

Health Information Compliance Alert

Compliance Update: CMS Outlines E-prescribing Initiative in 2009 Physician Fee Schedule

Final Rule also spruces up PQRI incentives.

Times are changing, and physicians need to adjust accordingly. That's the implicit message behind the Centers for Medicare & Medicaid Services' push for wider adoption of electronic prescribing by physicians.

In its 2009 [Physician fee schedule](#) Final Rule, CMS has come up with new incentives for physicians to persuade them to "trade in their prescription pads and improve efficiency and safety when ordering drugs for patients with Medicare," according to an Oct. 30 press release.

Multiple benefits: The advantages of adopting e-prescribing include the elimination of medication errors that result from misreading handwritten prescriptions, CMS said. The agency also believes that Medicare beneficiaries' out-of-pocket costs

will lessen, as e-prescribing will improve communication between prescribers and pharmacies on lower-cost generic alternatives.

Incentives Could Offer 5.1 Percent Payment Increase

CMS will offer physicians and other eligible professionals an incentive payment of up to 2 percent of physicians' total Medicare allowed charges during 2009 for adopting and using "qualified e-prescribing systems to transmit prescriptions to

pharmacies." And CMS' push for e-prescribing is understandable.

"The Institute of Medicine says more than 1.5 million Americans are injured every year by drug errors," said CMS Acting Administrator **Kerry Weems**.

Get Systems in Order

CMS spelled out in detail in the Final Rule what physicians must do to earn their e-prescribing incentives. Physicians will need to have a "qualified e-prescribing system with certain required capabilities" to participate in the e-prescribing incentive

program, CMS said.

Qualified systems must be able to "communicate with the patient's pharmacy" and "help the physician identify appropriate drugs," as well as provide information on generic substitutes for brand-name drugs. The system must be able to "provide

information on formulary and tiered formulary medications," and forewarn about "possible adverse events, such as improper dosing, drug-to-drug interactions, or allergy concerns."