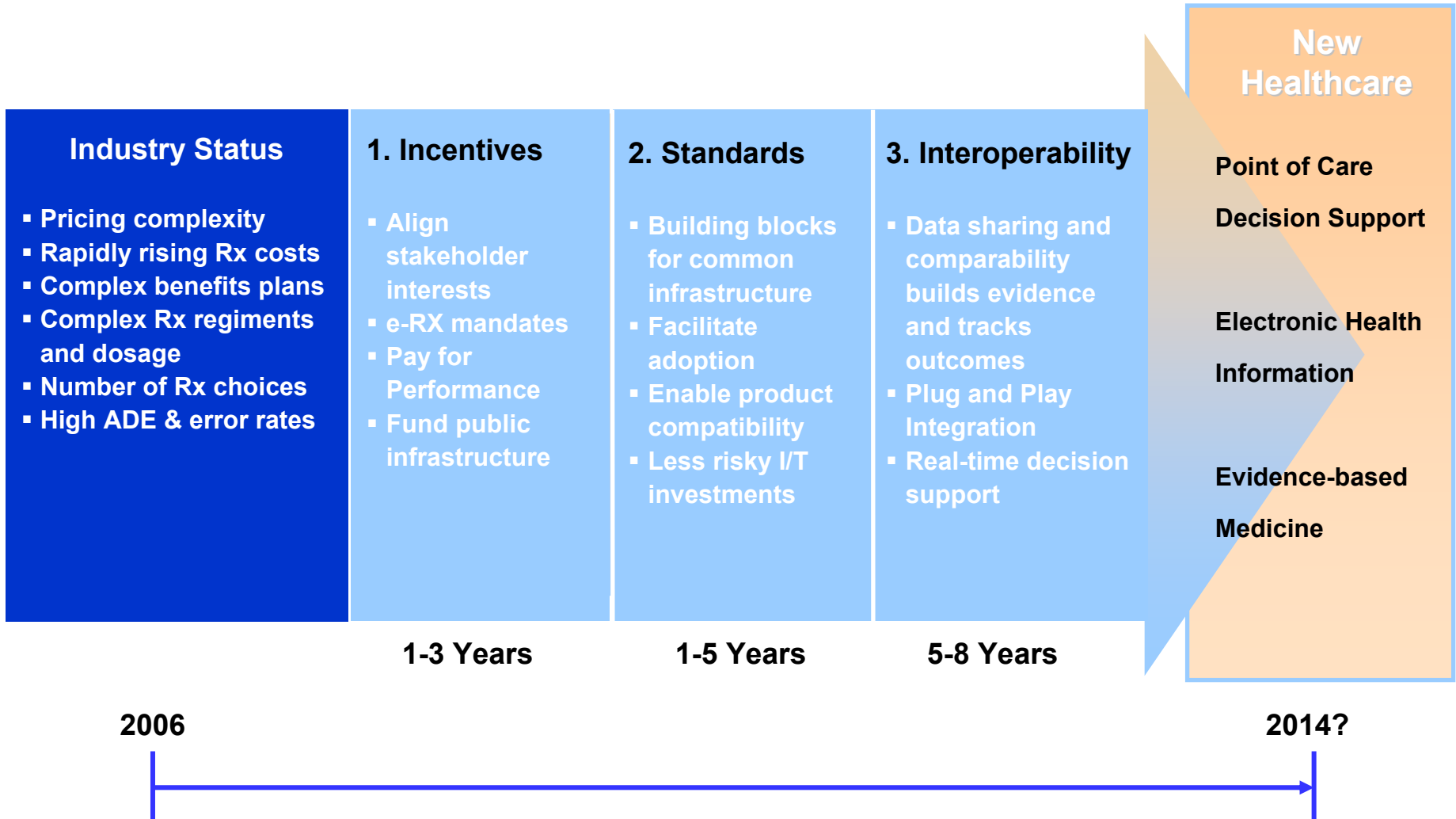
Error Rate Rapidly Increasing

- The IOM (2000) report, *To Err is Human*, outlines serious breaches of patient safety including numerous adverse drug event (ADE) studies [5](#)
- ADE's increase the cost of health care by causing more emergency room and primary care office visits, hospital admissions and deaths [6](#)
- Medication errors lead to 7,000 deaths per year and the cost of drug-related morbidity and mortality is estimated at \$177 billion annually [7](#)
- Illegible handwriting is one of the most preventable sources of ADE's and Pharmacists believe improving handwriting could be a major approach to preventing prescription errors [11](#)
- Hazards associated with illegible handwriting include: [8](#), [9](#), [10](#)
 - Medication dosage decimal point errors
 - Confusion over generic and brand name drugs
 - Inaccurate patient instructions due to illegible abbreviations

Serious Errors Happen Each Day!



Rx for a New Course: e-Prescribing



Incentives: Value Proposition

<p>Patient</p>		<ul style="list-style-type: none"> • Reduced medication errors • Time efficiencies through better benefits communication • Cost savings due to physician adherence to formularies • Patient reminders of drug refills, lab work and physician appointments could be generated
<p>Provider</p>		<ul style="list-style-type: none"> • Fewer call-backs from pharmacies for prescription clarification • Access to patient specific formulary information • More complete information on medical history as well as past and current medication usage • Faster and easier access to information
<p>Pharmacy</p>		<ul style="list-style-type: none"> • Time saving through decreased physician call-backs • More time for patient consultation • Greater efficiency leading to more satisfied patients and pharmacists
<p>Payer PBM</p>		<ul style="list-style-type: none"> • Reduced medication errors • Cost savings through formulary compliance • Fewer pharmacy call-backs • Improved data management of prescribing trends

