#### **A Prescription for Quality Healthcare**



NCVHS Testimony: ePrescribing



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### 4 Steps to Create a Prescription

#### Pre-Scribing: (Physician-Patient)

The access of vital information real-time, at the front end of the process to provide physicians and other caregivers with the right information for making clinically appropriate decisions.

#### Scribing: (Physician-Patient)

 The writing of an order for medication therapy based on physician and patient interaction.

#### Delivery: (Physician-Patient)

The movement of an "informed" prescription to patient's choice of pharmacy at back end of the process.

#### Fulfillment: (Pharmacist-Patient)

 The pharmacy of patient's choice fills the prescription, generates label with instructions and refill information and dispenses the medication to the patient.



### The Definition of ePrescribing

A process that goes beyond today's current "writing" of a prescription. It incorporates a more comprehensive approach that involves:

- Access to clinical decision support information at the point of care
- Sharing of patient history facilitating coordination of care
- Facilitating a safer care environment through systems that are actually or virtually integrated
- Increasing practice efficiency for physicians, pharmacies, and hospitals
- Providing an efficient business framework though which prescription drugs are made affordable for all Americans

It's all about the information and how it's utilized...



### Essentials of the Medicare ePrescribing Program

The prescription and related information is required to be provided to the health care professional and dispensing pharmacy and pharmacist that includes:

- Eligibility
- Benefits (including formulary and tiered formulary structure & requirements for prior authorization).
- Information on the drug being prescribed or dispensed, other drugs listed on medication history.
- Information on the availability of lower cost, therapeutically appropriate alternatives.



Information shall be exchanged in an interactive real-time basis to the extent feasible



#### The Inhibitors to Healthcare IT

The healthcare industry in the U.S. lacks an organizing infrastructure

- Essentially everyone in the industry understands the dilemma
- Patient identification is the highest level problem to be solved
- For prescription drugs, the "enrolled" population has historically excluded the demographic who consume the majority of medications
- Starting with the enrolled or payer database, all other connections can be made
- Most other approaches are either naïve, impossible, or intellectually dishonest

It's all about the need for industry cooperation...



#### Master Patient Index

A unique directory service containing more than 150 million members and growing

RxHub's MPI algorithms for record linkage *create a solid and predictable* foundation for patient identification

Multiple coverage for Coordination of Benefits (COB)

Routes the request on an interactive, real-time basis to the appropriate data source

- ■We are NOT a database
- ■We do NOT house patient eligibility or medication history records

Value to Prescriber & Patient	Value to Pharmacy	Data Elements	Standard Utilized	
■Patient's PBM card not needed	<ul><li>Informed Prescription—call reduction</li></ul>	■Name (first & last) ■Date of Birth	<ul><li>Flat file format to load member information from</li></ul>	
<ul><li>Reduced # of callbacks to physicians</li></ul>	Pharmacy benefit and claims processing information identified on prescription	Pharmacy benefit and claims processing information	■Gender	PBM Information retrieved via
•Most cost-effective prescription		■Zip Code ■PBM Identifier	"Eligibility" transaction	



# Eligibility

The Eligibility Transaction enables prescribers to supply patient demographics and receive information about the PBM benefit. It also provides a link to patient formulary, coverage and medication history information. The transaction will also designate whether a patient has multiple pharmacy benefit coverage.

Value to Prescriber, Pharmacy & Patient	Standard Utilized	Nationwide Adoption Necessary	Comments
<ul> <li>Link to Patient's drug benefit—results in an "informed" prescription</li> <li>Reduced # of callbacks to physicians</li> <li>Can fill prescription without patient Pharmacy Benefit ID card.</li> <li>Increased productivity &amp; efficiency in the prescription delivery process</li> <li>Patient's convenience- reduced wait time at pharmacy</li> </ul>	■ANSI X12 270/271  ■Standard utilized for eligibility request between prescriber and payer	Yes	It is important to separate Formulary and Drug Coverage information levels. Formulary level drug coverage information can be misleading to the prescriber because it cannot reflect the patient's group level coverage



# ANSI X12 270/271 Eligibility Standard

HIPAA requires physicians to use the ANSI X12 270/271 standard for eligibility queries to health plans.

- Using the ANSI X12 270/271 standard allows physicians to use existing software. This results in a lower implementation cost.
- The ANSI X12 270/271 standard permits eligibility queries even if the physician does not know the patient's cardholder ID.

Other standards exist, including NCPDP Telecommunications, which HIPAA requires retail pharmacies to use for eligibility queries to health plans.

