



**ALLSCRIPTS™**  
Inform. Connect. Transform.

# The Medicare Improvements for Patients and Providers Act of 2008:

## **A Call to Action for ePrescribing**



# Joining Us Today...

## Over 2,000 people...

- Clients/Prospects/Partners, etc.
- ePrescribing Users, EHR Users, etc.
- Small Practices, Large Practices, Specialty Practices, Hospitals, etc.

**Please e-mail questions to: [questions@allscripts.com](mailto:questions@allscripts.com)**

# Agenda

***The Medicare Improvements for Patients and Providers Act of 2008:***  
**David Merritt**

Project Director of Center for Health Transformation  
Author of *Paper Kills* (HIMSS 2007 Book of the Year)

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***The Physician/Provider Perspective:***  
**Frank Opelka, MD, FACS**

Vice Chancellor of Clinical Affairs, LSU Health Sciences Center  
Co-Chair of National ePrescribing Patient Safety Initiative  
Chair of the National Quality Forum's Voluntary Consensus Standards for  
Hospital Care Outcomes and Efficiency  
Chair of American College of Surgeon's Patient Safety Advisory Committee  
Co-Chair of the AQA Alliance Physician Performance Group

# The Opportunity: Errors

7,000 Americans Die Annually  
From Preventable Medication Errors



1.5 Million Americans Injured Annually  
by Preventable Medication Errors

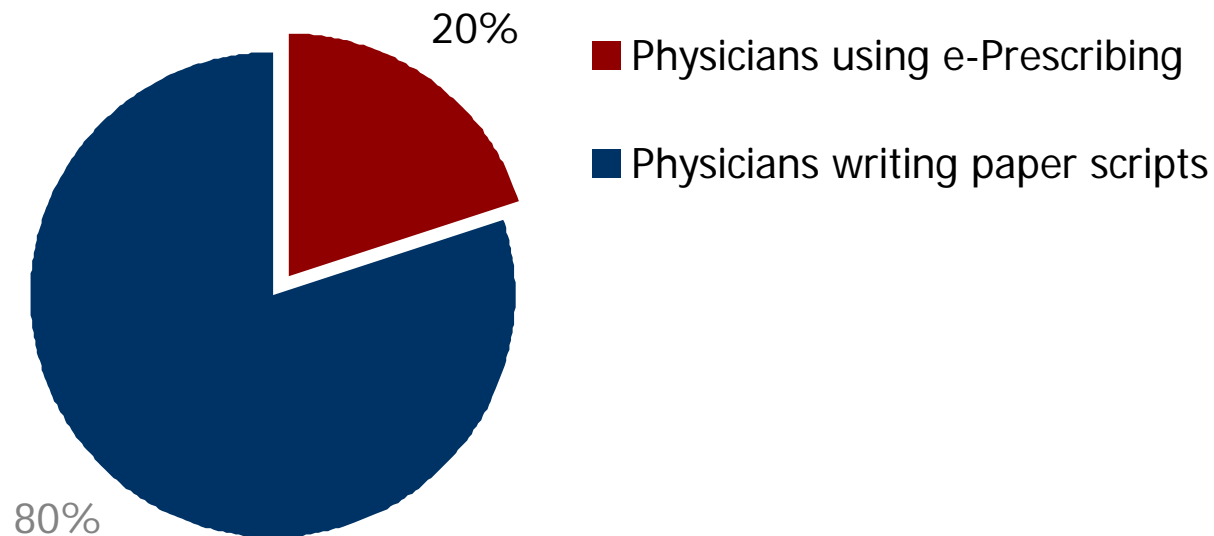
Source: The Institute of Medicine of the  
National Academies of Science (IOM)

# The Opportunity: Cost

**National savings from universal adoption of electronic prescribing systems could be as high as \$27 billion**

Source: Center for Information Technology Leadership, "The Value of Computerized Provider Order Entry in Ambulatory Settings," 2003.

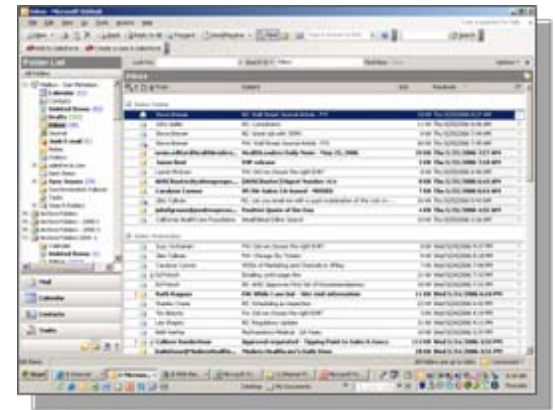
# Are We There Yet?