e-Prescribing Foundations

1

Standalone Drug Reference

Formulary downloaded
No connectivity required
No e-Prescribing directly



2

Standalone e-Prescribing

PC Browser or Handheld
Internet Connectivity to
Vendor in realtime

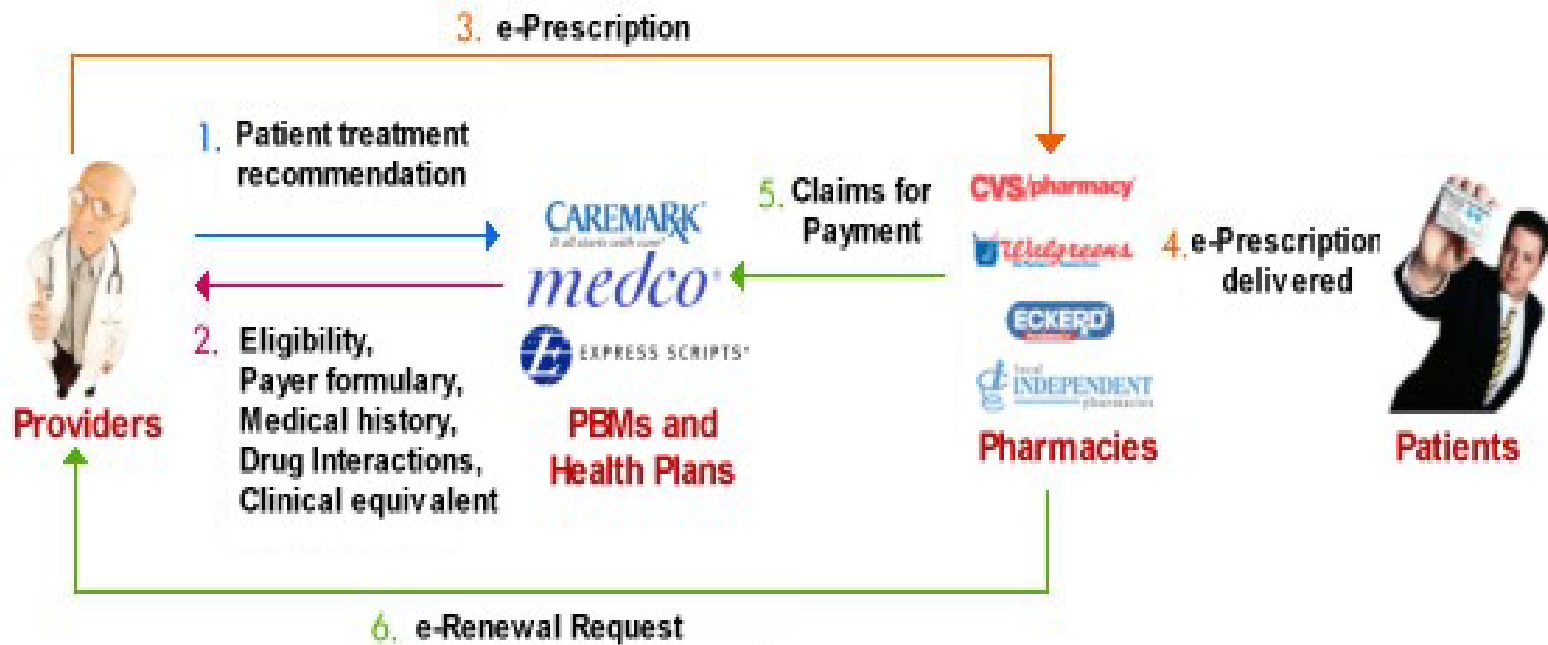


3

PMS and EMR e-Prescribing

Integration with EHR
Supporting patient data included
Demographics, allergy, prior RX

e-Prescribing Foundations



Standards: e-Prescribing under MMA



- Voluntary for physicians and pharmacies
- Part D plans must support e-prescribing, should their physicians and pharmacies desire to do it when prescribing
- If e-prescribing is done, must use standards promulgated now and in the future



- Announcement of Initial Standards - September 2005
- Pilot begins - January 2006
- Part D goes live - January 2006
- Report to Congress on Pilot - April 2007
- Additional Standards Final Rule - April 2008

