

Part B Insider (Multispecialty) Coding Alert

Technology: Look for E-Prescribing Bonus This January

HHS officials encourage physicians to adopt e-prescribing asap

Electronic prescribing can make your life easier by eliminating confusion about your physician's handwriting -- and soon, it will also put more money in your practice's coffers.

Officials from **CMS**, the **American Academy of Family Physicians (AAFP)** and the **Department and Health and Human Services (HHS)** offered a glimpse of where they see the e-prescription program going during a July 21 conference call.

E-Prescribing to Halt Errors

An **Institute of Medicine** report revealed that over 1.5 million Americans are injured annually by drug errors, and another study noted that pharmacists make more than 150 million phone calls per year to physicians to clarify what was written on a prescription, **HHS Secretary Mike Leavitt** said during the call. "That's a lot of people needlessly hurt and a lot of time spent trying to sort out bad handwriting."

Bonus payments: "Beginning in 2009 and over the following four years, doctors will be eligible for additional payments from Medicare when they prescribe electronically," Leavitt said. "The first year they will get two percent extra, the next year one percent, and from 2011 and on, they will get a half a percent."

By 2014, CMS will phase out the bonus payments and physicians who aren't e-prescribing will face penalties. "We expect that this will have a profound affect on the adoption and use of e-prescribing," Leavitt said.

The payment incentives will help practices fund the cost of the e-prescribing system, said **James King, MD**, AAFP's president.

The cost of the e-prescribing system is approximately \$3,000 per prescriber, said **Kerry Weems**, CMS- acting administrator. Plus, practices will face recurring costs for the dedicated internet line and maintenance that the systems require, which could cost you between \$80 and \$400 a month, Weems said.

However, CMS suggests, spending that money will ultimately save money down the road. "We estimate that widespread adoption of the e-prescribing program could save Medicare as much as \$156 million over a five-year period," Weems said.

Some roadblocks exist: Practices that have started e-prescribing have hit a few bumps in the road.

Example: King noted that he can't currently e-prescribe all of his prescriptions because not all pharmacies have the ability to capture e-prescriptions. In addition, laws prevent him from e-prescribing narcotic medications, and he is unable to e-prescribe across state lines, despite the fact that he practices in Tennessee yet some of his patients live in Mississippi. King expects that these issues will be worked out as e-prescribing grows in use.

To listen to a replay of the CMS call, dial 800-839-7073.