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# **Florida Electronic Prescribing Annual Report for 2011**

**FLORIDA CENTER FOR HEALTH INFORMATION AND POLICY ANALYSIS  
AGENCY FOR HEALTH CARE ADMINISTRATION**

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# **Executive Summary**

## **Introduction**

The 2011 Florida Electronic Prescribing Report provides a general assessment of the status of electronic prescribing (e-prescribing) in Florida in 2011. It presents a review of Agency for Health Care Administration (Agency) activities to promote e-prescribing; highlights of state and national e-prescribing initiatives; Florida e-prescribing metrics; and action steps to promote adoption of e-prescribing coordinated with other Agency health information technology initiatives. This report is mandated in Section 408.0611, Florida Statutes, which directs the Agency to disseminate information on e-prescribing and promote its adoption.

E-prescribing enables the electronic transmission of prescriptions as well as access to a patient's medication history by prescribing physicians at the point of care. Properly used, it improves prescription accuracy, increases patient safety, and reduces costs. Accessing patients' medication history through e-prescribing systems enables physicians to be aware of other medications ordered and better coordinate patient care with other treating physicians. E-prescribing is widely supported and its adoption continues to increase because it produces benefits and cost savings for all participants including physicians, pharmacies, and patients.

## **Electronic Prescribing Highlights in 2011**

Several important developments took place in 2011 that will impact e-prescribing over the next several years. In 2011, the Centers for Medicare and Medicaid Services (CMS) began making Medicare incentive payments for the "meaningful use" of certified electronic health records (EHRs) under the provisions of the Health Information Technology for Economic and Clinical Health (HITECH) Act of 2009. The HITECH Act provisions established meaningful use rules which include e-prescribing in the core set of required measures for eligible professionals to qualify for incentive payments. Also in 2011, Surescripts, with selected vendors and users, initiated the first deployment of the electronic prescribing of controlled substances consistent with the Drug Enforcement Administration (DEA) final rule issued in 2010. In Florida, the Agency worked closely with Florida's regional extension centers which have the mission of assisting health care providers achieve meaningful use. The Agency began making Medicaid incentive payments for the adoption of EHRs and preparations for full implementation of meaningful use requirements for Medicaid providers. National and state e-prescribing organizations, payers, and professional associations continued to produce educational materials to encourage greater use of e-prescribing. Together these developments have resulted in continued growth in the adoption of e-prescribing.

## **Agency e-Prescribing Outreach Strategies**

In 2010, the Office of the National Coordinator for Health Information Technology (ONC) directed the Agency to engage in outreach to independent community pharmacies to achieve full pharmacy participation in e-prescribing. In response, the Agency conducted a survey of community pharmacies in 2011 which will inform future outreach. The Agency continued its collaboration with the private sector during 2011 to accelerate the adoption of e-prescribing in Florida. With the

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assistance of data provided by ONC and national e-prescribing organizations, the Agency produced a quarterly dashboard of e-prescribing metrics showing trends, statistics for metropolitan areas, and a comparison of Florida rates to national e-prescribing rates. In addition, the Agency continued working in close collaboration with representatives of Florida's regional extension centers. The Agency assigned the activities of the State Electronic Prescribing Advisory Panel to the Health Information Exchange Coordinating Committee (HIECC) which held four meetings during 2011. The HIECC provides for coordination of e-prescribing as part of Florida's health information exchange initiatives.

## Metrics

The Agency has developed and published a set of key metrics for tracking e-prescribing adoption rates in Florida. E-prescribing metrics can be viewed on the Agency's website, [www.fhin.net/eprescribe](http://www.fhin.net/eprescribe). These metrics enable the Agency to gauge progress by region in the state and in comparison with national rates. Metrics collected and reported quarterly include:

- Counts of new and refill e-prescriptions
- E-prescribing percent increase quarterly and annually
- Activated pharmacies by geographic region
- E-prescriptions per e-prescriber
- E-prescribers per total physicians by geographic region
- Medicaid medication record requests per total requests

The amount of e-prescribing relative to the estimated number of all prescriptions that could have been e-prescribed is the *e-prescribing rate*. The annual e-prescribing rate as of the end of the third quarter of 2011 was 25.1 percent, up from the annual e-prescribing rates of 18.4 percent in 2010, 11.3 percent in 2009, 4.3 percent in 2008, and 1.6 percent in 2007.

*Medication record requests* are requests where physicians used e-prescribing tools to access information such as eligibility, benefits or medication history. The number of Medicaid medication record requests averaged 267,925 per month during the fourth quarter 2010. During the third quarter of 2011 the average number of Medicaid medication records requested was 592,854 showing a 121 percent increase from 2010.

In 2010, Florida's e-prescribing activity ranked 12<sup>th</sup> among states as reported by Surescripts. The Agency set a goal of achieving an annual increase in e-prescribing of 25 percent from 2010 to 2011. The increase from December 2010 at 2,138,965 e-prescriptions to September 2011 at 2,803,216 e-prescriptions was 31 percent. The inclusion of e-prescribing in the meaningful use of electronic health records is expected to stimulate even greater use of e-prescribing and related clinical applications. The Agency is projecting an annual 25 percent increase in the number of prescriptions sent electronically over the next four to five years.

## Florida Electronic Prescribing Clearinghouse

The Agency's Florida Electronic Prescribing Clearinghouse provides users a single point of access for e-prescribing information. It is available at: [www.fhin.net/](http://www.fhin.net/). It is designed to meet the

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requirements of Section 408.0611, F.S., and provides information on developments and trends in e-prescribing, with an overall goal of promoting the adoption of and improving the quality and effectiveness of e-prescribing in the state. The website presents information on the benefits of e-prescribing, links to information on Surescripts certified products; provides links to federal, state, and private-sector e-prescribing websites to provide guidance on selecting an appropriate e-prescribing product; and offers e-prescribing resources, such as news and program updates.

### **Health Information Exchange Coordinating Committee**

In 2007, the Agency established the Health Information Exchange Coordinating Committee (HIECC) under the State Consumer Health Information and Policy Advisory Council (Advisory Council) authorized in Section 408.05 (8) F.S. The HIECC includes representatives of hospitals, long term care, medical associations, regional health information organizations, clinicians, health plans, rural health, economic development organizations, and consumer organizations. In 2010, a representative of the Florida Pharmacy Association was added to the HIECC by the Advisory Council. Action steps for the Committee to further accelerate the adoption of e-prescribing in Florida are detailed in Section 5 of the report.



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## Section 1. Introduction

In 2007, the Florida Legislature passed HB 1155, which created Section 408.0611, Florida Statutes, which states that the Agency is to collaborate with stakeholders to create an electronic prescribing (e-prescribing) clearinghouse and coordinate with private sector e-prescribing initiatives. The Legislature also directed the Agency to prepare an annual report on the progress of e-prescribing implementation in Florida. The first annual report was published in January 2008. Previous reports are available on the Web at:

[www.floridahealthfinder.gov/researchers/studies-reports.aspx](http://www.floridahealthfinder.gov/researchers/studies-reports.aspx)

This Florida Electronic Prescribing Annual Report for 2011 provides a general assessment of the status of e-prescribing in Florida in 2011. It presents a brief overview of e-prescribing, e-prescribing benefits, and the contents of the E-prescribing Clearinghouse. It reports highlights of e-prescribing developments in 2011 that includes the first deployments of the e-prescribing of controlled substances. It presents national and state initiatives including information about Medicare incentives for e-prescribing, the Medicare and Medicaid electronic health record (EHR) incentives, and how Florida Medicaid medication claims are made available to authorized treating providers. The report provides monthly metrics on e-prescribing in Florida as available through 2011, based on statistics provided by national e-prescribing networks. It concludes with a review of Agency strategies to promote e-prescribing in 2012.

### 1.1. What is Electronic Prescribing?

E-prescribing makes use of health information technology that enables the electronic transmission of prescriptions and access to medication history by prescribing physicians at the point of care. It improves prescription accuracy, increases patient safety, and reduces costs primarily because of the critical health care information it makes available to the physician or other prescribing practitioner. A major benefit of the electronic transfer of the prescription is the elimination of errors caused by miscommunication of the handwritten paper prescription. E-prescribing can reduce opportunities for fraud and abuse that currently occur due to a lack of secure prescription delivery to the pharmacy. E-prescribing creates a more traceable trail for auditing purposes.

