



Industries, Govt Promote E-Prescribing

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The widespread use of electronic systems to send prescriptions from doctors to pharmacies promises to prevent thousands of life-threatening medical errors, save billions of dollars in health-care costs and even drive more business to drug stores.

Most U.S. physicians, however, have yet to adopt electronic prescribing, or e-prescribing, for the estimated 4 billion prescriptions they write annually, a situation that a phalanx of corporations and the government are working to change.

E-prescriptions, at only a couple of million a month today, "are on the verge of an explosion," Walgreen Co. (WAG) Chairman David Bernauer told the National Association of Chain Drug Stores in April.

With e-prescribing, physicians can use hand-held or desktop computers or "smart" mobile phones to send patient drug prescriptions to pharmacy computers.

Beyond conveying prescriptions, systems can alert doctors to potential drug interactions or dosing problems, eliminate handwriting errors, automate the time-consuming renewal process, provide data on a patient's drug plan, and potentially cut thousands of pharmacy calls to doctors. Hospitals, insurers, technology companies, regional collaboratives and pharmacies have been working to advance adoption of e-prescribing.

The drug store industry formed an organization, SureScripts, in 2001 to develop a network that now allows doctors to electronically transmit prescriptions to almost all U.S. pharmacies. More than 120 physician and pharmacy software companies are certified or nearly certified to send or receive prescriptions over the SureScripts exchange.

The scores of physician software companies with products used in e-prescribing include large electronic health-records businesses such as General Electric Co.'s (GE) GE Healthcare and standalone e-prescribing concerns such as Zix Corp. (ZIXI).

Early this year, one of those companies, clinical software maker Allscripts Inc. (MDRX), joined computer maker Dell Inc. (DELL) to form a broad coalition - the National ePrescribing Patient Safety Initiative - in a \$100 million effort to provide for free Allscripts' Web-based e-prescribing technology to every physician in the U.S.

The NEPSI coalition includes health insurers Aetna Inc. (AET) and WellPoint Inc. (WLP), technology giants Microsoft Corp. (MSFT) and Cisco Systems Inc. (CSCO), Fujitsu Ltd.'s (FJTSY) U.S. computer business, Google Inc. (GOOG), Sprint Nextel Corp. (S), SureScripts, Wolters Kluwer N.V.'s (WTKWY) health division, and several academic medical centers.

The coalition targets doctors in small group practices, aiming to address concerns about costs and difficulty, among other barriers to their adoption of e-prescribing technology.

"A doctor can sign up within an hour," Allscripts Chief Executive Glen Tullman, co-chair of NEPSI, said in an interview. The coalition isn't providing statistics yet but Tullman said the effort is "making great progress."

NEPSI estimates that as many as 20% of the 550,000 practicing U.S. physicians had the technology to send e-prescriptions but that only 5% of the nation's doctors actually have been using it to prescribe electronically.

Allscripts' Tullman said the coalition's effort so far has added thousands of more physicians nationwide to the ranks of e-prescribers. He expects "a very strong, very high-visibility" ramping up in September, with large employers and more managed-care companies and payors joining the coalition. He also expects state governments to become active in mandating electronic prescribing.

After recent updates to state laws and regulations, e-prescribing is now legal in 49 states and soon will become so in all 50 with the addition of Alaska, according to SureScripts President and Chief Executive Kevin Hutchinson.

E-prescribing proponents, including the U.S. Department of Health and Human Services, point to a study that estimates adoption of e-prescribing technology could save \$27 billion in U.S. health-care costs by reducing adverse drug events and improving work flow.

"Clean and correct scripts safeguard our patients' safety, save our pharmacists time and increase our business," Walgreens' Bernauer said in his speech. Bernauer cited a study showing that 11% more prescriptions make it to the pharmacy when a doctor switches to e-prescribing.

HHS, in a recent report to Congress, cited expert projections that e-prescribing could avoid more than 2 million adverse drug events annually, 130,000 of which are life-threatening. Even so, five government-funded e-prescribing pilot projects did not establish the effect on patient safety, the report said, noting the role of office staff members in handling e-prescribing tasks. The effect on safety requires more study, the report said.

The Allscripts-Dell coalition cites statistics from the nonprofit Institute of Medicine of the National Academies that 1.5 million patients a year are injured and more than 7,000 die as the result of preventable medication errors. The numbers actually may be higher, as Allscripts says studies indicate that doctors using the NEPSI-provided software cancel 1% of prescriptions because of improper-dosage or adverse-reaction warnings during prescribing.

Investment firm Stifel Nicolaus expects the move to e-prescriptions to accelerate in the near term, and sees its adoption as "a key on-ramp to the adoption of electronic medical records," a view that some others share.

E-prescribing is a component of insurer WellPoint's multi-million-dollar health information-technology efforts, said Charles Kennedy, WellPoint vice president for health IT. In Ohio, doctors can earn higher reimbursement from WellPoint if they fill prescriptions electronically.

WellPoint sees e-prescribing as a way to lower costs and improve safety and quality of care, including driving greater use of generic drugs, Kennedy said. The company is seeing very rapid growth in the transactions, although e-prescribing, in its early stages, remains "a drop in the bucket," he said.

Allscripts is "doing the right thing" and making health-care better in giving doctors free access to its web-based e-prescribing software, Allscripts CEO Tullman said. He acknowledged that the company also aims to build its brand and sell its wider offering of electronic-health-records software to physicians. "We think of this as the on-ramp to the electronic health-care highway," he said.

The company estimates that its paying customers and those receiving the free software account for approximately half of all prescriptions filled electronically in the U.S. today.

Among other efforts in recent years, regional partnerships in Massachusetts, where Blue Cross and Blue Shield of Massachusetts is involved, and Rhode Island have made those states e-prescribing leaders. In Michigan, the big three U.S. automakers joined with insurers and others to launch an e-prescribing effort.

Researchers from the Center for Studying Health System Change noted in the journal Health Affairs this spring that physicians with e-prescribing equipment reported various problems with using it but said employment of such technology improves prescribing safety and the efficiency of their practices, "and they did not want to go back to paper."

The Medicare Modernization Act of 2003 required adoption of technical standards for processing electronic prescriptions and mandated that Medicare prescription-drug plans support e-prescribing.

The law effectively resolved industry debate over which standards to use, according to SureScripts CEO Hutchinson. He also serves as a commissioner on HHS's American Health Information Community, which develops standards to accelerate adoption of health-care technology.

E-prescribing is one process the federal government is exploring to improve health-care interoperability and keeping patients on their medications, he said. The prescription "makes it beyond the glove box of the car," Hutchinson noted.

Dr. Jan Cornell, a family practice physician in Calumet, Mich., adopted Allscripts' free software in February. "The pharmacists were really happy to see me use something that has a printout," he said. The initial loading of patient information into the system can be a chore, and his colleagues are wary of the task, he said.

"It really makes things go a lot smoother and a lot faster once you get everyone in there," Cornell said, adding that he recently logged onto his pocket PC to order a refill for a patient who was traveling in California.

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