We'll keep our eyes peeled for trends and changes that may affect your practice. This month: The government is offering incentives to physicians who prescribe electronically. Here's the lowdown.

If you’re like the majority of physicians, you don’t prescribe electronically and you don’t see why you should. After all, what’s wrong with the old prescription pad that has served you well over the years? But citing safety, quality, and efficiency, the government, private insurers, and some medical societies want you to change your mind.

This month, a CMS initiative will start adding 2 percent to your Medicare payments if you prescribe electronically. The incentive drops to 1 percent in 2011 and 2012 and to 0.5 percent in 2013. Starting in 2012, CMS will pay you 1 percent less than its fee schedule if you don’t e-prescribe; that penalty will rise to 1.5 percent in 2013 and to 2 percent in 2014 and every year thereafter. Speaking at a recent conference in Washington, D.C., CMS acting administrator Kerry Weems said he was confident that the incentive “changes the business case enough that we’ll see investments made in e-prescribing. We also think some private payers will come along with us.”

But with standalone e-prescribing systems priced at around $3,000, plus monthly maintenance fees, observers are divided on whether the CMS incentive alone will be sufficient to get doctors to adopt e-prescribing. Bruce Merlin Fried, a Washington, D.C., healthcare attorney and health IT policy expert, is one of those who think that it will: “The incentive will have an enormous impact on doctors moving toward e-prescribing.” The penalty on the back end, he adds, will convince many other physicians to do the same.

Representatives of primary-care medical societies, however, are less optimistic. Steven Waldren, director of the American Academy of Family Physicians’ Center for Health Information Technology, which has been promoting e-prescribing for years, says, “I don’t think the 2 percent incentive will be enough for most family physicians. It will accelerate the thinking of people who are close to making the decision for their practice; but for those physicians who don’t think they should be e-prescribing or aren’t ready, this 2 percent — which, for a family physician, is about $1,400 a year — is not enough to change their decision.”

The incentive is prompting some physicians “to take a harder look” at e-prescribing, says Michael Barr, vice president of practice advocacy and improvement for the American College of Physicians. “It’s not something people are taking lightly. Some doctors are wondering, ‘If I’m going to invest in technology, is now the right time for me to go the EMR route, or should I go to e-prescribing?’”

Both the investment and the workflow changes are much greater with an EMR, he admits. “But if your practice has been thinking about an EMR, and hasn’t been able to create a business case for it, and if you’re on the fence, the e-prescribing incentive might push you over.”

Of course, you’d be more likely to adopt e-prescribing if all of your payers, not just Medicare, were providing incentives. Don’t hold your breath: Waldren says such a widespread move is unlikely, noting that most plans doubt that they’ll see a return on investment. But Blue Cross and Blue Shield of Massachusetts will require physicians to e-prescribe by Jan. 1, 2011 in order to participate in the plan’s incentive programs. Highmark Blue Cross Blue Shield and Blue Cross Blue Shield of Delaware are helping doctors switch to e-prescribing, and several other Blues plans have agreed to support a service offered by Prematics, a Vienna, Va.-based firm that gives e-prescribing technology to practices for free. Insurance companies also fund the PocketScript e-prescribing service of ZixCorp, based in Dallas. And the National ePrescribing Patient Safety Initiative, a coalition that includes technology companies and plans such as Anthem, Aetna, and Horizon Blue Cross Blue Shield of New Jersey, is offering physicians free e-prescribing software.

As for hospitals, most have been slow to offer a helping hand, despite a 2006 relaxation of Stark self-referral rules that was supposed to encourage them to subsidize information technology for
private practices, according HIMSS Analytics, a healthcare IT research firm. They seem even less inclined to offer assistance with e-prescribing, according to Dave Garets, the firm’s president.

**Online only**

Further change is coming even for those physicians who have already adopted e-prescribing via their EMRs, most of whom are computer-faxing prescriptions to pharmacies. Starting this year, CMS prohibits computer-faxing of electronic prescriptions covered by Part D drug plans. Kevin Hutchinson, president of Prematics and former president of SureScripts, the firm that connects physician offices with pharmacies, says he thinks this will have a big impact on increasing the percentage of online scripts. All that most physicians with EMRs have to do to prescribe that way, he notes, is to get their vendors to upgrade their systems to the latest version.

According to SureScripts, the number of online prescriptions is rising fast. In 2007, 35 million online prescriptions were written, with 6 percent of office-based doctors prescribing online. In 2008, SureScripts expected 100 million prescriptions to be written and sent electronically. They projected the number of physicians e-prescribing online would jump to 85,000, or 15 percent of office-based doctors.

Many physicians will continue to hold off on e-prescribing, partly because of federal and state rules that forbid electronic prescriptions of controlled substances. Nobody wants to have a dual paper and electronic workflow in their office. This is also a problem in areas where only some local pharmacies accept electronic scripts. While nearly all chain pharmacies do, many independent drugstores continue to hold out. At the end of 2007, 70 percent of all community pharmacies accepted electronic scripts, but only 27 percent of independents did.

Still, there’s no doubt that the e-prescribing train is gathering steam. And, while it’s doubtful that there will be a federal mandate to e-prescribe, you should probably start taking a close look at the pros and cons of moving in this direction yourself. When most of your colleagues have made the leap, and your patients expect it, do you want to be the last doctor using an old-fashioned prescription pad?

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