
Pharmacy Interoperability and Improving the Prescribing Process

January 26, 2007



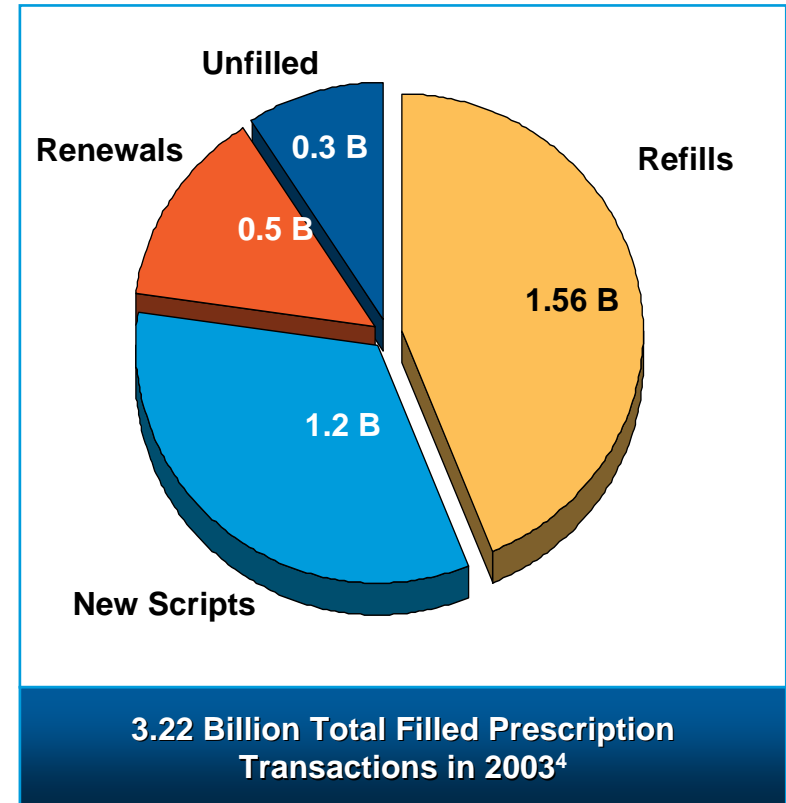
 **SureScripts**
The prescription for better healthcare™

Discussion Topics

- ◆ Challenges of Today's Prescribing Process
- ◆ E-Prescribing with Pharmacy Connectivity
- ◆ SureScripts Role
- ◆ Industry Landscape, Lessons Learned, Critical Success Factors

Number of Prescriptions in the US is Rapidly Increasing

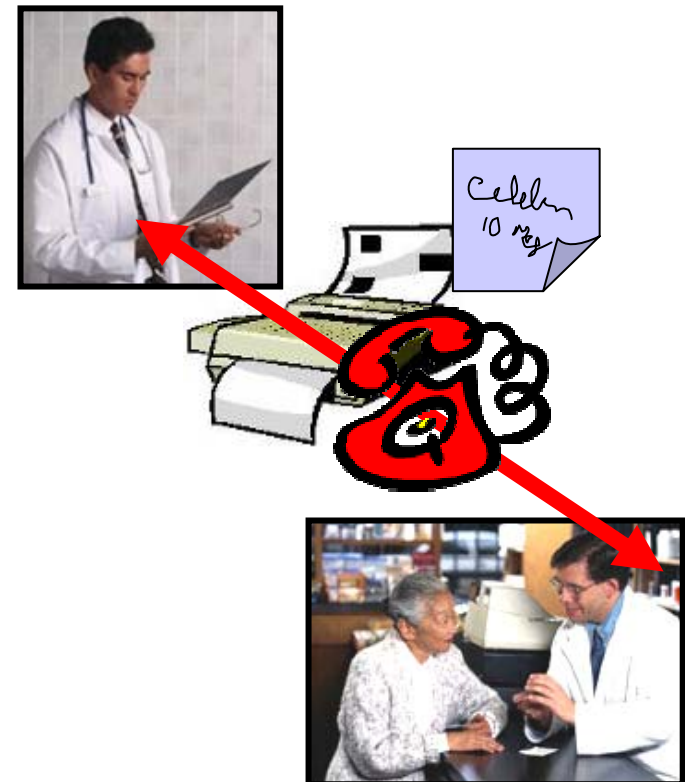
- ◆ 823 million visits to physician offices in 2000¹
- ◆ 4 out of 5 patients who visit a physician leave with at least one prescription²
- ◆ 65% of the US population use a prescription medication each year³
- ◆ Over 3 billion prescriptions are dispensed each year⁴
- ◆ The number is expected to rise to 4 billion by 2007⁴