3.2 Billion Prescriptions Written Annually...  
Less than 1 in 5 of Physicians Use ePrescribing

Source: eHealth Initiative, 2004

# Change...in the Blink of an Eye





# ePrescribing: Number of States



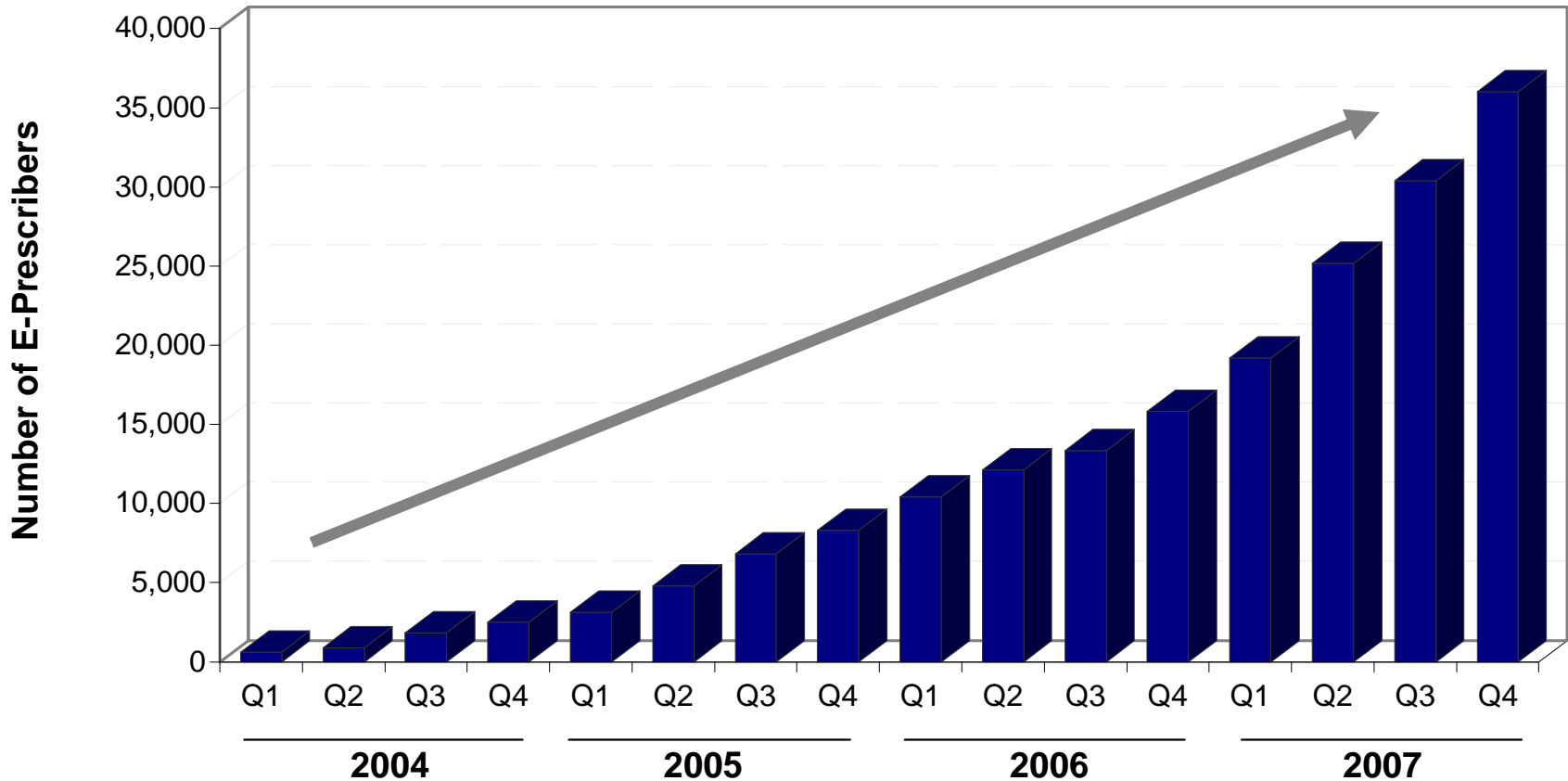
As of February 2nd, 2004 - 25 States cleared for electronic prescribing



As of February 2nd, 2007 - 48 States and Washington, D.C. cleared for electronic prescribing