As defined by the National Council for Prescription Drug Programs, “e-prescribing comprises two functions: 1) Two way [electronic] communication between physicians and pharmacies involving new prescriptions, refill authorizations, change requests, cancellation of prescriptions, and prescription fill messages to track patient compliance; and 2) Potential for information sharing with other health care partners including eligibility and formulary information and medication history.”<sup>1</sup>

E-prescribing systems are a form of health information exchange that integrates prescribed medication data from multiple stakeholders; including pharmacy benefit managers (PBMs), payers, and pharmacies. Through these systems, medication histories are available for prescriptions that were brought to the pharmacy on paper or transmitted electronically. E-prescribing systems enable

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<sup>1</sup> John Mack. "Ready or Not: Gearing Up for the Expansion of ePrescribing." *Pharma Marketing News*, Vol. 3, #6. Retrieved from <http://www.pharma-mkting.com/news/pmn36-article01.pdf> in January, 2008.



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practitioners with authorized access to view medication history information at the point of care for coordination of patient drug therapy and improved quality of care. E-prescribing systems also provide practitioners with a secure means of electronically accessing health plan formulary and patient eligibility at the point of care.

When physicians use e-prescribing systems to send prescriptions electronically, the prescriptions are transmitted through secure, private networks. The e-prescribing system transmits information through the use of encrypted telecommunication transmission channels that ensure secure, bi-directional, electronic connectivity between physician practices and pharmacies.

Pharmacy networks are an essential part of the e-prescribing system and are integral to the overall success of e-prescribing in Florida and the nation. These networks connect pharmacies, physicians, and PBMs. PBMs are third party companies that administer drug benefit programs for employers and health insurance carriers.

The major pharmacy network in the United States is Surescripts, with more than 85 percent of all pharmacies in the United States certified to participate in the network. Another pharmacy network is Emdeon eRx Network, performing more than five billion health information exchanges per year. Both Surescripts and eRx Network collect and provide to the Agency data for the metrics displayed in this report.

## **1.2. E-Prescribing Highlights in 2011**

In 2011, the Centers for Medicare and Medicaid Services (CMS) began making Medicare incentive payments for the “meaningful use” of certified EHRs under the provisions of the Health Information Technology for Economic and Clinical Health (HITECH) Act of 2009. The HITECH Act provisions established meaningful use rules which include e-prescribing in the core set of required measures for eligible professionals to qualify for incentive payments. Also in 2011, Surescripts, with selected vendors and users, initiated the first deployment of the electronic prescribing of controlled substances consistent with the Drug Enforcement Administration (DEA) final rule issued in 2010.

In Florida, the Agency worked closely with Florida’s regional extension centers which have the mission of assisting health care providers achieve meaningful use. The Agency began making Medicaid incentive payments for the adoption of EHRs and preparations for full implementation of meaningful use requirements for Medicaid providers. The Agency initiated the development of the Florida Health Information Exchange (Florida HIE) through its cooperative agreement with the Office of the National Coordinator for Health Information Technology and began an evaluation of the feasibility of pharmacy participation in the direct secure messaging (DSM) service of the Florida HIE.

## **1.3. Benefits of E-Prescribing**

The Agency monitors the research literature on e-prescribing for documentation of the benefits of e-prescribing. Recent published evidence of the benefits of e-prescribing included the studies below:

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Kaushal et. al (2010) found that e-prescribing reduced prescription errors in community-based practices nearly sevenfold and completely eliminated prescription errors due to illegibility;<sup>2</sup>

Devine et. al (2010) found that a basic Computerized Physician Order Entry (CPOE) system in a community setting reduced the odds of medication errors by 70%. The biggest improvements were seen in errors attributable to illegibility (97% reduction), use of inappropriate abbreviations (94%), and missing information (85%);<sup>3</sup>

Researchers at the Center for IT Leadership (2010) studied the U.S. Department of Veterans Affairs, an early adopter of health IT and exchange, and estimated that savings from preventing adverse drug events alone totaled \$4.64 billion;<sup>4</sup>

Lapane et. al (2011) reported on perceived efficiencies of e-prescribing by clinicians and office staff from six states using a variety of software packages in knowing formularies, processing refills, and decreasing errors.<sup>5</sup>

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<sup>2</sup> Kaushal et. al (2010), Electronic Prescribing Improves Medication Safety in Community-Based Office Practices, *J Gen Intern Med.* 2010 June; 25(6): 530–536. <http://www.ncbi.nlm.nih.gov/pmc/articles/PMC2869410/>

<sup>3</sup> Devine et. al (2010), The Impact of Computerized Provider Order Entry on Medication Errors in a Multispecialty Group Practice, *JAMIA* 2010;17:78-84 doi:10.1197/jamia.M3285. <http://jamia.bmj.com/content/17/1/78.full>

<sup>4</sup> Center for IT Leadership (2010), The Value from Investments in Health Information Technology at the U.S. Department of Veterans Affairs, *Health Aff* April 2010 29:4629-638. <http://content.healthaffairs.org/content/29/4/629.abstract>

<sup>5</sup> Lapane (2011), Perceptions of e-Prescribing Efficiencies and Inefficiencies in Ambulatory Care, *Int J Med Inform.* Author manuscript; available in PMC 2011 April 11. <http://www.ncbi.nlm.nih.gov/pmc/articles/PMC3073364/>

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## **Section 2. Florida Electronic Prescribing Clearinghouse**

Section 408.0611, F.S., was passed into law during the 2007 legislative session. It required the Agency to create a clearinghouse of electronic prescribing information which was made available on the Agency's website in October 2007. The purpose of the Electronic Prescribing Clearinghouse is to report e-prescribing trends and provide information to promote the implementation of electronic prescribing by health care practitioners, health care facilities, and pharmacies in an effort to prevent prescription drug abuse, improve patient safety, and reduce unnecessary prescriptions.

The clearinghouse information contained on the website includes:

- links to information regarding the process of electronic prescribing and the availability of electronic prescribing products, including no-cost or low-cost products;
- information regarding the advantages of electronic prescribing, including using medication history data to prevent drug interactions, prevent allergic reactions, and deter doctor and pharmacy shopping for controlled substances;
- links to federal and private sector websites that provide guidance on selecting an appropriate electronic prescribing product;
- links to state, federal, and private sector incentive programs for the implementation of electronic prescribing;
- Florida's e-prescribing reports;
- links to meeting and member information for the Health Information Exchange Coordinating Committee (HIECC);
- e-prescribing metrics dashboard including an overview and drop down graphics;

The Florida e-Prescribing Clearinghouse can be accessed at:

[www.fhin.com/content/eprescribing/index.shtml](http://www.fhin.com/content/eprescribing/index.shtml).

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## **Section 3. Initiatives and Developments**

The Health Information Technology for Economic and Clinical Health (HITECH) Act which passed in February of 2009 established a range of programs to expand the effective use of health information technology including specific provisions related to e-prescribing. The Agency is responsible for the administration of the Medicaid Electronic Health Record Incentives Program.

In 2011, the Centers for Medicare and Medicaid Services (CMS) issued changes to the Medicare e-Prescribing Program (MIPPA) to enable providers taking steps to participate in HITECH incentive programs to avoid penalties under MIPPA. Surescripts led efforts to implement the e-prescribing of controlled substances consistent with the U.S. Drug Enforcement Administration (DEA) interim final rule issued in 2010. In addition, the Agency continued its participation in the Surescripts network by making Florida Medicaid information, eligibility, and medication histories available to authorized prescribing providers. Reported metrics in 2011 indicated increased usage of this service (see Section 4, Metrics on E-Prescribing Implementation).

### **3.1. E-Prescribing HITECH Incentives**

The HITECH Act of 2009 provisions established incentives for certain Medicare and Medicaid providers related to the adoption and meaningful use of EHR technologies. To qualify, an eligible professional must use certified EHR technology in a “meaningful manner,” demonstrate engagement in information exchange, and report clinical quality measures using certified electronic health record technology. Electronic prescribing is a requirement for eligible professionals to establish that the certified EHR technology is used in a meaningful manner. The meaningful use requirements for eligible professionals to receive Medicaid incentives after the first year of adoption are identical to the Medicare requirements.

During 2009, the Office of the National Coordinator for Health Information Technology (ONC) developed proposed recommendations for defining meaningful use through its Health Information Technology Policy Council. The recommendations proposed that eligible providers would “generate and transmit permissible prescriptions electronically” as an objective for the first stage of meaningful use which would be adopted in rule. The recommendations also provide that eligible providers must report the percent of encounters where medical reconciliation was performed.