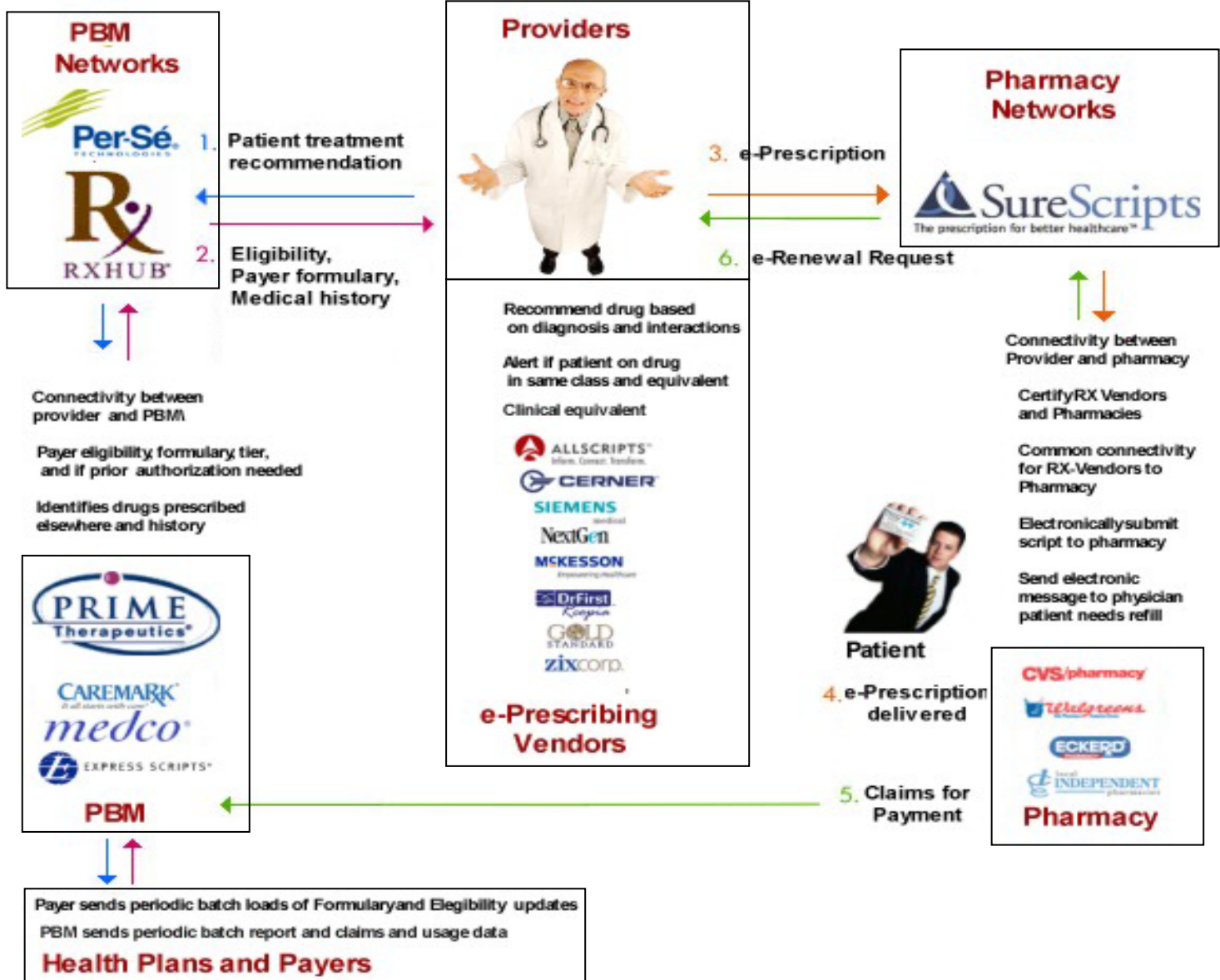
e-Prescribing Standards

- NCPDP SCRIPT standard, Version 5, Release 0 (except for the Prescription Fill Status Notification Transaction) - for transactions between prescribers and dispensers for:
 - New prescriptions
 - Prescription refill requests and response
 - Prescription change request and response
 - Prescription cancellation request and response
 - Ancillary messaging and administrative transactions
- ASC X12N 270/271, Version 4010 and Addenda – for eligibility and benefits inquiries and responses between prescribers and Part D sponsors
- NCPDP Telecommunications Standard, Version 5.1 for eligibility and benefits inquiries and responses between dispensers and Part D sponsors