# ePrescribers: Number of Prescribers

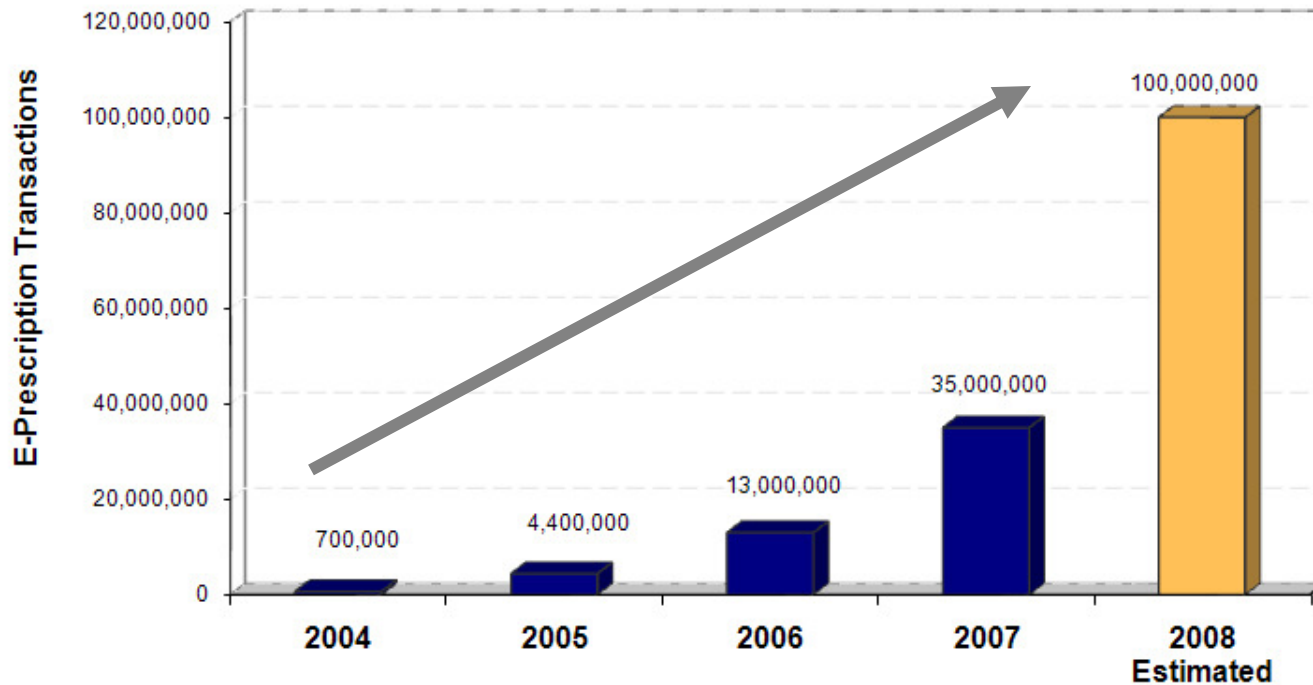


**Source:** Pharmacy Health Information Exchange, operated by SureScripts (December 2007).



# ePrescribing: Number of Scripts

Figure 1: E-Prescription Transactions: Annual Growth



Source: Pharmacy Health Information Exchange, operated by SureScripts (December 2007).

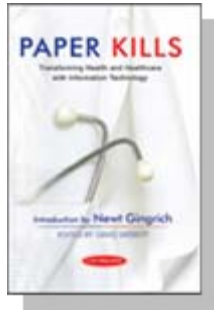


# The Role of Allscripts...

- First Company to Deploy Handheld ePrescribing
- Leader in ePrescribing Volume (more than rest of industry combined)
- Only Company with Stand-Alone ePrescribe and as part of EHR
- Only Company with Leadership Position in ePrescribe and EHR
- 40,000+ Physicians Using Applications



# The Medicare Improvements for Patients and Providers Act of 2008



## David Merritt

Project Director of Center for Health Transformation  
Author of *Paper Kills* (HIMSS 2007 Book of the Year)

[dmeritt@gingrichgroup.com](mailto:dmeritt@gingrichgroup.com)

# The Big News

- July 15, 2008: U.S. Congress successfully overrides President Bush's veto and has passed into law:
  - HR 6331: The Medicare Improvements for Patients and Providers Act of 2008
- This measure prevents doctor's proposed 10.6 percent cut in their reimbursement rates when treating Medicare patients

# HR 6331: The Medicare Improvements for Patients and Providers Act of 2008

- Increases physician reimbursement by 1.1 percent in 2009
- Expands access and eligibility to Medicare's low-income drug benefit
- Authorizes HHS to cover new preventive services recommended by the U.S. Preventive Services Task Force
- Reduces the Medicare co-pay for behavioral health services from 50% to 20%, which is equal to physical health services
- Delays the DME competitive bidding program for 18 months, which was estimated to save \$1 billion a year
- Requires drug plans to reimburse pharmacies within 14 days for drugs they dispense to beneficiaries

