Answer ID
3801
Topic
General Information
Category
Medicare Modernization Act Electronic Prescribing
Date Created
02/04/2005 03:58 PM
Date Updated
02/07/2005 10:00 AM

How is e-prescribing included in the MMA?

Question

How is e-prescribing included in the MMA?

Answer

The Medicare Prescription Drug, Improvement and Modernization Act of 2003 (MMA) created a voluntary prescription drug benefit program under Medicare, also known as the Medicare prescription drug benefit. It requires that prescriptions and certain other information for covered drugs that are transmitted electronically must comply with final uniform standards promulgated no later than 2008 by the Secretary. These standards must meet MMA's requirements, as well as be compatible with other standards, including standards adopted under the Health Insurance Portability and Accountability Act of 1996 (HIPAA).

The Act specifies that initial standards must be developed, adopted, recognized, or modified by the Secretary not later than September 1, 2005, taking into consideration recommendations from the National Committee for Vital and Health Statistics (NCVHS), which was charged with obtaining input from a wide variety of stakeholders. These initial standards do not need to be pilot tested if there is "adequate industry experience" with them. However, other e-prescribing standards must be pilot tested during calendar year 2006. The pilot project will be evaluated by the Secretary and a report of the evaluation will be provided to Congress by April 1, 2007. The Secretary must adopt final uniform standards not later than April 1, 2008, which are to be effective no later than a year after the standards are adopted.

Answer ID
3807
Topic
General Information
Category
Medicare Modernization Act Electronic Prescribing
Date Created
02/07/2005 08:40 AM
Date Updated
02/07/2005 10:00 AM

Will doctors be required to prescribe electronically?

Question

Will doctors be required to prescribe electronically?

Answer

No. E-prescribing under the Medicare Prescription Drug, Improvement and Modernization Act of 2003 (MMA) is voluntary for physicians. However, physicians and other providers who electronically prescribe covered part D drugs for part D enrolled individuals will have to follow national standards, once they are adopted. We believe, though, that many physicians will choose to prescribe electronically and in accordance with the national standards because it can improve quality, patient safety, efficiency, and reduce costs.

Answer ID 3805
Topic General Information
Category Medicare Modernization Act Electronic Prescribing
Date Created 02/07/2005 08:35 AM
Date Updated 02/07/2005 10:02 AM

What do health plans participating in Part D have to do about e-prescribing?

Question

What do health plans participating in Part D have to do about e-prescribing?

Answer

The Medicare Prescription Drug Benefit final rule, published on January 28, 2005, contains provisions related to e-prescribing. It requires that Part D sponsors, including Prescription Drug Plan (PDP) sponsors and Medicare Advantage (MA) Organizations offering Medicare Advantage Prescription Drug (MA-PD) plans must support and comply with electronic prescribing standards relating to covered Part D drugs for Part D enrollees once final standards are in effect.

Answer ID 3808
Topic General Information
Category Medicare Modernization Act Electronic Prescribing
Date Created 02/07/2005 08:43 AM
Date Updated 02/07/2005 09:59 AM

What are some of the potential benefits of e-prescribing?

Question

What are some of the potential benefits of e-prescribing?

Answer

E-prescribing can help prevent medication errors because, at the time of prescribing, each prescription can be checked electronically for dosage, interactions with other medications, and therapeutic duplication. E prescribing can also improve quality, efficiency, and reduce costs, by--

- Improving patient safety and quality of care through immediate access to medication history information, and the prevention of adverse drug events.
- Providing information about formulary-based drug coverage, including formulary alternatives and co-pay information.
- Speeding up the process of renewing medications.
- Providing instant connectivity between the health care provider, the pharmacy, health plans/PBMs, and other entities, improving the speed and accuracy of prescription dispensing, pharmacy callbacks, renewal requests, eligibility checks, and medication history.

In addition, the use of e-prescribing shows promise for improving Medicare operations by creating efficiencies in the administration of the Part D drug benefit. This can be done by reducing the costs associated with patient eligibility checks, promoting the use of cheaper, therapeutically equivalent drugs, such as generics, and creating timely interfaces with formularies to make sure the correct drug is prescribed the first time. E-prescribing also allows enhanced patient safety benefits through the prevention of medication errors resulting from illegible handwriting on paper prescriptions.