Standards to be Pilot Tested

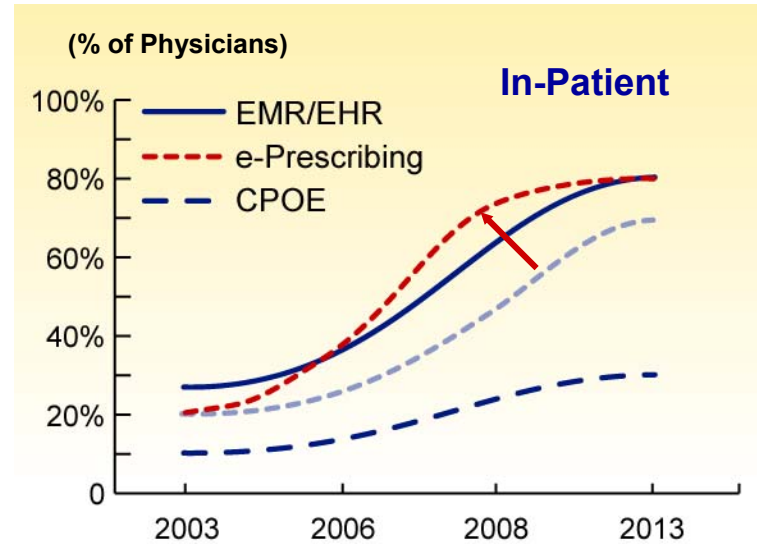
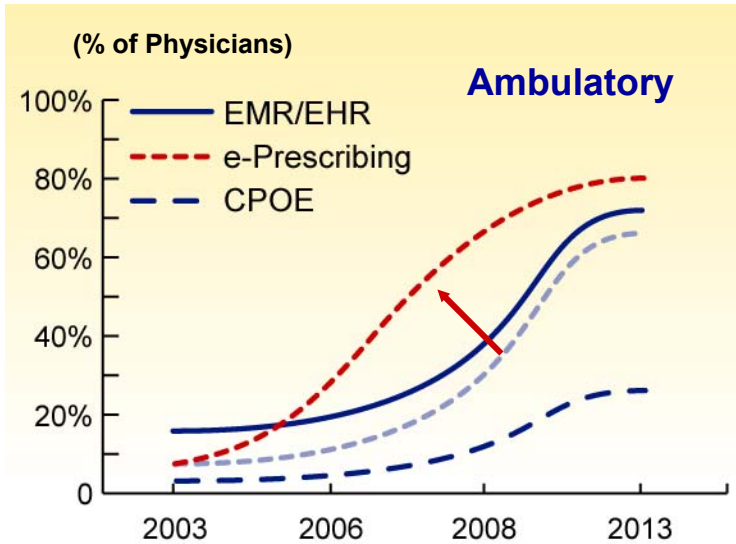
- Formulary and benefit information - NCPDP standard using RxHub protocol
- Exchange of medication history – NCPDP standard medication history message using RxHub protocol
- Structured and Codified Sig – Test structured and codified SIGs (patient instructions) developed through standards development organization efforts
- Clinical drug terminology – Determine whether RxNorm terminology translates to NDC for new prescriptions, renewals and changes
- Prior authorization messages - New version of ANSI ASC X12 278

E-Prescribing Exists Today!



Interoperability: Accelerating Adoption

Reaching the Tipping Point



7/21/04: CMS announced its intention to accelerate eRx standard and mandate payers to offer eRx

Source: HIT Summit:10/21/2004 Johnson & Johnson Health Care Systems

Benefits Are Clear!

- Clinical and patient information is available when the prescription is written
 - Right drug first time
 - Prescription sent to pharmacy of member's choice
 - Reduce wait time and changes at pharmacy
- Increases patient safety: Medication errors account for 7,000 deaths nationally
- Administrative improvements for pharmacies and physicians
 - Reduced phone calls: pharmacists make 150 million calls to physicians nationally – Opportunity for physician's office to save hours a day

Study	Results
Medco 2003	42% reduction in pharmacy calls to practice
Health Management Technology 2003	\$48K saved/yr by practice that automated refills
Tufts Healthplan 2002	2 hrs/day saved per physician, 30% reduction in phone calls
BCBS Hawaii 2000	50% reduction in pharmacy phone calls

What Next ?

- **Organize Community Approach to e-Prescribing Collaborative**
- **Program Results Verify Value Proposition**
- **Promote Connectivity Using Proven Frameworks**
- **Promote CMS Standards through Vendor Certification**

- **Rewarding for Excellence and Pay for Performance**
- **Promote Collaborations with Hospitals and Physicians**
- **Medication History for Physicians and Hospital Emergency Rooms**
- **Medication Reconciliation (from admission to discharge to ambulatory)**
- **Medication History for Patient Rx Compliance**
- **Link Capability to Enrollment in Disease and Case Management Programs**
- **Implement Compliance and Adherence to Patient Safety and Quality Programs**

References

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