# ePrescribing

- Provides real financial incentives to physicians to electronically prescribe by 2011 with a Carrot/Stick approach
  - 2009 and 2010: 2.0%
  - 2011 and 2012: 1.0%
  - 2013: 0.5%
- Provides penalties to those who don't after 2011
  - 2011: 1% payment cut
  - 2012: 2% payment cut

# Two Basic Approaches to ePrescribing...

- Stand-alone ePrescribing
- ePrescribing within an EHR

**Both are eligible for Medicare Incentives**



# Frequently Asked Questions...

- How will physician's ePrescribing compliance be reported to CMS? What must prescribers (or pharmacies) do to receive the incremental reimbursement?
- What is the 2 percent based upon? Is it 2 percent in addition to our current reimbursement rate?
- Do you know if there will be a push to get all pharmacies to ePrescribe?
- Do the new government actions affect Medicaid Services as well? Will providers who ePrescribe for Medicaid patients get the same 2 percent incentive and how will the incentive get paid to providers?
- How do the CMS Mandates fit into this?
- Where do things stand with the DEA relative to ePrescribing controlled substances?

# Presidential Politics

**Senator Obama**

**Senator McCain**



# The Physician/Provider Perspective



## **Frank Opelka, MD, FACS**

Vice Chancellor of Clinical Affairs, LSU Health Sciences Center

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Co-chair of the AQA Alliance Physician Performance Group



# LSU Healthcare Network

- Non-profit, academic, multi-specialty, healthcare delivery system
- Founded in 1997 based out of New Orleans, LA
- Mission is to provide our patients with the highest quality, most comprehensive medical care through a compassionate, professional, and patient-focused healthcare team that is committed to academic excellence.
- Medical Staff are faculty members of the LSU Health Sciences Center - currently 90+ providers working in the private practice clinics of the Network.
- Network includes 400+ providers serving public patient care hospitals and clinics throughout Southeast Louisiana.
- Over 600 residents interacting with providers in all clinics



# ePrescribing at LSU

**LSU Medical Staff** ➔ TouchWorks EHR from Allscripts

**Affiliated Physicians** ➔ National ePrescribing Patient Safety Initiative

# Why: Improved Patient Safety

BEFORE

HECTOR ABUEG, M.D., INC.  
BOX 340 PHONE: (214) 593-1993 COMHEALT OHIO 46030

NAME Ronald Van Slyke AGE \_\_\_\_\_  
ADDRESS \_\_\_\_\_ DATE 7/2/02

**R** Propamidal 10 mg  
#360  
SS: 7 tabs TID

REFILL \_\_\_\_\_ DR. [Signature]