Answer ID 3806
Topic General Information
Category Medicare Modernization Act Electronic Prescribing
Date Created 02/07/2005 08:37 AM
Date Updated 02/07/2005 09:59 AM

When will e-prescribing under MMA happen?

Question

When will e-prescribing under MMA happen?

Answer

We are currently looking for ways to encourage electronic prescribing for the Medicare prescription drug benefit. We are proposing electronic prescribing standards for entities to use in their electronic prescription drug programs for Medicare Part D drugs for individuals enrolled in Part D plans. E-prescribing will also be required for prescription drug plans (PDPs) and pharmacies participating in the pilot project authorized under the Medicare Prescription Drug, Improvement and Modernization Act of 2003 (MMA), which will be performed during calendar year 2006. Under the MMA, final e-prescribing standards will be promulgated no later than April 1, 2008, and compliance with these national standards will be required no later than one year after the standards are adopted. However, we aim to adopt a set of foundation standards more quickly than required by the MMA, and we will encourage providers and pharmacies to voluntarily adopt electronic prescribing on an accelerated basis.

Answer ID 3800
Topic General Information
Category Medicare Modernization Act Electronic Prescribing
Date Created 02/04/2005 03:50 PM
Date Updated 02/07/2005 10:02 AM

How does e-prescribing work under Medicare?

Question

How does e-prescribing work under Medicare?

Answer

E-prescribing is an integral part of the Medicare Prescription Drug, Improvement and Modernization Act of 2003 (MMA). Under Title I of the MMA, Medicare will require drug plans participating in the new prescription drug benefit to support and comply with electronic prescribing standards. E-prescribing is voluntary for physicians and pharmacies, but for physicians and pharmacies that choose to e-prescribe covered Part D drugs for Part D enrolled individuals, compliance with the standards will be required. E-prescribing will enable a physician to transmit a prescription electronically to the patient's choice of pharmacy, and will also enable physicians and pharmacies to obtain from drug plans information about the patient's eligibility and medication history. Having access to this information at the point of care will make it possible for physicians and pharmacies to make more informed decisions about appropriate and low-cost medications.

Answer ID 3809
Topic General Information
Category Medicare Modernization Act Electronic Prescribing
Date Created 02/07/2005 08:45 AM
Date Updated 02/07/2005 09:59 AM

What standards are being proposed in the NPRM?

Question

What standards are being proposed in the NPRM?

Answer

The proposed "foundation standards" are:

- The NCPDP SCRIPT standard, Version 5, Release 0, for transactions between prescribers and dispensers for new prescriptions, prescription refill request and response, prescription change request and response, prescription cancellation request and response, and ancillary messaging and administrative transactions.
- The ASC X12N 270/271, Version 4010 and Addenda, for eligibility and benefits inquiries and responses between prescribers and Part D sponsors.
- The NCPDP Telecommunications Standard, Version 5.1, and the equivalent Batch Standard, Version 1.1, for eligibility and benefits inquiries and responses between dispensers and Part D sponsors.
- Formulary representation and medication history standards, if certain characteristics are met and there is adequate industry experience with the standards.

Answer ID 3812
Topic General Information
Category Medicare Modernization Act Electronic Prescribing
Date Created 02/07/2005 08:51 AM
Date Updated 02/07/2005 09:58 AM

What is the compliance date for this first set of standards?

Question

What is the compliance date for this first set of standards?

Answer

We have proposed a compliance date of January 1, 2006. The Department believes that compliance with these foundation standards should coincide with compliance for the Medicare Prescription Drug Program. In January 2006 when entities begin participation in the Medicare Prescription Drug Program, we anticipate that these standards will be available for them to use in their electronic prescription drug program transactions for Medicare Part D drugs for Part D enrolled individuals.

Answer ID 3804
Topic General Information
Category Medicare Modernization Act Electronic Prescribing
Date Created 02/07/2005 08:33 AM
Date Updated 02/07/2005 10:01 AM

Who will be required to use these standards when they are finalized?

Question

Who will be required to use these standards when they are finalized?

Answer

The standards apply to electronically transmitted prescriptions for covered Part D drugs and other related information (such as eligibility and benefits) for Part D enrolled individuals. The requirement to use the standards applies to Part D Sponsors. Participation in the Medicare Prescription Drug Program and e-prescribing is voluntary for prescribers and dispensers. However, if prescribers and dispensers choose to e-prescribe, then they also must use the standards.