CMS issued the final rules specifying the requirements for obtaining Medicare and Medicaid incentives related to the adoption and use of electronic health records (i.e. “stage 1 meaningful use”) in July 2010. In the final rules, there is a “core set” of measures and a “menu set” with 15 core measures for eligible professionals and 14 measures for hospitals. Providers must perform the core set and five additional measures selected from a menu set of measures to demonstrate meaningful use.

E-prescribing is one of the core set measures required of eligible professionals. Eligible professionals must achieve a 40 percent e-prescribing rate to qualify for an incentive payment under the program. These thresholds apply to all of the provider’s patients, not limited to Medicaid and Medicare. The threshold rate will likely be raised in the future (i.e. “stage 2 meaningful use”).

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Although e-prescribing is not a core requirement for hospitals, included in the core set are several measures related to medication management including computerized physician order entry, drug-drug interaction checks, maintaining active medication lists, and maintaining active medication allergy lists that are required for hospitals and eligible professionals. The menu set includes a measure for medication reconciliation applicable to hospitals or eligible professionals.

### **Current Meaningful Use Requirements Related to Medication**

- Use CPOE for medication orders directly entered by any licensed healthcare professional who can enter orders into the medical record per state, local and professional guidelines.
- Implement drug-drug and drug-allergy interaction checks.
- Maintain active medication list.
- Maintain active medication allergy list.
- Implement one clinical decision support rule related to a high priority condition (hospital) or relevant specialty (professional) in addition to drug-drug and drug allergy interactions.
- Have capability to exchange key clinical information (such as problem list, medication list, medication allergies, diagnostic test results) among providers of patient care and patient authorized entities electronically.

In addition, eligible health care professionals must generate and transmit permissible prescriptions electronically.

There are key “menu” measures, from which eligible hospitals and professionals can choose that relate to medication, most notably:

- Implement drug formulary checks.
- The eligible hospital or professional who receives a patient from another setting of care or provider of care, or believes an encounter is relevant, should perform medication reconciliation.<sup>6</sup>

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In September 2011, the Agency launched the Florida Medicaid Electronic Health Record Incentive Program. Eligible professionals and hospitals may register and apply for incentives associated with the adoption, upgrade, or installation of a certified EHR system. Demonstration of meaningful is

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<sup>6</sup> Meaningful Use and Medication, Kathy Vieson, PharmD, BCOP, Elsevier Gold Standard, Blog, [www.goldstandard.com/2011/06/meaningful-use-and-medication/](http://www.goldstandard.com/2011/06/meaningful-use-and-medication/)

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not required in a provider's first payment year to receive Medicaid incentive payments. In their second payment year, eligible professionals may apply for additional incentives that require documentation of the meaningful use of certified EHR including meeting the electronic prescribing requirements of the program.

### **3.2. Medicare Incentives for E-Prescribing**

Beginning January 1, 2009, the Medicare e-Prescribing Incentive Program, as authorized under the Medicare Improvements for Patients and Providers Act of 2008 (MIPPA), offers incentive payments to eligible professionals who are successful e-prescribers as defined by MIPPA. A "successful e-prescriber" is to receive an incentive payment of two percent of the total 2009 estimated allowed charges for professional services covered by Medicare Part B and furnished by an eligible professional during the reporting period.<sup>7</sup> In order to be a "successful e-prescriber," a physician or other eligible professional must report on the e-prescribing quality measure in at least 50 percent of the cases in which the measure is reportable by the eligible professional.<sup>8</sup>

Successful e-prescribers are to receive a two percent incentive payment in 2009 and 2010; a one percent incentive payment in 2011 and 2012; and a one-half percent incentive payment in 2013.<sup>9</sup> Eligible professionals who are not "successful e-prescribers" by 2012 will be subject to a differential payment (penalty) beginning in 2012. The differential payment would result in the physician getting 99 percent of the total allowed charges of the eligible professional's physician fee schedule payments in 2012, 98.5 percent in 2013, and 98 percent in 2014.<sup>10</sup>

In October 2009, CMS issued the 2010 Physician Fee Schedule (PFS) final rule making changes to the MIPPA electronic prescribing incentive program simplifying the reporting requirements for the electronic prescribing measures. Instead of reporting one of several e-prescribing codes based on different scenarios that must be reported 50 percent of the time; in 2010, eligible professionals needed to report an e-prescribing code only when a patient visit resulted in an e-prescription being issued. The eligible professional must report the e-prescribing code at least 25 times during the reporting period to be considered a successful electronic prescriber.<sup>11</sup>

In October 2010, CMS announced that 2009 payments would be distributed to eligible professionals who met the criteria for successful reporting. Medicare is expected to save up to \$156 million over the five-year course of the program in avoided adverse drug events. It is estimated that Medicare beneficiaries experience as many as 530,000 adverse drug events every year, due in part to

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<sup>7</sup> Department of Health and Human Services. "Medicare's Practical Guide to the Electronic Prescribing (eRx) Incentive Program." CMS Publication No. 11399. Retrieved from <http://www.cms.gov/partnerships/downloads/11399-P.pdf> in November 2008.

<sup>8</sup> Centers for Medicare & Medicaid Services. "Electronic Prescribing (eRx) Incentive Program." Retrieved from <http://www.cms.gov/ERxIncentive/> on January 5, 2010.

<sup>9</sup> Department of Health and Human Services. "HHS Takes New Steps to Accelerate Adoption of Electronic Prescribing." Monday, July 21, 2008.

<sup>10</sup> Department of Health and Human Services. "Medicare's Practical Guide to the Electronic Prescribing (eRx) Incentive Program." CMS Publication No. 11399. November 2008. Retrieved from <http://www.cms.gov/partnerships/downloads/11399-P.pdf> on January 5, 2009

<sup>11</sup> Fact Sheet "Changes to the Physician Quality Reporting Initiative and the Electronic Prescribing Incentive Program," October 30, 2009, posted on the CMS website at: <http://www.cms.gov/apps/media/press/factsheet.asp?Counter=3541&intNumPerPage=30&checkDate=&checkKey=&srchType=1&numDays=3500&srchOpt=0&srchData=&keywordType=All&chkNewsType=6&intPage=&showAll=&pYear=&year=&desc=false&cboOrder=date>

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negative interactions with other drugs, or a prescriber's lack of information about a patient's medication history.<sup>12</sup>

The 2011 PFS final rule was issued by CMS in November 2010 clarifying that eligible professionals that do not meet the "successful e-prescribers" requirements in the first six months of 2011 will be subject to differential payment penalty beginning in 2012. In addition, eligible professionals who receive incentives from the Medicare EHR Incentive Program may not receive additional incentive payments under the MIPPA electronic prescribing incentive program.<sup>13</sup>

On August 31, 2011, CMS announced additional changes to the Medicare Electronic Prescribing incentive program applicable to 2011. The changes provide that eligible professionals may apply for an exemption from the Medicare e-prescribing penalty if they register to participate in the 2011 Medicare or Medicaid EHR Incentive Program and adopt certified EHR technology. The exemption must be requested by November 1, 2011.<sup>14</sup>

### **3.3. Connecting Florida Medicaid to the Surescripts Pharmacy Network**

During 2009, the Agency began development of program plans to extend Florida Medicaid's participation in e-prescribing and encourage provider adoption through Florida Medicaid's participation in a secure pharmacy network, allowing the Medicaid medication history to be made available to any e-prescribing tool designed to work within the pharmacy network.

Many of the new e-prescribing applications are integrated with electronic medical record applications, and are becoming more technically advanced. Physicians have indicated to the Agency that they want access to Medicaid prescription fill data and Medicaid preferred drug list (PDL) information. Physicians have also indicated that they want integration of this access with the health information technology tools they choose to use.

On November 3, 2009, the Agency issued an invitation to negotiate (ITN) entitled "Expansion of Medicaid Prescription Data Access" to identify a vendor who can work with the Agency's pharmacy benefits manager, to provide the prescription claims history and the PDL information in "real time" data feed so that any registered EHR or e-prescribing application can pick up and integrate the data.

On July 1, 2010, the Agency implemented the participation of Florida Medicaid in the Surescripts pharmacy network enabling providers to access Florida Medicaid prescription drug claims data using any Surescripts certified e-prescribing tool. The data feed is "real time," and provides recipient eligibility status, preferred drug information, plan limitations, and medication histories.

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<sup>12</sup> Department of Health and Human Services. "HHS Takes New Steps to Accelerate Adoption of Electronic Prescribing." Monday, July 21, 2008.