- Illegible Handwriting
- No DUR
- No Formulary Check

AFTER

**G. O. M. HealthCare**  
200 Main Street, Richmond, IL 03079  
(800) 654-0889

**Jerry Krupa M.D.**  
IL IL25784623  
NPI: 1063684397

Name Michelle Krupa DOB 01/01/1976  
Address 100 S Yale, Richmond, IL 03079

**Amoxicillin 500 MG Cap**  
Quantity: 40 (Forty) Days: 10  
TAKE 2 CAPSULES TWICE DAILY FOR 10 DAYS.

May Substitute  
 May Not Substitute

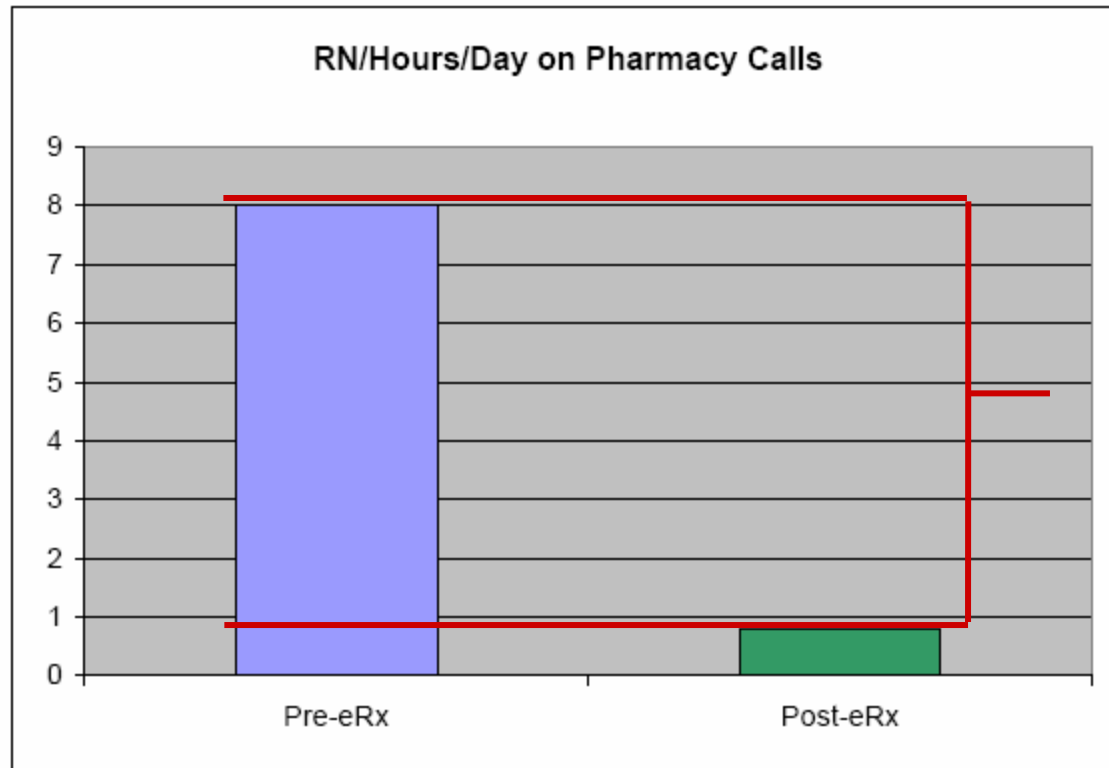
Signature of Prescriber \_\_\_\_\_

Written: 07/18/2008 Refills Authorized 0 Time(s) Rx: 189

- Printed or EDI
- Full DUR
- Formulary Check Completed



# Efficiency Gains: Refill Requests



Variance =  
7.2 Hours/Day

- ▶ \$36,000 Savings (> \$12K/Provider/Year)
- ▶ Went from 60 Calls/Day to 6 Calls/Day
- ▶ During this time went from 8,000 to 16,000 patients

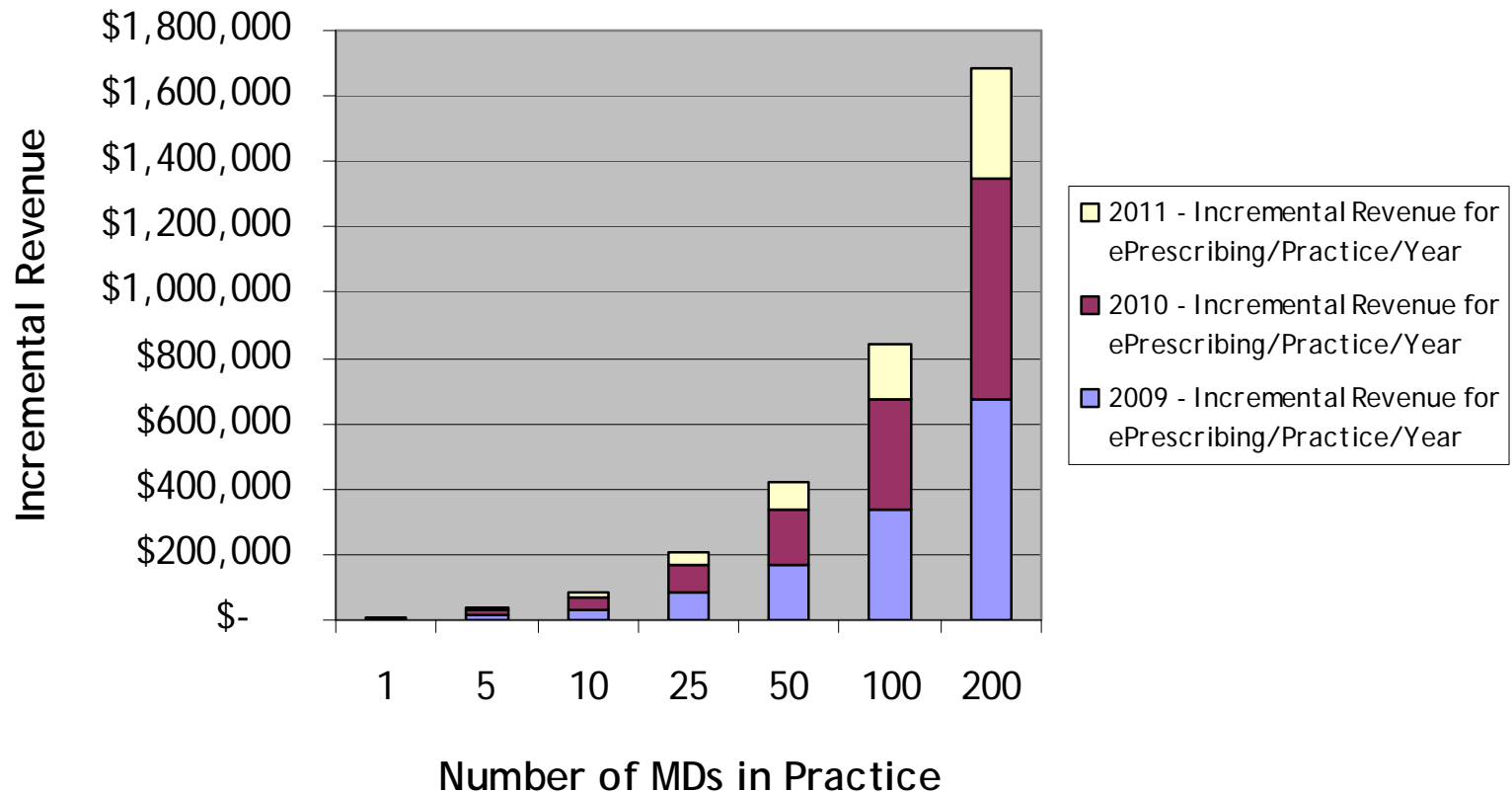
# Sample Calculation for Family Practitioner