Answer ID 3819
Topic General Information
Category Medicare Modernization Act Electronic Prescribing
Date Created 02/07/2005 09:03 AM
Date Updated 02/07/2005 10:28 AM

How will the public provide input into the development of e-prescribing standards and pilots?

Question

How will the public provide input into the development of e-prescribing standards and pilots?

Answer

There are several avenues by which the public can have input into the development of e-prescribing standards and pilots. They include:

• The rulemaking process. CMS invites public comment on the e-prescribing standards it is proposing in the Notice of Proposed Rule Making, published February 4, 2005[when are these Q&As going on display? Before or after 02/04/05?]. The comment period closes on April 5, 2005.

• NCVHS process. The National Committee for Vital and Health Statistics (NCVHS) is an advisory committee to the Secretary of the Department of Health and Human Services. The Medicare Prescription Drug, Improvement and Modernization Act of 2003 (MMA) requires the NCVHS to consult with a variety of stakeholders, including public and private entities, in developing recommendations on e-prescribing standards. NCVHS's meetings are open to the public and input is encouraged through letters and e-mails from those who are not officially testifying. Details about NCVHS and its role in recommending e-prescribing standards are available on the NCVHS web site, www.ncvhs.hhs.gov

• Open Door Forum. CMS will hold an Open Door Forum to provide an overview of the major elements of the proposed rule and to allow for an open dialogue to hear interested stakeholders' input and questions during the public comment period. The time, date and call-in information will be published on the CMS web site at www.cms.hhs.gov/opendoor

• Pilot selection process. CMS will solicit applications for pilot participation from the public through the Request for Proposal (RFP) process. Application procedures will be published in FedBizOps and on the CMS web site at www.cms.hhs.gov

Answer ID
3815
Topic
General Information
Category
Medicare Modernization Act Electronic Prescribing
Date Created
02/07/2005 08:56 AM
Date Updated
02/07/2005 09:57 AM

What will the pilot project test?

Question

What will the pilot project test?

Answer

CMS plans to conduct a large pilot project—potentially in various geographic regions--that will test standards for which there is not adequate industry experience (such as the FDA's structured product label and the codified dosing instructions standards being developed by the industry). The testing may involve evaluation of the costs, utility, usability and outcomes of existing e-prescribing programs/projects that will inform the implementation of the Part D program, and, assessment of the costs, utility, usability and outcomes of adding standards to address additional functionality to existing e-prescribing programs/projects.

CMS's pilot project may also demonstrate and potentially quantify cost savings, administrative efficiencies, return on investment for physicians, patient safety, improved quality of care, and other benefits for beneficiaries (e.g., no waiting for prescriptions at pickup, reduced co-pays by getting on-formulary drugs).

Answer ID 3813
Topic General Information
Category Medicare Modernization Act Electronic Prescribing
Date Created 02/07/2005 08:53 AM
Date Updated 02/07/2005 09:58 AM

Does the proposed rule address State preemption?

Question

Does the proposed rule address State preemption?

Answer

Yes. Our proposed interpretation of the preemption provisions of the Medicare Prescription Drug, Improvement and Modernization Act of 2003 (MMA) is that e-prescribing standards shall supersede state laws and regulations that are either contrary to the Federal standards or that restrict the ability to carry out the electronic prescription drug program requirements, and that pertain to the electronic transmission of prescriptions or certain information regarding covered Part D drugs for Part D enrolled individuals.

We invite public comment on our interpretation of the scope of preemption, particularly with respect to relevant state statutes and regulations that commenters believe should be preempted, but would not be under our proposed interpretation. We specifically ask for comment on whether this preemption provision applies only to transactions and entities that are part of an Electronic Prescription Drug Program under Part D, or to a broader set of transactions and entities. We also ask for comment on whether this preemption provision applies to only electronic prescription transactions or to paper transactions as well.

Answer ID 3818
Topic General Information
Category Medicare Modernization Act Electronic Prescribing
Date Created 02/07/2005 09:02 AM
Date Updated 02/07/2005 09:55 AM

What other steps are being taken to accelerate the adoption of e-prescribing?

Question

What other steps are being taken to accelerate the adoption of e-prescribing?