<sup>13</sup> Fact Sheet "Physician Quality Reporting Systems and the E-Prescribing Program," November 3, 2010, posted on the CMS website at:  
<http://www.cms.gov/apps/media/press/factsheet.asp?Counter=3858&intNumPerPage=10&checkDate=&checkKey=&srchType=1&numDays=3500&srchOpt=0&srchData=&keywordType=All&chkNewsType=6&intPage=&showAll=&pYear=&year=&desc=&chOrder=date>

<sup>14</sup> CMS. "Quick Reference Guide, Final Rule: Medicare Program; Changes to the Electronic Prescribing (eRx) Incentive Program," Special Issue, September 6, 2011, [http://www.cms.gov/ERxIncentive/Downloads/2011eRxRule-QRG\\_09-06-2011F.pdf](http://www.cms.gov/ERxIncentive/Downloads/2011eRxRule-QRG_09-06-2011F.pdf).

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The Agency's objective is to prevent medication errors and curb prescription fraud and abuse by giving providers actionable information at the time of prescribing. Reported metrics in 2011 indicated increased usage of this service (see Section 4, Metrics on E-Prescribing Implementation).

### **3.4. E-Prescribing of Controlled Substances**

Until 2010, the U.S. Drug Enforcement Administration (DEA) regulations required that controlled substances be written on a paper prescription pad. On March 29, 2010, the DEA issued an interim final rule permitting e-prescribing of controlled substances. The DEA proposed rules specify system requirements related to identity proofing, access control, and auditing for prescribing practitioners and other registrants, e-prescribing vendors, pharmacies and pharmacists, among others. The interim final rule contains the following provisions:

**Identity Proofing** – Practitioners must be able to prove identity through a federally-approved third party credentialing service provider or certification authority. These entities provide two-factor authentication credentialing to the requesting practitioner. The interim final rule permits institutional practitioners to conduct identity proofing in-house through their credentialing office.

**Two-factor Authentication** – The interim final rule requires two-factor authentication with the option of using a biometric to replace the hard token or the knowledge factor.

**Issuing Prescription** – The interim final rule permits two-factor authentication to be synonymous with and legally constitutes as the practitioner's signature of the prescription. When the practitioner completes the two-factor authentication protocol, the e-prescribing application must digitally sign and electronically archive the record.

**Monthly Logs** – E-prescribing applications must provide a monthly log to practitioners or a log on request with provider specified date, patients, and drugs. Providers are not required to review the monthly logs per the interim final rule.

**Pharmacy** – The interim final rule requires that either the last intermediary or the pharmacy digitally sign the prescription as received unless a practitioner's digital signature is attached and can be verified by the pharmacy. The pharmacy must check the DEA registration when it has reason to suspect the validity of the registration or the prescription.

During 2011, the Agency continued to monitor developments in the private sector moving toward the availability of e-prescribing software conforming to the DEA requirements.

### **3.5. Surescripts E-prescribing Initiatives**

Upon the March 2010 publication of the DEA interim final rule allowing the e-prescribing of controlled substances, Surescripts immediately began working to educate stakeholders on the standards and protocols in the regulation, and to develop the technical and operational infrastructure that will enable the safe and secure e-prescribing of controlled substances.



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On September 11, 2011, Surescripts announced completion of a network upgrade to support e-prescribing of controlled substances (EPCS) and it has begun its initial certification of prescriber software vendors and pharmacy applications for the e-prescribing of controlled substances. Initially, a select number of certified and audited vendors and their users located in states with no state specific prohibitions will deploy. Surescripts will assess the network performance and workflows for all participants. Surescripts expects to completed the initial deployment and open EPCS to all certified participants by January 2012.

In October 2011, Surescripts announced its annual SafeRx Awards, which is part of its campaign to raise awareness about e-prescribing and its growth through comparisons of the States. Florida was ranked number 12 on the list of top-prescribing states down from its 10<sup>th</sup> ranking in 2010. On November 9, 2011, Surescripts announced that over 52 percent of office-based physicians are using e-prescribing.

### **3.6. Pharmacy e-Health Information Technology Collaborative**

In September 2010, nine national pharmacy organizations launched a new collaborative called the Pharmacy e-Health Information Technology Collaborative. The collaborative will work toward the greater participation of pharmacists in health information exchange and address opportunities for pharmacists to access and contribute to the patient specific information in EHRs.

A key objective of the collaborative is to:

Identify (through the consensus work of expert panelists) the minimum data set and functional EHR requirements for the delivery, documentation, and billing of pharmacist-provided medication management services. Such requirements include access to key medical information such as laboratory data, and bidirectional communication flow among all practitioners.

The collaborative will prepare a “roadmap” for the development of a certified pharmacist EHR that would enable pharmacists to affect improved medication use in an efficient and effective manner.<sup>15</sup>

The collaborative continued to conduct education and outreach toward these objectives in 2011.

### **3.7. E-Prescribing Standards and Certification Bodies**

In mid-2009, the National Committee on Vital and Health Statistics recommended that Centers for Medicare and Medicaid Services (CMS) support the National Council for Prescription Drug Programs (NCPDP) SCRIPT 10.6 standard in its Medicare Part D e-prescribing initiative. The Health IT Policy Committee of the Office of the National Coordinator for Health IT also proposed NCPDP SCRIPT 10.6 should be included in the “meaningful use” of an EHR. On July 1, 2010, an interim final rule (IFR) was published by CMS naming the NCPDP SCRIPT 10.6 for use

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<sup>15</sup> Pharmacy e-Health Information Technology Collaborative Overview, Shelly Spiro, Director, <http://www.pstac.org/downloads/Pharmacy-e-HIT-Collaborative-Overview.pdf>

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beginning July 1, 2010 with continued support of NCPDP SCRIPT 8.1.<sup>16</sup> Surescripts adopted the NCPDP SCRIPT 10.6 technical standard in October 2009.

In 2010, the ONC developed a new program for the establishment of authorized testing and certification bodies (ATCBs) that are responsible for certification of EHR technologies. E-prescribing tools may be certified as a module in the preliminary HITECH certified technology program or as part of a certified EHR.

In collaboration with ONC, the National Institute of Standards and Technology (NIST) has developed the functional and conformance testing requirements, test cases, and test tools to support the proposed Health IT Certification Programs. These conformance test methods (test procedures, test data, and test tools) will help ensure compliance with the meaningful use technical requirements and standards as provided in the final rule, Health Information Technology, Initial Set of Standards, Implementation, Specifications, and Certification Criteria for Electronic Health Record Technology.<sup>17</sup>

A Surescripts certification for an e-prescribing application to connect to the Surescripts network is not sufficient for meeting the HITECH certification provisions. However, as of February 2011, Surescripts is also an ATCB and is playing an active role in EHR certification for meaningful use. Currently, Surescripts is helping vendors of electronic health records test and certify to providers that their EHR meets federal requirements for e-prescribing and privacy modules at no charge. ATCB certified products are posted on the ONC website.

### **3.8. Regional Extension Centers**

Regional extension centers (RECs) are organizations under contract with the Office of National Coordinator for Health Information Technology to assist providers make the transition to meaningful use of EHRs. The purpose of the RECs is to furnish assistance defined as education, outreach, and technical assistance to help providers in their geographic service areas select, successfully implement, and meaningfully use certified EHR technology to improve the quality and value of health care.

RECs assist providers in selecting an EHR system that must include e-prescribing or compatibility with a separate e-prescribing system. RECs provide technical assistance including workflow analysis in preparation for implementation, and consultation throughout the process. During 2010, four RECs were established in Florida. County coverage areas which collectively encompass the entire state are shown on the Florida Regional extension center Map. Location and contact information is available on the website at: [www.fhin.net/content/rec/index.shtml](http://www.fhin.net/content/rec/index.shtml).

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<sup>16</sup> Department of Health and Human Services. "Identification of Backward Compatible Version of Adopted Standard for E-Prescribing and the Medicare Prescription Drug Program (NCPDP SCRIPT 10.6)." Press Release Date: Thursday, July 1, 2010. Retrieved from <http://edocket.access.gpo.gov/2010/pdf/2010-15505.pdf> on December 21, 2010

<sup>17</sup> Department of Health and Human Services. "Health Information Technology: Initial Set of Standards, Implementation Specifications, and Certification Criteria for Electronic Health Record Technology; Final Rule." Press Release Date: Wednesday, July 28, 2010. Retrieved from <http://edocket.access.gpo.gov/2010/pdf/2010-17210.pdf> on December 7, 2010.

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During 2011, the Florida RECs attended and reported to the Health Information Exchange Coordinating Council (HIECC) on their progress in achieving milestones of provider outreach, adoption, and meaningful use.