Patients Per Day	24
% of Practice Medicare	33
Medicare Pts/Day	8
Revenue per Patient	\$85
Practice Days/Year	250
Current Medicare Revenue/Year	\$170,000
% Increase with ePrescribing in 2009	2
<b>Incremental Revenue gain per MD/Year</b>	<b>\$3,400</b>

Source: Allscripts Model

# Medicare ePrescribing Incremental Revenue

## Medicare ePrescribing Incremental Revenue



Source: Allscripts Model



# How: Advancing Patient Safety

Introducing:

## **The National ePrescribing Patient Safety Initiative (NEPSI)**

A Coalition of the Nation's Most Prominent Technology Companies,  
Healthcare Benefit And Medical Provider Organizations

**Dedicated to improving patient safety by providing free  
electronic prescribing for every physician in America**



# How: NEPSI Coalition Sponsors

## National Sponsors



## Executive Sponsors



## Healthcare Sponsors



## Search Sponsor



## Connectivity Sponsors





# How: Regional Supporters





# Safe, Simple, Smart

The “ATM of Healthcare”

## – Safe

- Comprehensive Drug Interaction Checking
- Allscripts Reliability Validated By 40,000 MDs
- State-of-the-Art Privacy and Security

## – Simple: Web-based ePrescribing Software

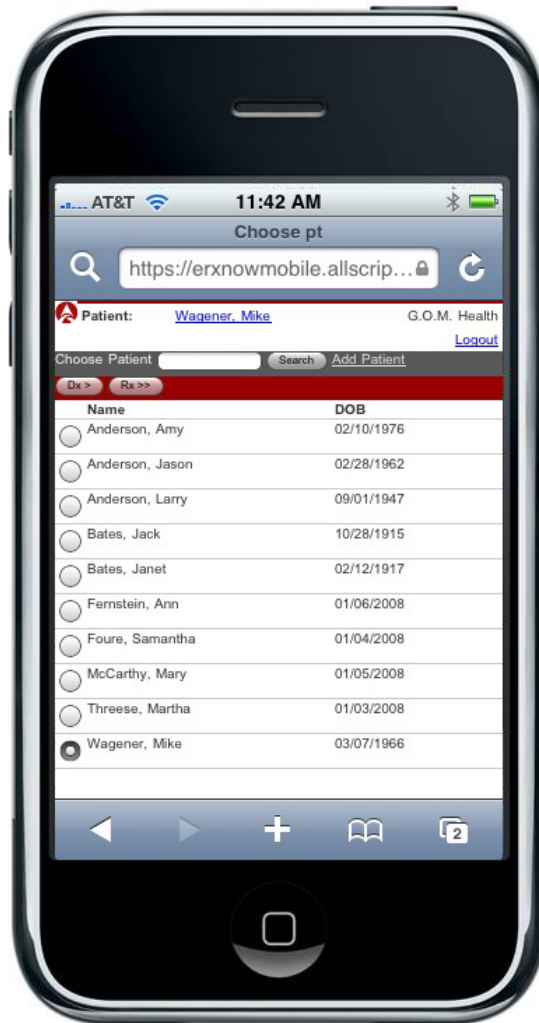
- Easy To Install
- Easy To Update
- Easy Interoperability