- 1) Pastor PN et. al. Chartbook on trends in the health of Americans. Health, United States, 2002. National Center for Health Statistics. 2002.
- 2) The Chain Pharmacy Industry Profile. National Association of Chain Drug Stores. 2001.
- 3) Agency for Healthcare Research and Quality. MEPS Highlights #11: distribution of health care expenses, 1999.
- 4) Estimates - NACDS Economics Department

The Efficiency of the Total Prescription System is Challenged by Hundreds of Millions of Calls and Faxes

- ◆ Studies estimate that indecipherable or unclear prescriptions result in more than 150 million calls from pharmacists to physicians for clarification¹
- ◆ Others estimate the number of prescription-related telephone calls annually at 900 million, practices report almost 30% of prescriptions required pharmacy callbacks^{2,3}
- ◆ Requesting and receiving approval for refills alone, estimated at nearly 500 million per year, adds to the telephone and fax burdens⁴



(1) Institute for Safe Medicine Practices. A Call to Action: Eliminate Handwritten Prescriptions Within Three Years, 2000.

(2) Forrester Research, 2002.

(3) Medco Health, 1/29/03, via ePharmaceuticals

(4) NACDS and SureScripts estimates

What is Electronic Prescribing?

- ◆ It is the totally electronic transmission of prescription information from the prescriber's fingertips to the pharmacist's eyes...
 - Computer to computer
 - Electronic data interchange (EDI)
 - NO PAPER! (Unless one so chooses)

- ◆ And vice versa—it is bi-directional
 - Refill renewal requests
 - Change requests
 - Other clinical information in the future

Many Errors can be Prevented

- ◆ More than 1.5 million Americans are injured annually by medication errors. More than 25% of these injuries are preventable¹
- ◆ According to the Institute for Safe Medication Practices, many errors result from:
 - Miscommunication due to illegible handwriting
 - Unclear abbreviations and dose designations
 - Unclear telephone or verbal orders
 - Ambiguous orders and fax-related problems
- ◆ In July of 2006, the Institute of Medicine recommended that all prescriptions be written electronically by 2010¹

(1) Institute of Medicine. Preventing Medication Errors, 2006

SureScripts Mission: Improve the Prescribing Process

- ◆ Incorporated August 2001
- ◆ Formed by associations representing nation's 55,000 pharmacies
- ◆ Privately Owned by the Pharmacy Industry
 - Pharmacy membership organization
 - Operate like a not-for-profit
 - Two sources of operating capital
 - Fees from pharmacy transactions
 - Membership
 - No charge to physicians or their software vendors
 - Neutral entity
 - No advertising or commercial influence
 - Protect patient choice of pharmacy, physician choice of therapy
- ◆ Driven by single mission:
 - Improve the safety, efficiency and quality of the prescribing process



Over 95% of the nation's pharmacies are certified to connect to the Pharmacy Health Information Exchange Operated by SureScripts

SureScripts Does Not Develop, Sell, or Endorse Software: It “Certifies” Software to Connect to Pharmacies



What the Physician Needs:

1. Electronic Prescribing Software that has been certified by *SureScripts*
2. A high-speed Internet connection

SureScripts provides the behind-the-scenes network that makes the two-way electronic exchange of new prescription and renewal information possible

What the Pharmacy Needs:

1. Pharmacy management software that has been certified by *SureScripts*
2. An Internet or Intranet connection

Over 95% of the Nation's Retail Pharmacies Are Certified to Connect to the Pharmacy Health Information Exchange



Just some of the pharmacies connected to the SureScripts Electronic Prescribing Network.