### **3.9. Survey of Florida Independent Pharmacies**

The Agency conducted a survey in May 2011, both in English and Spanish, of 1150 licensed independent pharmacies to assess their current use of e-prescribing. By the close of the survey, 47 responses had been received. Ninety-seven percent of responding pharmacies reported that their current software system allowed for e-Prescribing functionality. Eighty-one percent of these same pharmacies indicated that they engaged a network vendor in order to receive e-prescriptions.

Almost one-third of responding pharmacies reported prescription transaction fees as the primary barrier to pharmacy participation in e-Prescribing. Approximately 20 percent indicated the cost of updating software as the primary barrier and another 20 percent indicated low prescriber activity as the primary barrier. Thirteen percent reported potential prescribing errors as the primary barrier. Fifty-seven percent of responding pharmacies indicated that a level of e-prescribing activity between 10 – 20 percent of prescriptions in their area (as defined by the respondent) would prompt them to implement e-prescribing. Twenty-two percent reported that an activity level of more than thirty-three percent would be needed to prompt them to implement e-prescribing. The survey questionnaire and results are posted at: [www.FHIN.net](http://www.FHIN.net).

The Agency plans to conduct further outreach in 2012 and approach Florida pharmacy schools to engage graduate students in encouraging the participation of independent pharmacies in e-prescribing and health information exchange as it is being developed in Florida.

### **3.10. Florida Medicaid Health Information Network**

In 2009, the Agency entered into a two year no-cost contract with Availity, LLC to develop a secure Web portal designed to give health care providers access to patient specific claims-based information, along with patient eligibility and benefit look-up capabilities. The information includes the patient medication history from the Medicaid claims. Authorized health care providers can access the Availity CareProfile which organizes the records for each individual patient. Providers can use it for viewing or downloading into the provider's electronic health record.

In 2011, the Agency renewed the Medicaid Health Information Network contract for two years.

### **3.11. Florida Health Information Exchange**

The HITECH Act of 2009 provided funding to the states to develop and implement strategies for health information exchange. In March 2010, the Agency was awarded \$20.7 million over a four year funding period from the Office of the National Coordinator for Health Information Technology (ONC). In February 2011 the Agency awarded a contract to Harris Corporation to build the infrastructure for statewide health information exchange as proposed in the Agency's Strategic and Operational Plan approved by ONC.

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The Florida Health Information Exchange will offer two health information exchange (HIE) services. These are patient look-up (PLU) services for participants in the network (i.e., network of networks) and direct secure messaging services (DSM). DSM can be used by network participants and also will be available to other providers not participating in the patient look-up network. There is no initial charge to providers using the DSM service.

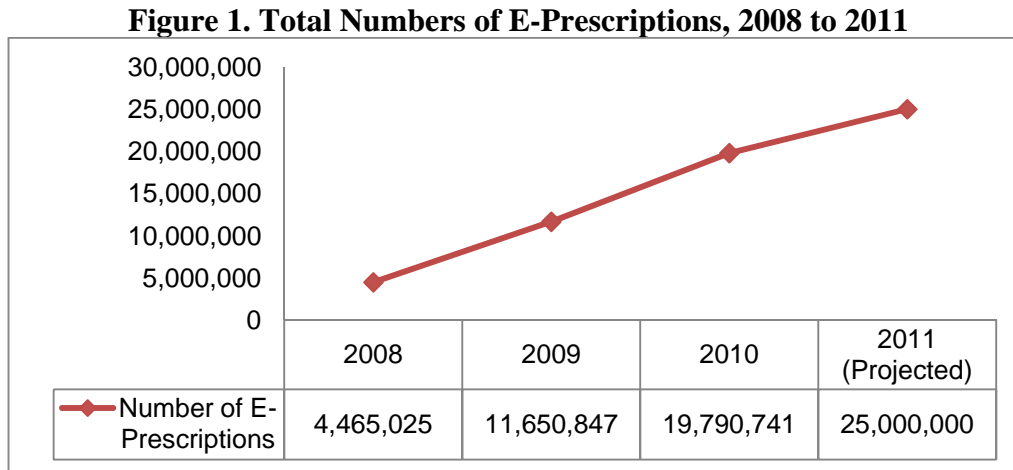
In April 2011, the Agency established a general policy for participation that limited access to specified types of health care providers with the option of future additions. The initial types of health care providers permitted include hospitals, physicians, and other providers eligible for electronic health record meaningful use incentives, plus clinical laboratories, mental health care centers, hospices, and skilled nursing facilities. The Agency also established a vetting process that includes a licensure check or other verification as applicable.

During 2011, the Agency began a process of evaluating the benefits of including pharmacies among the types of health care providers permitted to register for the DSM service. This would be consistent with efforts to identify and promote opportunities for the participation of pharmacists in health information exchange.

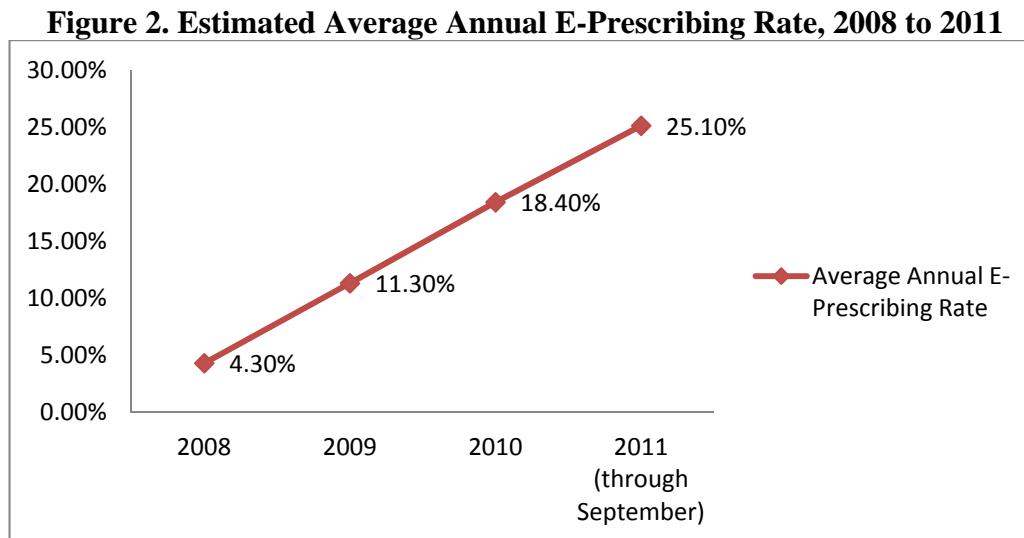
## Section 4. Metrics on E-Prescribing Implementation

### 4.1. E-Prescribing Metrics and Trends

E-prescribing has been steadily growing in Florida. The number of e-prescriptions increased from 4,465,025 in 2008 to 11,650,847 in 2009 to 19,790,741 in 2010 and to 21,097,476 in just the first eight months of 2011. If this trend continues at a consistent rate, it is expected that more than 25 million electronic prescriptions will be processed in Florida in 2011. Figure 1 represents the total number of e-prescriptions since 2008.