## – Smart

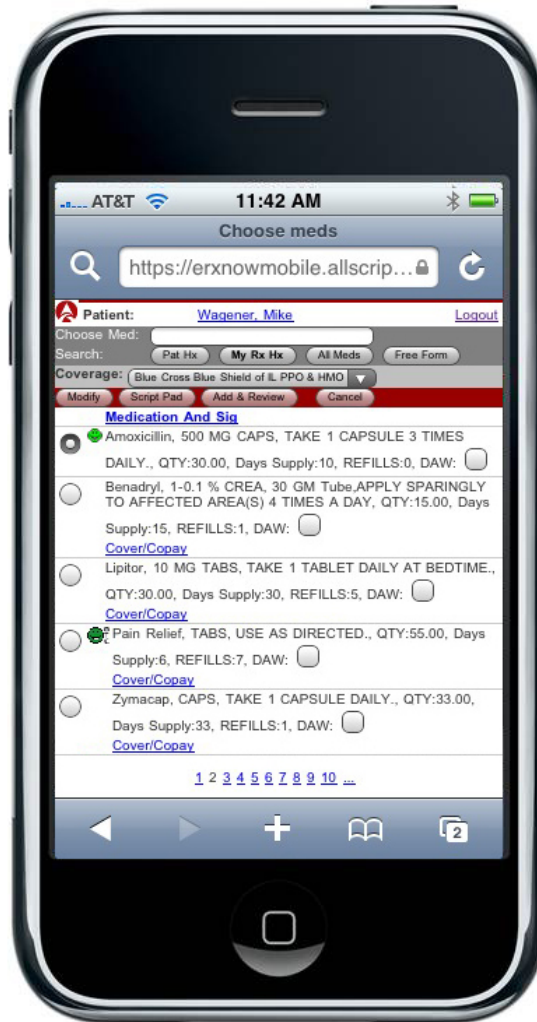
- Anytime, Anywhere Access
- Custom Search Engine from Google
- Real-Time Notification of Insurance Plan Status

