# E-Prescribing and the Medicare Prescription Drug Program

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**July 2006**

# E-Prescribing under the MMA

- MMA creates an ambulatory electronic prescribing program under Part D
- Voluntary for physicians and pharmacies
- Part D plans must support e-prescribing, should their physicians and pharmacies desire to do it
- If e-prescribing is done, must use standards promulgated now and in the future
- Only includes non-controlled substances. DEA has not yet issued requirements for e-prescribing of controlled substances.
  - DEA/HHS public meeting held 7-11/12/06 to begin input to the process

# MMA E-Prescribing Timeline

- Announcement of Initial Standards - September 2005
- Pilot begins - January 2006
- Part D goes live - January 2006
- Pilot conclude December 31, 2006
- Report to Congress on Pilot - April 2007
- Additional Standards Final Rule - April 2008

# How E-Prescribing Standards are Developed under MMA

- Initial standards must be tested through pilot project during CY 06
- EXCEPTION – Pilot testing not required where there is “adequate industry experience”
- NPRM proposed foundation standards where adequate industry experience exists
- Three foundation standards with adequate industry experience adopted in final rule, published on November 7, 2005

# Three Adopted Foundation 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

# Three Adopted Foundation Standards (cont)

- ASC X12N 270/271, Version 4010 and Addenda –

  For eligibility and benefits inquiries and responses between prescribers and Part D sponsors

# Three Adopted Foundation Standards (cont)

- NCPDP Telecommunications Standard, Version 5.1 (and the equivalent Batch Standard, Version 1.1)

  For eligibility and benefits inquiries and responses between dispensers and Part D sponsors

# NCPDP SCRIPT 8.1

Voluntary adoption of NCPDP SCRIPT 8.1 (Federal Register 6/23/06)

Version 5.0 is official standard. Version 8.1 is backward compatible and may be used by agreeing parties. Trading partners may not be coerced to use 8.1.

Version 8.1 is important because it contains the medication history standard

# Exemptions

- Computer-generated faxes
- LTC facilities
- Internal messaging for staff model HMOs and other closed systems
  - BUT—they must be able to convert their messages to NCPDP SCRIPT if they are sending them “outside” to a non-network pharmacy
  - Also must accept prescriptions sent using NCPDP from outside

# Pilot testing E-rx Standards

- MMA requires pilot testing of standards for which there is not adequate industry experience
- Voluntary participation via agreements with the Secretary
- Conducted during Calendar Year 2006
- Pilot testing results will be used to develop final e-prescribing standards to be adopted in 2008

# What Additional Standards Will be Pilot Tested

- In addition to the three foundation standards, the pilots will test:
  - 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

# Additional Considerations for Pilots

- **Focus of pilots is testing of standards to see if they work well together, are interoperable, and information is correctly sent and received**
- **If possible, proposals also asked to address**
  - **Structured product label**
  - **LTC settings**
  - **Disadvantaged populations (including 25% Medicare beneficiaries in study)**
  - **Impact on quality of care (eg, reduction of adverse drug events and medication errors; improved patient compliance)**
  - **Impact on physician ROI (eg, reduced callbacks to pharmacy)**
  - **Reasons for adoption/retention and barriers**
  - **Cost savings (eg, through improved formulary use)**

# Pilot Testing Timeline

- Projects to be competitively awarded
- Cooperative agreements
- CMS collaborating with AHRQ
- RFA on the street on 9.15.2005
- 16 proposals were received; 14 were sent to an AHRQ-convened review panel
- 12 proposals reviewed, which met on 12.1. 2005
- Awards were made in late December 2005
- Evaluation contract awarded by AHRQ

# Awardees, based on results of 12-1-05 review

- Applications underwent rigorous review by review panel that consisted of national experts in pharmacy, e-prescribing, health IT
- Five awardees emerged, based on scores
  - RAND
  - Brigham and Women's
  - SureScripts
  - LTC study in MN
  - Ohio KePRO

# MMA E-Rx Pilots

- **RAND**
  - **NJ e-Prescribing Action Coalition, including RAND, Horizon, Caremark (PBM, mail, iScribe), Allscripts, RxHub, SureScripts, UMDNJ and Point-of-Care Partners**
- **SureScripts**
  - **SureScripts, Brown University, Allscripts, DrFirst, Gold Standard, MedPlus/Quest Diagnostics, ZixCorp, pharmacies in FL, MA, NV, NJ, TN and RI**
- **Achieve Healthcare (Long-term Care)**
  - **Benedictine Health System, Preferred Choice Pharmacy, RxHub, Prime Therapeutics, BCBSMN**

# MMA E-rx Pilots (cont'd)

Brigham & Women's (Massachusetts)

- B&W Hospital, Partners Healthcare, MA-Share, CSC, BCBSMA, RxHub, SureScripts

**Ohio KePRO-UPCP**

- **University Primary Care & Specialty Physicians (UPCP), Ohio KePRO, InstantDx, NDC Health, RxHub, SureScripts, Qualchoice, Aetna, MGMA Center for Research and the University of Minnesota**

# MMA E-rx Pilots (cont'd)

**High-level Observations**

- **Comprehensive, with 5 very different approaches**
- **SureScripts, RxHub involved in 4 of 5 pilots, each**
- **Value added beyond standards testing**
  - **Measuring ADEs, changes in response to formulary and allergy alerts**
- **Very cooperative environment**

# QUESTIONS?