Answer

We are undertaking several additional steps to accelerate the adoption of e-prescribing. They include:

• Permitting differential payments. The Medicare Prescription Drug, Improvement and Modernization Act of 2003 (MMA) permits Medicare Advantage-Prescription Drug plans to provide differential reimbursements to participating physicians who prescribe covered part D drugs electronically. This potential incentive could spur adoption of e-prescribing by helping physicians pay for start-up and maintenance costs of e-prescribing in their practices. CMS is also exploring pay-for-performance demonstrations, such as the ones authorized under MMA section 649, that incorporate incentives for the adoption of health information technology, including e-prescribing.

• Clarifying the Stark exception for e-prescribing. The MMA requires the Secretary, in consultation with the Attorney General, to create an exception to the federal physician self-referral prohibition to permit certain designated health services entities to provide non-monetary assistance to physicians, pharmacies and/or pharmacists to transmit prescription-related information in accordance with federal e-prescribing standards. Specifically, the exception would permit hospitals, group practices, and prescription drug plan (PDP) sponsors and Medicare Advantage (MA) organizations to furnish e-prescribing hardware, software, or information technology, and training services to physicians, pharmacies, and/or pharmacists, provided certain conditions are met. We intend to propose an e-prescribing exception to the Stark law in a separate rulemaking.

In addition, an independent private-sector commission has formed to create a mechanism for certifying HIT products, including EHRs, by defining a minimum set of functions and interoperability of electronic medical records software. We believe such a process will help accelerate adoption and use of electronic medical records by providing health care providers independent and objective information about available systems and their functionality.

Answer ID 3816
Topic General Information
Category Medicare Modernization Act Electronic Prescribing
Date Created 02/07/2005 08:58 AM
Date Updated 02/07/2005 09:57 AM

Why do we need e-prescribing standards?

Question

Why do we need e-prescribing standards?

Answer

Standards ensure the interoperability needed to support electronic prescribing. Standards permit the accurate exchange of complex information from multiple data sources, including prescribers, pharmacies, payers, benefits managers, public health systems, and many more. This should save time and money by making sure that data are exchanged, efficiently, correctly, and in real-time. Standards also are critical to integrate and extend the functionality of various information technology systems. For example, standards enable e-prescribing systems to work with, or be incorporated into, practice management systems and electronic health record systems. Finally, standards make it easier for users to change vendors and reduce the costs of changing systems. Standards also help prevent users from being "locked in" to proprietary systems that cannot readily exchange data with unrelated systems or cannot be easily updated.

Answer ID 3803
Topic General Information
Category Medicare Modernization Act Electronic Prescribing
Date Created 02/07/2005 08:28 AM
Date Updated 02/07/2005 10:02 AM

Is the process being accelerated?

Question

Is the process being accelerated?

Answer

In order to achieve a safer, higher quality healthcare system and to ensure that the Part D benefit begins in an environment that encourages efficient and effective prescribing patterns, CMS is aiming to accelerate the nationwide adoption of e-prescribing under the Medicare program and beyond. We aim to adopt standards more quickly than required by the Medicare Prescription Drug, Improvement and Modernization Act of 2003 (MMA). Our e-prescribing proposed rule proposes a set of foundation standards that can be implemented without pilot testing because we believe the industry already has adequate experience with them. Our goal is to adopt these standards in time to implement them in January 2006, when the Part D program goes into effect. Other standards will be tested in a voluntary pilot project during 2006, and those standards will be adopted via rulemaking no later than April 1, 2008, and compliance with them will be required no later than one year after they are adopted.

Answer ID
3811
Topic
General Information
Category
Medicare Modernization Act Electronic Prescribing
Date Created
02/07/2005 08:49 AM
Date Updated
02/07/2005 09:58 AM

Will there be other standards?

Question

Will there be other standards?

Answer

Yes. This first set of standards does not represent the full set of standards and functionalities that will be necessary for affected entities to effectively implement their electronic prescription drug programs. Additional standards will be identified, pilot tested (unless the standard meets the proposed criteria for adequate industry experience), and proposed through separate rulemaking, to build on these foundation standards.

Answer ID 3820
Topic General Information
Category Medicare Modernization Act Electronic Prescribing
Date Created 02/07/2005 09:06 AM
Date Updated 02/07/2005 09:53 AM

How do the recently published proposed e-prescribing standards support the President's goal of widespread adoption of electronic health records and an interoperable health care infrastructure, which he laid out last year?

Question

How do the recently published proposed e-prescribing standards support the President's goal of widespread adoption of electronic health records and an interoperable health care infrastructure, which he laid out last year?