- NCPDP Telecommunications is not widely used for eligibility as physicians use ANSI X12 and few pharmacies conduct eligibility transactions.
- The NCPDP eligibility standard requires the physician to know the patient's cardholder ID.



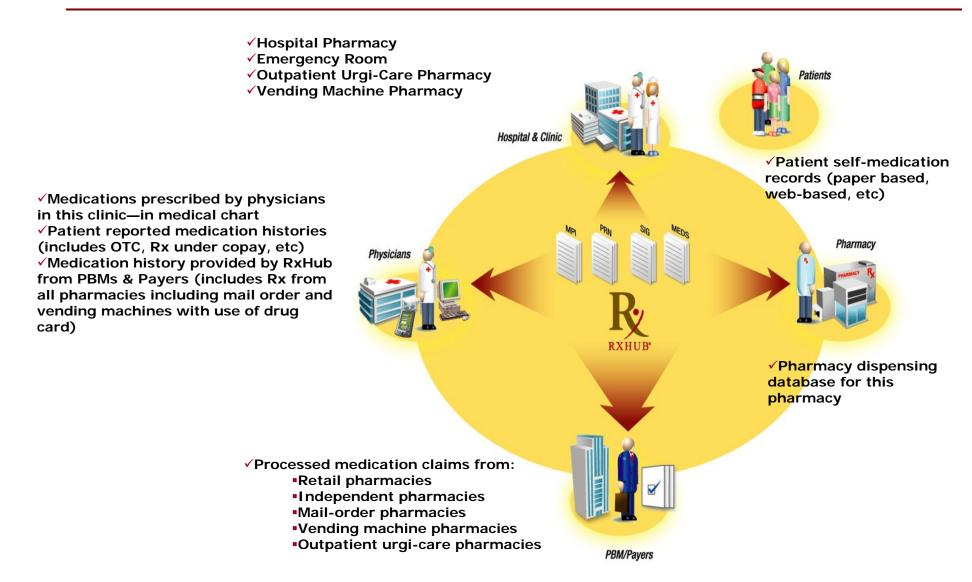
## Medication History

The RxHub medication history transaction provides information about drugs processed by the PBM. The transaction was developed utilizing NCPDP SCRIPT segments, so it could ultimately be used to transfer medication history information between any two entities. There is not currently a single source of information for patient's medication history. The Eligibility transaction (and MPI) provide the link to medication history.

Value to Prescriber, Pharmacy & Patient	Standard Utilized	Nationwide Adoption Necessary	Comments
<ul> <li>Review medications prescribed by other providers as well as primary physician</li> <li>Assess potential drug-drug or drug-allergy interactions</li> <li>Help prescribers deliver the safest possible medical care</li> <li>More time for final DUR</li> <li>Informed Prescription—# of callbacks reduced</li> </ul>	■No industry standard exists ■"NCPDP-like" transaction developed by RxHub that utilizes standard segments from SCRIPT transaction ■RxHub has developed a standard to request and communicate patient Medication History from the benefits administrator to the prescriber	Yes  All of RxHub's PBM's and Technology vendors have adopted the RxHub defined standard	This transaction should be performed multiple times (e.g. when the drug is prescribed, dispensed and adjudicated) as there is not currently one entity that has all of the medication history for a patient.
<ul><li>Patient safety is improved— reduction of medication errors</li></ul>			



## Sources of Medication History





### Benefit Coverage

Benefit Coverage information includes information specific to a patients specific group in addition to plan formulary information. Typically coverage information supplements formulary information (e.g. quantity or age limits) but sometimes is more restrictive than the formulary information (e.g. drug exclusions that specify that a specific drug will not be paid, even if it is listed as a formulary drug.

Value to Prescriber, Pharmacy & Patient	Standard Utilized	Data Elements	Nationwide Adoption Necessary
<ul> <li>Informed prescription</li> <li>Most cost-effective for patient</li> <li>Prior authorization is handled before sending prescription to pharmacy</li> <li>Resulting in reduced # callbacks</li> <li>Increased productivity/efficiency in the prescription delivery process</li> <li>Pharmacist has more time with patient for counseling on usage of prescription</li> <li>Patient satisfaction increased</li> </ul>	<ul> <li>No industry standard exists today</li> <li>RxHub developed two standards:</li> <li>1) File for downloading by Technology Vendor and utilizing real-time mode locally; utilized for efficiency and speed</li> <li>2) Real-time request transaction developed utilizing the NCPDP SCRIPT transactions segments</li> </ul>	<ul> <li>Coverage limits (including):         √ prior authorization         √ age and gender limits         √ quantity limits         √ medical necessity         √ step therapy         √ drug exclusions         √ text messages</li> <li>Copay information         √ copay amounts         √ copay tiers</li> <li>Pharmacy Network         Information (future)</li> </ul>	Yes, but important to separate Formulary and Drug Coverage information levels Formulary level drug coverage information can be misleading to the prescriber because it cannot reflect the patient's group level coverage