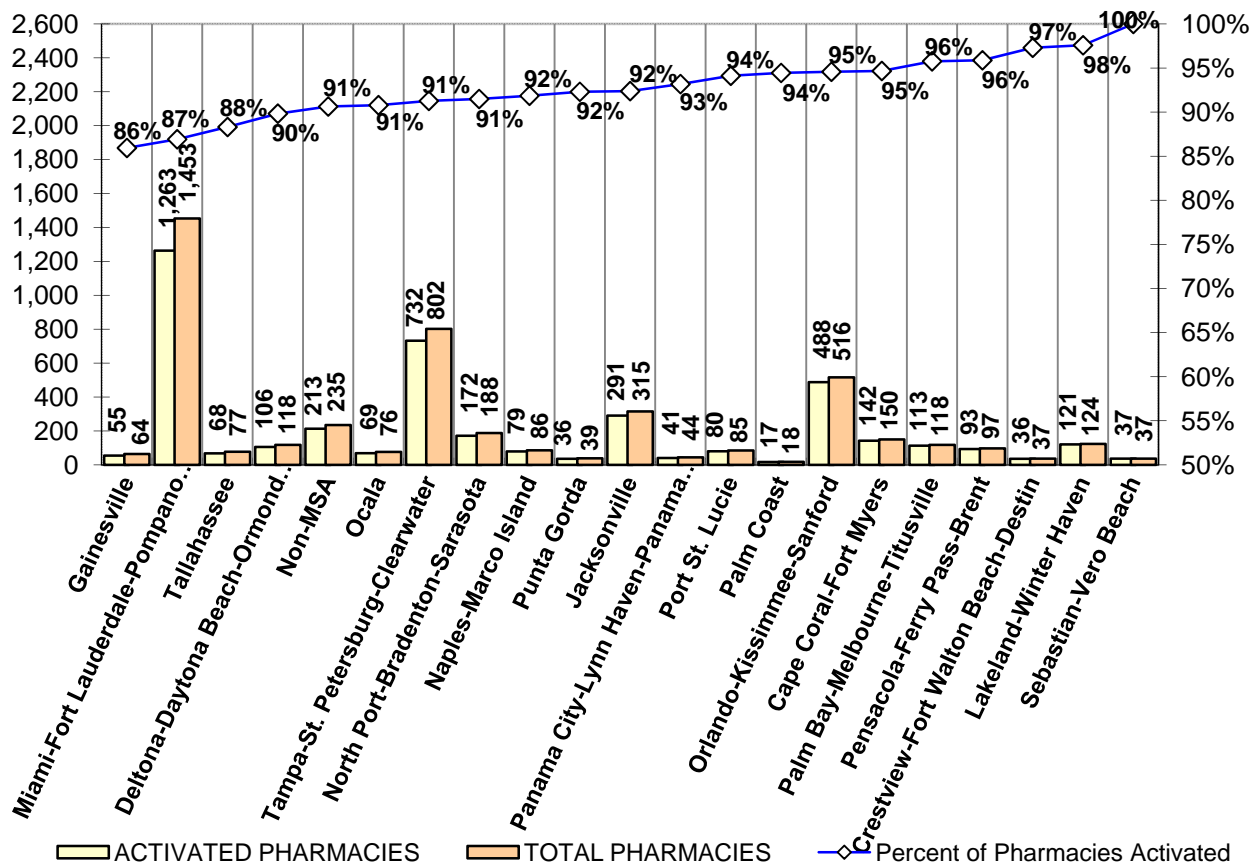


Based on the total number of prescriptions, annualized for a monthly average of 9.3 million prescriptions per month, data shows that the estimated average annual e-prescribing rate through September 2011 increased to 25.1 percent as compared to the average annual e-prescribing rate of 18.4 percent in 2010 and the average annual e-prescribing rate of 4.3 percent in 2008. Figure 2 shows the increasing trend in the average e-prescribing rate since 2008.



Data reported from Surescripts show that there were 4,679 total retail pharmacies in Florida as of the end of September 2011. Of these, 4,252 or 91 percent were activated to receive electronic prescriptions. More than 90 percent of retail pharmacies are able to process electronic prescriptions in more than 75 percent of all metropolitan statistical areas (MSAs) across the state in 2011. Figure 3 presents the numbers and the percentages of pharmacies activated for e-prescribing by MSA in Florida in September 2011.

**Figure 3. Pharmacies Activated to Accept Electronic Prescriptions and Percentage of Total Pharmacies Activated by MSA, September, 2011**

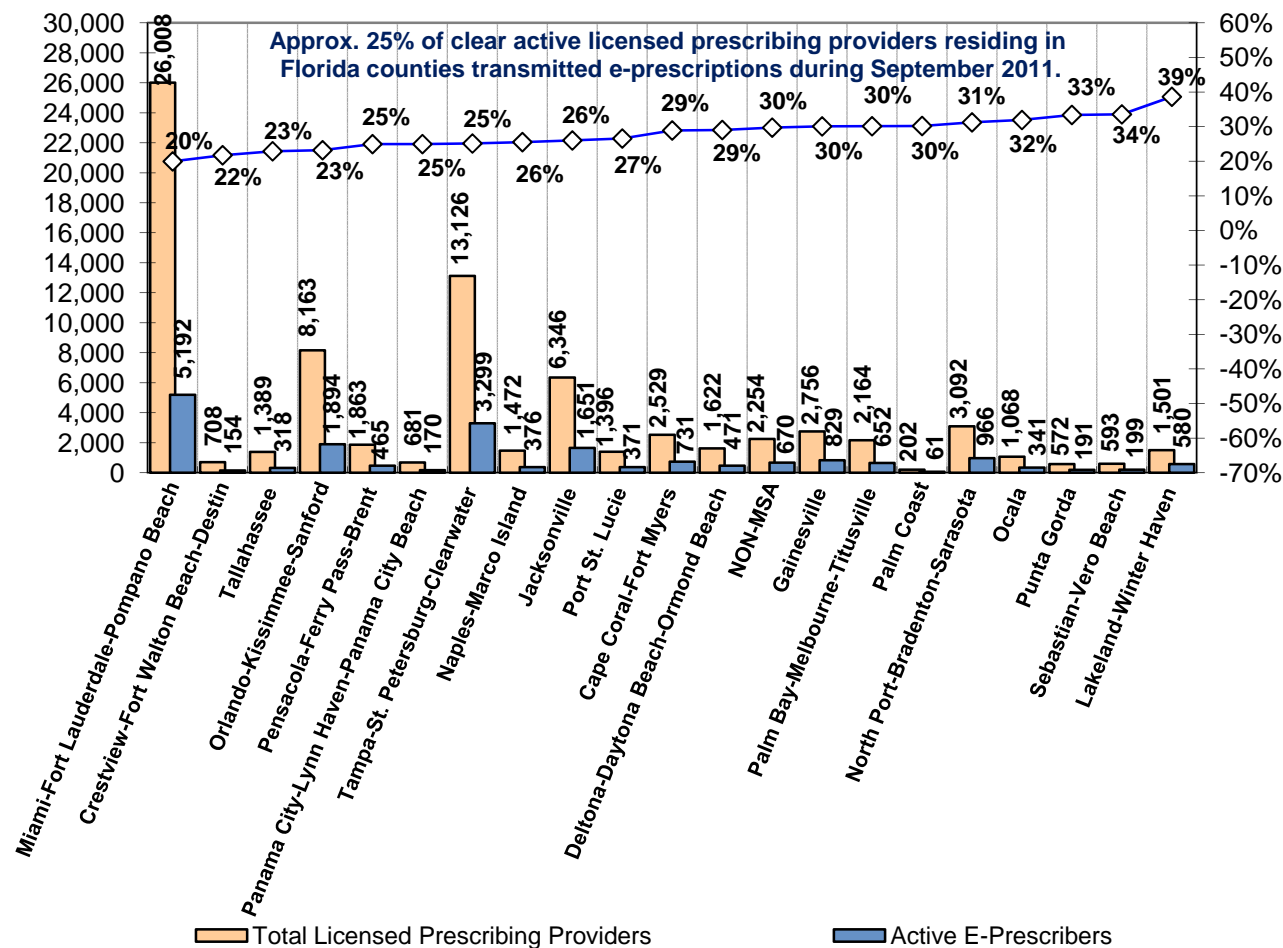


The percentage of pharmacies ready to e-prescribe fluctuates across different MSAs, with most of the smaller MSAs showing a higher percentage of active pharmacies. Specifically, Sebastian-Vero Beach has 100 percent of its pharmacies activated to e-prescribe, followed by Lakeland-Winter Haven, with a 98 percent rate, and Crestview-Fort Walton Beach-Destin, with a rate of 97 percent. The largest Miami-Ft. Lauderdale-Pompano Bch. MSA continues to demonstrate one of the lowest percentages of e-prescribing pharmacies, at 87 percent. One reason for this low figure of activated pharmacies is the large number of family-owned pharmacies that are not affiliated with chain pharmacies. They must separately purchase the e-prescribing hardware and software required to become active in e-prescribing.

In September 2011, of the approximately 78,610 licensed prescribing providers in Florida, 19,581 were active electronic prescribing providers. The percentage of licensed prescribing providers in

Florida who were e-prescribers has increased to 25 percent in 2011 from 17 percent in 2010. Figure 4 shows that most MSAs were within a few percentages of each other except for Lakeland-Winter Haven, which had the highest rate of 39 percent of licensed providers who were e-prescribing, and Miami, with the lowest rate of 20 percent of licensed providers who were e-prescribing.