Answer

Last year, President Bush outlined a vision for the widespread adoption of interoperable electronic health records. The proposed e-prescribing rule under the Medicare Prescription Drug, Improvement and Modernization Act of 2003 (MMA) is one important step toward that goal. We believe that requiring compliance with national standards to facilitate electronic prescribing under Medicare will significantly drive adoption of electronic prescribing across the United States and will pave the way for adoption of electronic health records (EHRs). Whether e-prescribing is a stand-alone application or whether it is a function that is part of a comprehensive EHR, e-prescribing standards will facilitate the exchange of clinical information across patient care settings.

Answer ID 3814
Topic General Information
Category Medicare Modernization Act Electronic Prescribing
Date Created 02/07/2005 08:54 AM
Date Updated 02/07/2005 09:57 AM

What about pilots?

Question

What about pilots?

Answer

The Medicare Prescription Drug, Improvement and Modernization Act of 2003 (MMA) requires pilot testing, during calendar year 2006, of e-prescribing standards for which there is inadequate industry experience. Pilot design options are being considered, and input will be sought from various industry stakeholders. CMS will also soon solicit applications from health plans, pharmacies, public/private partnerships and others who wish to participate. Pilot designs and participants are expected to be finalized in the summer of 2005.

Answer ID
3810
Topic
General Information
Category
Medicare Modernization Act Electronic Prescribing
Date Created
02/07/2005 08:48 AM
Date Updated
02/07/2005 10:32 AM

How were these foundation standards selected?

Question

How were these foundation standards selected?

Answer

Much of today's prescribing environment is heavily automated, especially among pharmacies and payers/PBMs. There already are several e-prescribing standards that are in widespread industry use. These were identified by the National Committee on Vital and Health Statistics (NCVHS) through hearings conducted through the Spring and Summer of 2004 with a variety of stakeholders, as required under the Medicare Prescription Drug, Improvement and Modernization Act of 2003 (MMA). NCVHS recommended "foundation standards" to the Secretary in September 2004. Some of these foundation standards are being proposed in our e-prescribing Notice of Proposed Rulemaking. After consulting with affected standard setting organizations and industry users, we believe that each of these standards has adequate industry experience and, thus, does not need to be pilot tested. NCVHS recommendations and hearing testimony are available on the NCVHS web site, http://www.ncvhs.hhs.gov/.

Answer ID 3802
Topic General Information
Category Medicare Modernization Act Electronic Prescribing
Date Created 02/04/2005 04:00 PM
Date Updated 02/07/2005 10:01 AM

What is adequate industry experience?

Question

What is adequate industry experience?

Answer

Pilot testing is not required for those e-prescribing standards for which the Secretary, after consultation with affected standard setting organizations and industry users, determines there is "adequate industry experience." We propose to use the following criteria to assess adequate industry experience, based on testimony presented to the National Committee for Vital and Health Statistics (NCVHS) and on some of the NCVHS discussions: (1) the standard is American National Standards Institute (ANSI) accredited; (2); the standard generally has been implemented by entities to which the final standard will be applied in multiple e -prescribing programs with more than one external health care partner; and (3) the standard is recognized by key industry stakeholders as the industry standard. In preliminarily deciding whether there was adequate industry experience with a standard to adopt it without pilot testing, we considered the recommendations from the NCVHS, which were based on testimony from several dozen industry and stakeholder groups over the course of several months.

Answer ID 3817
Topic General Information
Category Medicare Modernization Act Electronic Prescribing
Date Created 02/07/2005 09:00 AM
Date Updated 02/07/2005 09:56 AM

What other steps have we taken to advance the use of standards for clinical information exchange?

Question

What other steps have we taken to advance the use of standards for clinical information exchange?

Answer

In March 2003, the Department for Health and Human Services, the Department of Defense (DoD), and Veterans Affairs (VA) announced uniform standards for the electronic exchange of clinical health information to be adopted across the federal enterprise. With appropriate privacy and security protections, these standards are making it easier for health care providers to share necessary and relevant patient information to improve patient care and enabling public health professionals to identify emerging public health threats.

On November 15, 2004, the Office of the National Coordinator for Health Information Technology in the Department of Health and Human Services released a request for information (RFI) on a national health information network (NHIN). The goal of an NHIN is to interconnect clinicians through widespread interoperability of health information technologies and health information exchange. Responses were due on January 18, 2005. The Department is now analyzing the responses and will synthesize them into a summary document for public viewing.