## Formulary

Formulary information is transmitted from the PBM's to the Technology Vendors via RxHub in a standard format. Formulary information includes Formulary Status and Alternatives. Drug Coverage information is provided separately as this information is defined at a benefit group level. The Eligibility transaction provides the link to the correct formulary ID and PBM. Because the PBM's provide the information, it is not necessary for Technology Vendors to purchase or interpret information from other formulary sources.

Value to Prescriber, Pharmacy & Patient	Standard Utilized	Nationwide Adoption Necessary	Comments
<ul> <li>Informed prescription</li> <li>Most cost-effective for patient—compliant with drug benefit</li> <li>Resulting in reduced # callbacks</li> <li>Pharmacist has more time with patient for counseling on usage of prescription</li> <li>Increased productivity/efficiency in the prescription delivery process</li> <li>Patient satisfaction increased</li> </ul>	<ul> <li>No industry standard exists today</li> <li>RxHub developed two standards:*         <ol> <li>File for downloading by Technology Vendor and utilizing real-time mode locally; utilized for efficiency and speed</li> <li>Real-time request transaction developed utilizing the NCPDP SCRIPT transactions segments</li> <li>* Different than Benefit Coverage</li> </ol> </li> </ul>	Yes All of RxHub's PBM's and Technology vendors have adopted the RxHub defined standard RxHub has developed two formats and Technology Vendors have different requirements. We allow a full file to be downloaded, and also real time patient-specific request to be made	RxHub has developed multiple standards where there were no industry standards to support functionality.  This was accomplished through a series of work groups to achieve consensus from Pharmacies, PBMs, Plans and Technology Vendors.  If necessary RxHub could provide translation between the two standards, even XML variant



### Prescriptions

New Prescription, Refill Request, Renewal Request and Change Request

RxHub has implemented the following transactions utilizing the NCPDP SCRIPT standard; New Prescription, Refill Request, Renewal Request and Change Request. RxHub has also defined the Fill Status and Cancel Prescription transactions, but our customers claim the industry is not supporting them as there is not a business definition around the process for when to use them.

Value to Prescriber, Pharmacy & Patient	Standard Utilized	Nationwide Adoption Necessary	Comments
With formulary, drug benefits, medication history available at the time of prescribing:  Physicians can provide the safest possible medical care  Electronic record of prescription, refill, renewal or change request  Discussing options with patients regarding lower cost alternative drugs	■NCPDP SCRIPT  ■No standard exists for Provider Directory information—RxHub developed a directory standard utilizing NCPDP SCRIPT segments	Both NCPDP SCRIPT and HL7 could be adopted. Hospitals are currently using HL7 to transfer prescription information with the hospital system. Most pharmacies currently use SCRIPT.	RxHub has the ability to receive a particular standard/format of a transaction (HL7) and send out another format (NCPDP). However we do not currently do this for prescriptions.
<ul> <li>Patients still have the choice of where the prescription will be sent</li> <li>Improved efficiencies and lower cost</li> <li>Improved treatment compliance was feedback mechanism between stakeholders</li> <li>Patient cardholder information is sent on the SCRIPT so the pharmacy does not need to determine patient's PBM coverage</li> </ul>		If necessary RxHub could provide translation between the two standards.	



## How to Impact Physician Adoption

- Maximize information access without creating new workflow requirements or cost burdens
- Optimize relevancy to physician's practice—critical mass representation
- Increase compliance with evidence-based medical practices
- Provide same tools/mechanism for both outpatient and inpatient environment
- Provide financial incentives to physicians that adopt ePrescribing technology; shift value from other players
- Provide secure, private, interoperable information exchange



## Summary

Our industry must have standards that address the broad problem, including affordability

We must identify the patient now, not after an identifier evolves from a very lengthy, political, and contentious process

We must create an efficient market where the decision makers, the patient and their care team, have the information to make rational clinical and economic decisions

We must say NO to today's standard of non-cooperation because of self-interest

We must get on with the job......