**Figure 4. Licensed Prescribing Providers and Active Electronic Prescribers by MSA, September 2011**

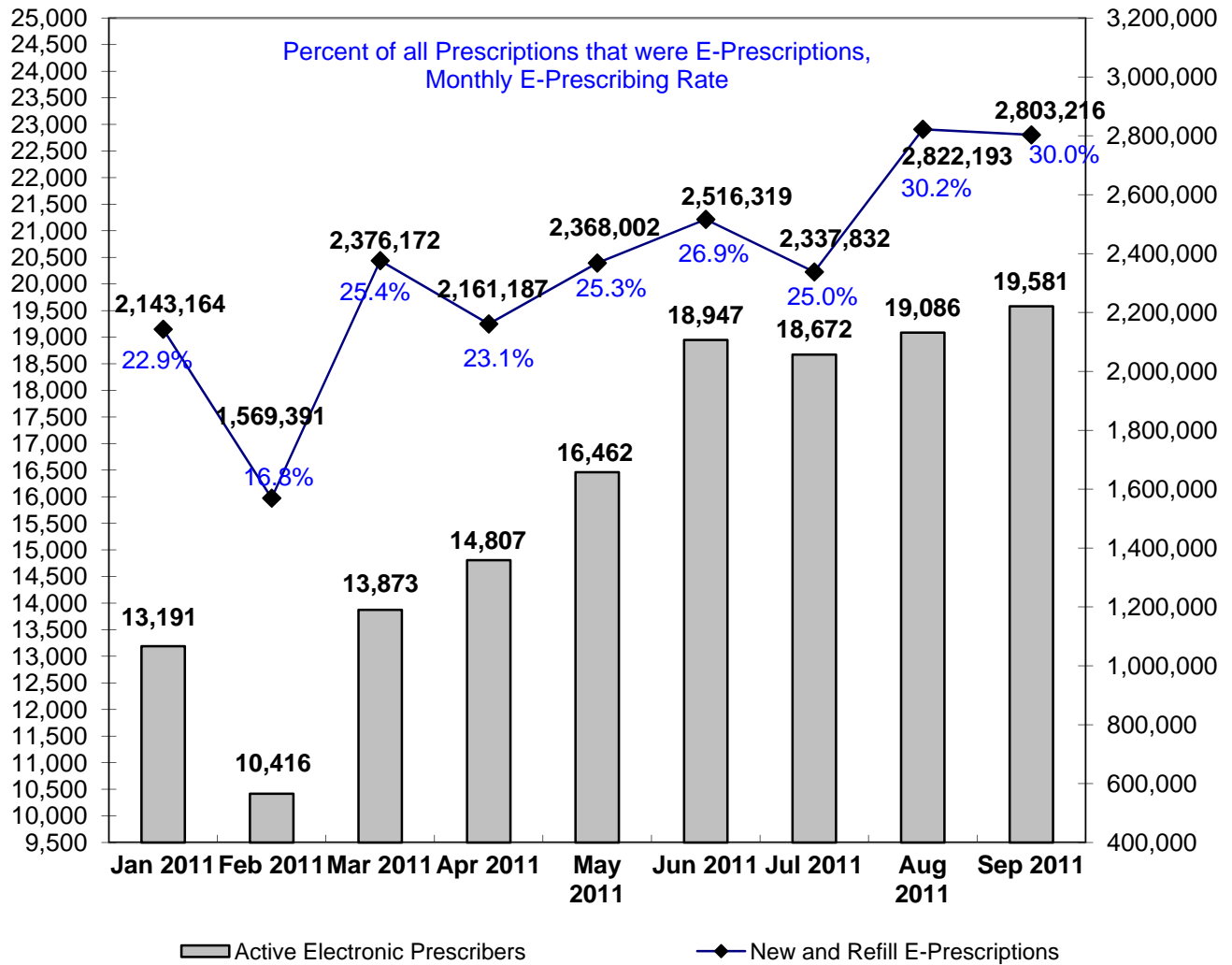


The number of e-prescriptions written in Florida has been steadily increasing every year since 2007. In September 2011, a total of 2,803,216 e-prescriptions were written, a 31 percent increase compared to December 2010, with 2,138,965 e-prescriptions. The totals correspond to the number of new e-prescriptions and refill e-prescriptions. Figure 3 presents Florida's monthly e-prescribing transactions and active e-prescribers as reported by Surescripts and Emdeon eRx Network.

The number of e-prescribing practitioners continued to increase steadily through September 2011, as shown in Figure 5. The highest monthly total of e-prescribing healthcare professionals in 2011 was 19,581 in September, representing a 54 percent increase of e-prescribing practitioners in the first nine months of 2011 when compared to the 12,703 total e-prescribing practitioners in

December 2010. The increase in the number of new e-prescribers showed an average upward trend of 764 per month through September 2011.

**Figure 5. Number of Practitioners Actively E-prescribing, Number of Electronic Prescriptions and the Percent of all Prescriptions Sent Electronically per Month, January to September 2011**

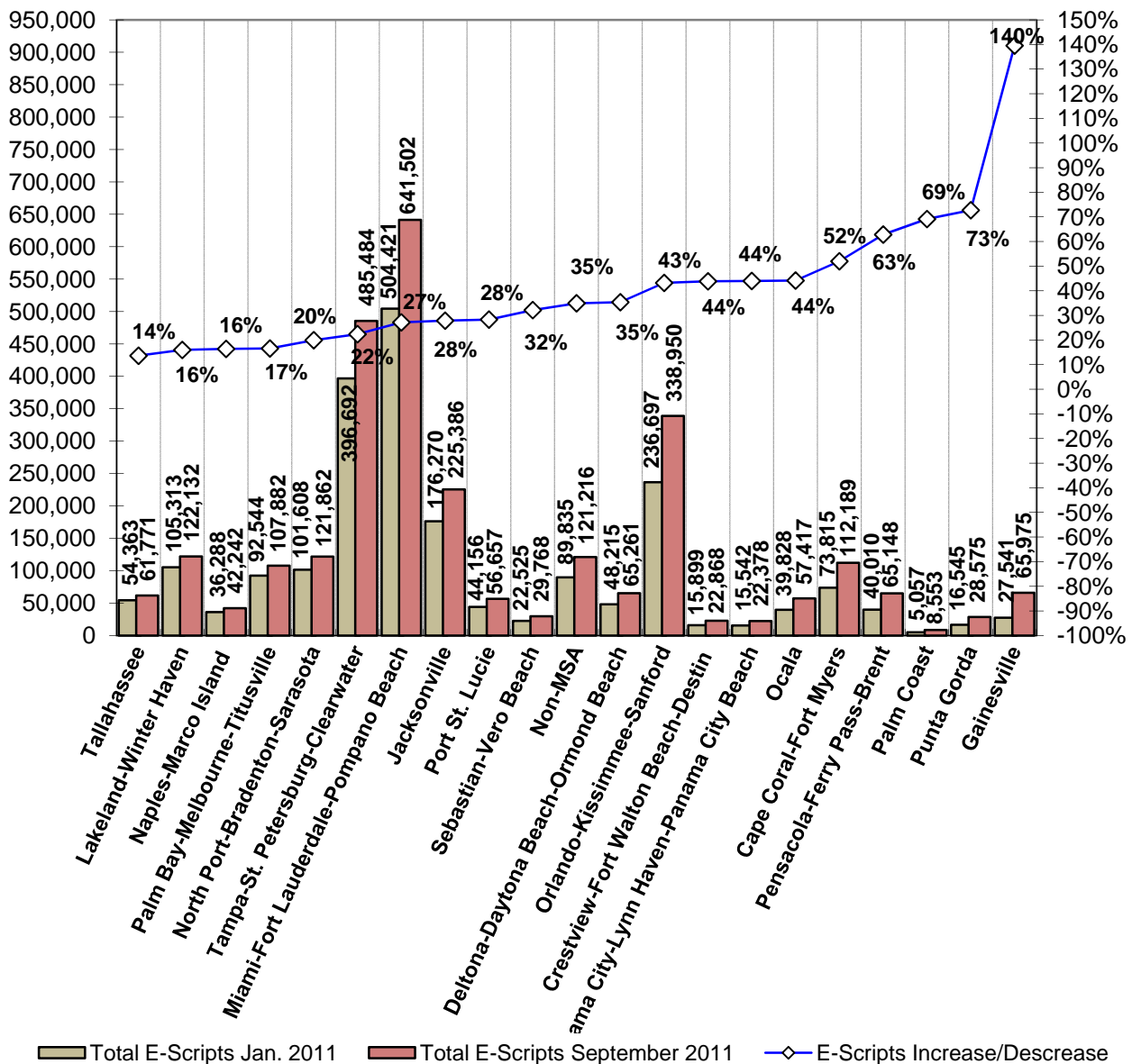


*2007 Annual Electronic Prescribing Rate: 1.6%*  
*2008 Annual Electronic Prescribing Rate: 4.3%*  
*2009 Annual Electronic Prescribing Rate: 11.3%*  
*2010 Annual Electronic Prescribing Rate: 18.4%*  
*2011 YTD Electronic Prescribing Rate: 25.1%*



The rate of increase in the number of electronic prescriptions varies widely between Florida MSAs. Figure 6 below shows a comparison of the number of electronic prescriptions between January and September 2011 and the percentage of increase by MSA. The lowest growth was in the Tallahassee MSA with a total of 54,363 e-prescriptions during January and 61,771 e-prescriptions during September 2011, reflecting a 14-percent increase. The Gainesville MSA had 27,541 e-prescriptions in January and 65,975 e-prescriptions in September 2011, reflecting the highest growth with a 140-percent increase.