# ePrescribing in Four Simple Steps

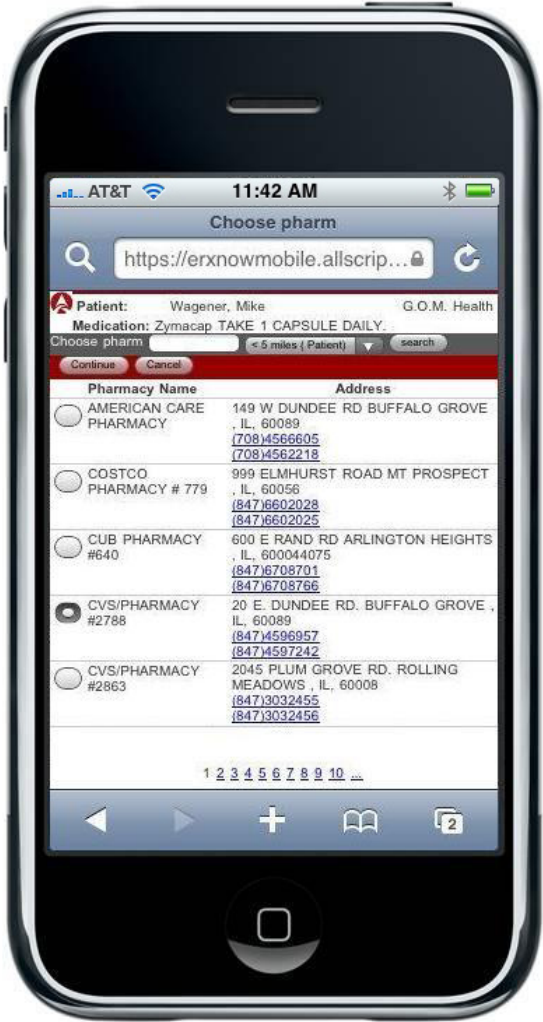
# 1) Select Patient



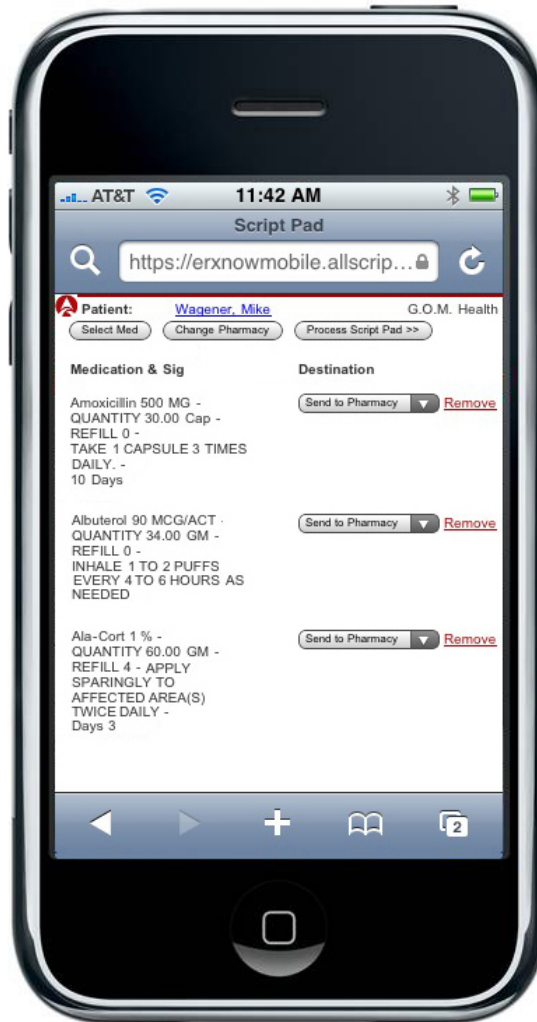
## 2) Select Medication



### 3) Select Pharmacy



## 4) Send





Patient: Smith, Donald  
Active allergies: No Known Allergies  
Active problems: HYPERTENSION NOS  
Active medications: N/A  
Pharmacy: COSTCO 1300 DANA DRIVE, 1300 DANA DRIVE REDDING, CA 96003

Gender, DOB: M, 09/09/1987 (20 Y) MRN:AHS325

KMMC Family Practice  
Dr. Karwa

Help Services Profile Log Out

Avapro Search

Choose Medication Search Patient History My History All Meds Write Free Form Rx

Coverage: Horizon Blue Cross Blue Shield of New Jersey

Modify Sig Add to Script Pad Review Script Pad Cancel

Medication And Sig	Quantity	DAW	Refills	Days
<input type="radio"/> Aspirin , POWD, 500 GM Bottle,USE AS DIRECTED.	1	<input type="checkbox"/>	0	25
<input type="radio"/> Dobells , SOLN, 480 ML Bottle,USE AS AN ORAL RINSE, AS DIRECTED ON PACKAGE	1	<input type="checkbox"/>	0	10
<input type="radio"/> Amoxicillin , POWD, 500 GM Bottle,USE AS DIRECTED.	1	<input type="checkbox"/>	0	90
<input checked="" type="radio"/> Avapro , 75 MG TABS, TAKE 1 TABLET ONCE DAILY.	30	<input type="checkbox"/>	0	30
<input type="radio"/> Lipitor , 20 MG TABS, TAKE 1 TABLET DAILY AS DIRECTED.	30	<input type="checkbox"/>	0	30
<input type="radio"/> Crestor , 10 MG TABS, TAKE 1 TABLET DAILY AS DIRECTED.	30	<input type="checkbox"/>	0	30
<input type="radio"/> Depakote , 250 MG TBEC, TAKE 1 TABLET AT BEDTIME.	30	<input type="checkbox"/>	0	30
<input type="radio"/> Glucophage , 500 MG TABS, TAKE 1 TABLET AT BEDTIME.	30	<input type="checkbox"/>	0	30
<input type="radio"/> Hydrochlorothiazide , 50 MG TABS, TAKE 1 TABLET DAILY AS DIRECTED.	30	<input type="checkbox"/>	0	30
<input type="radio"/> Penicillin V Potassium , 250 MG TABS, TAKE 1 TABLET EVERY 6 HOURS DAILY.	40	<input type="checkbox"/>	0	10
<input type="radio"/> Crestor , 20 MG TABS, TAKE 1 TABLET DAILY.	30	<input type="checkbox"/>	0	30
<input type="radio"/> Tylenol , 325 MG TABS, TAKE 1 TO 2 TABLETS EVERY 4 HOURS AS NEEDED	120	<input type="checkbox"/>	0	10
<input type="radio"/> Amoxicillin , 250 MG CAPS, TAKE 1 CAPSULE TWICE DAILY FOR 5 DAYS.	10	<input type="checkbox"/>	0	5

Formulary Alternatives

No Alternatives

Formulary Notes

No formulary notes available.

Help With This Screen

\*Brand drugs are in BOLD

Will cause interaction.

# To Access NEPSI...

[www.NationaleRx.com](http://www.NationaleRx.com)



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# Next Steps

- You will receive an FAQ document the week of July 21<sup>st</sup>
- Next Webcast on NEPSI (product demonstration)
  - July 24<sup>th</sup>
  - 1:30 pm CST
  - Check [www.nationalerx.com](http://www.nationalerx.com) later today for details