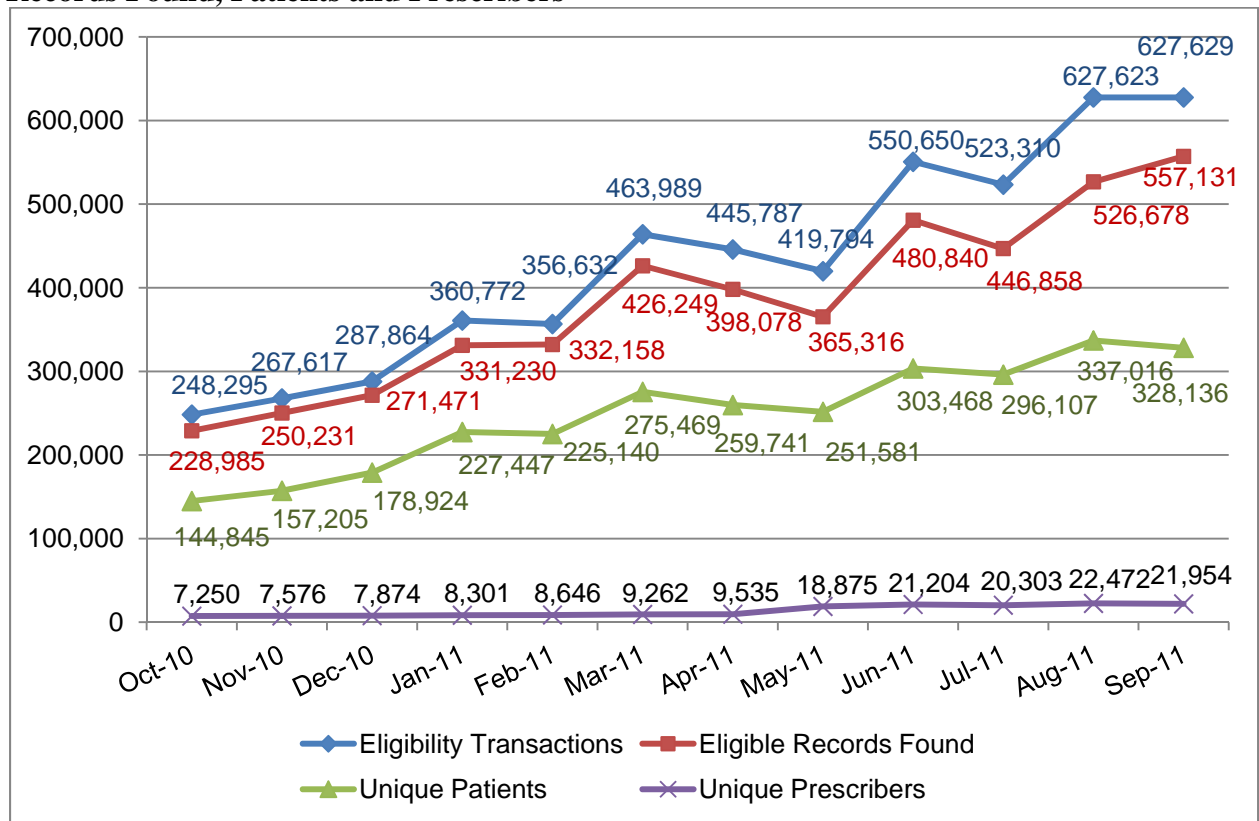
**Figure 6. Electronic Prescription Increase Comparison Between January and September 2011 by MSA**



The number of Medicaid electronic prescribing eligibility transactions and records found continued to grow during 2011 as did the number of patients and prescribers. Figure 7 shows that in December 2010 there were 287,864 transactions which increased by 118 percent to 627,629 in September 2011. For the same period, the number of patients increased by 83 percent and the number of prescribers increased by 179 percent.

The data indicates that in 2011 each prescriber issued a monthly average of 31 e-prescription eligibility transactions for a monthly average of 18 patients and received an 88 percent monthly average of eligible record returns.

**Figure 7. Florida Medicaid Program Electronic Prescribing Eligibility Transactions, Records Found, Patients and Prescribers**



The data reported for the first nine months of 2011 indicate a steady growth across the year in the number of pharmacies activated for e-prescribing, in the number of practitioners who are e-prescribing, in the number of prescriptions submitted electronically, and in Medicaid medication record lookups. Florida has moved from an annual average e-prescribing rate of 4.3 percent in 2008 to 11.3 percent in 2009 to 18.4 percent in 2010 to 25.1 percent through September 2011, which is a marker of sustained progress in the adoption of e-prescribing. In summary, Florida continued to show increases of e-prescribing transactions and providers who are e-prescribing.

It is anticipated that incentive payments for meaningful use of electronic health records, and the initiation of the e-prescribing of controlled substances will contribute to continued increases in the volume of electronic prescriptions and prescribers during 2012.

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## **Section 5. Health Information Exchange Coordinating Committee**

Section 408.0611, F.S., requires that the Agency for Health Care Administration (Agency) convene quarterly meetings of stakeholders from organizations that represent health care practitioners, health care facilities, and pharmacies, organizations that operate electronic prescribing networks, organizations that create electronic prescribing products, and regional health information organizations to assess and accelerate the implementation of electronic prescribing. This legislation also requires the Agency to create the Electronic Prescribing Clearinghouse website.

The Agency formed the State Electronic Advisory Panel (Panel) during the fall of 2007 in response to the above legislation. The Agency scheduled the first meeting of the Panel in 2007 on October 4th to coincide with the initial release of the e-prescribing website. The Panel held three meetings in 2008, three meetings in 2009, and one meeting in 2010.

The HIECC was formed by the State Consumer Health Information and Policy Advisory Council to advise the Agency in implementing a strategy to establish privacy-protected, secure, and integrated exchange of electronic health records among physicians involved in patient care which includes the exchange of medication information through e-prescribing. The Agency assigned the HIECC the advisory role regarding e-prescribing promotional activities in 2010. A representative of the Florida Pharmacy Association was added to the membership of the HIECC and approved by the Advisory Council at its September 16, 2010 meeting. The HIECC held four meetings in 2011.

In 2010, the Advisory Council added measurable objectives to its goals for health information exchange to facilitate integration of e-prescribing within health information exchange initiatives. The HIECC and Advisory Council continue to monitor progress in e-prescribing adoption and the Agency's strategies to promote e-prescribing.

### **5.1. Action Steps**

In 2012, the Health Information Exchange Coordinating Committee and the Agency will address the following action steps to further accelerate the adoption of e-prescribing in Florida:

- 1) Continue to track and report e-prescribing metrics on a quarterly basis and include Florida Medicaid medication history statistics as available. The information will be posted on the Agency's website, [www.fhin.net](http://www.fhin.net), as part of the Florida Electronic Prescribing Clearinghouse, and on the Agency's performance dashboard.
- 2) Promote e-prescribing adoption as an integral part of the education and outreach efforts for the adoption of electronic health records conducted under the HITECH programs. Coordinate these efforts through the leadership of the Health Information Exchange Coordinating Committee.
- 3) Engage the participation of state professional pharmacy associations, pharmacy colleges, and pharmacy students in promoting the benefits of e-prescribing to independent pharmacists.

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- 5) Support emerging national standards for “fully informed” e-prescribing that require health plans and vendors to electronically transmit medication history and formulary and benefit information to e-prescribers and pharmacies.
  - 6) Identify and promote opportunities for the participation of pharmacists in health information exchange. Work with pharmacists to identify health information exchange opportunities to improve the e-prescribing process.
  - 7) Continue to disseminate information on e-prescribing to the general public. The Agency will include e-prescribing information for consumers on its website, [FloridaHealthFinder.gov](http://FloridaHealthFinder.gov).

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# **Fifth Annual Florida 2011 Electronic Prescribing Report**



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