SureScripts Pharmacy Certified Solution Providers™

◆ Certified Chain Partners *

- Albertsons
- Brooks
- CVS
- Longs
- Rite Aid
- Walgreens
- Wal*Mart

* Defined as chain pharmacies using proprietary software to connect to the SureScripts network

Total Certifications represent 50,000 Pharmacies equal to 90% of Industry

◆ Certified Solution Providers

- Carepoint
- Computer-Rx
- DataScan
- eRx / PDX
- Etreby Computers
- HBS Pharmacy System
- HCC – Synercom
- HCC – Alpha PC
- HCC – Visual Pharmacy
- Opus/ISM - ISM Solution
- McKesson – Pharmaserv
- Micro Merchant Systems
- Per Se – Condor
- Per Se - PharmacyRX
- Per Se – Zadall
- QS/1 – RxCare Plus
- QS/1 – CRx
- TDS – Rx30
- THOT/RxHome

SureScripts Contracted Pharmacy Solutions (in Certification Process)

◆ In-Process Pharmacy Partners:

- Abacus Systems
- Automated Pharmacy System
- Best Computer Systems
- Compusolve
- DAA Enterprises
- DataDoc
- Digital Simplistics
- Foundation Systems
- Hann's On Software
- Jascorp
- Midco Data
- OPUS-Core
- Pacific Pharmacy Computers
- RNA Health
- Solid Datasystems
- Steel City Software
- Synchronized Systems
- Systems Xcellence
- Tom Lanham Software
- Viking Computer Systems

SureScripts Physician Certified Solution Providers™ (as of January 15, 2006)

◆ Electronic Medical Records

- Allscripts (Touchworks, Healthmatics)
- ASP.MD
- athenahealth
- Axolotl
- Bond Medical
- Cerner
- ChartConnect
- Community Computer Service (Medent)
- eMDs
- Epic
- eClinicalWorks
- GE (Kryptiq)
- Health Systems Research
- Integreat *
- McKesson
- MedComSys*
- MedicWare
- MedNet System
- MedPlexus
- MOST LLC
- NextGen
- Polaris Management, Inc.
- Practice Partner
- SmartEMR/VIPA Health
- SOAPware/DOCs
- SSIMed
- Synamed
- Wellogic

*Connected to SureScripts electronic prescribing network via PerSe

SureScripts Physician Certified Solution Providers™ (as of January 15, 2006)

◆ Electronic Prescribing

- Allscripts
- DAW Systems
- DrFirst*
- Gold Standard Multimedia
- eHealth Solutions
- InstantDx*
- LighthouseMD
- MD Web Solutions
- MedAvant
- MedPlus
- NetSmart Technologies, Inc.
- NewCrop*
- OA Systems
- Prematics
- RxNT
- Zix Corporation

◆ Health Systems/Physician Groups/Health Plans

- Cleveland Clinic Foundation
- HealthOne Care System/Harvard Vanguard Medical Associates
- University of North Carolina
- Blue Cross Blue Shield of Alabama
- Regenstrief

◆ Other Services

- COPE Behavioral Services
- MA-SHARE
- Navimedix
- RelayHealth
- TelaDoc

*Connected to SureScripts electronic prescribing network via PerSe

SureScripts Contracted Physician Technology Solutions – In Certification Process (as of January 15, 2006)

◆ Electronic Medical Records

- Allmeds, Inc.
- Amkai
- Companion Technologies
- Computer Programs & Systems (CPSI)
- iMedica
- ITD Medical
- LSS Data Systems
- MedAppz
- Medical Information Systems (STI Computer)
- MediNotes *
- MT2Y

◆ Electronic Prescribing

- DOCNREP
- EasyScripts (Secure Data Services)
- MDanywhere Technologies

◆ Health Systems/Physician Groups

- Cornell University/Weill Medical College

◆ Other Services

- BMA Enterprises
- Dental Associates
- H2H Solutions
- Waiting Room Solutions

*Contracted with SureScripts electronic prescribing network via PerSe

SureScripts Role: Drive E-Prescribing with Pharmacy Interoperability

Mission: Improve the overall prescribing process

- ◆ **Lead standards development**
- ◆ **Work with pharmacies and pharmacy vendors to get them on the network and optimize utilization**
- ◆ **Work with certified physician vendors to get their users on the network and optimize utilization**
- ◆ **Work with health systems, health plans, state agencies, multi-stakeholder groups and others to coordinate e-prescribing initiatives with pharmacy interoperability**
- ◆ **Expand services to improve prescribing process and drive adoption**
 - **Patient medication history from pharmacies, formulary and benefits eligibility**

Patient Medication History from Pharmacies Now Available

- ◆ SureScripts has completed the design and implementation of a production community pharmacy medication history service
- ◆ Collect community pharmacy dispensed drug history for a specified geography on a daily basis
- ◆ Information is incorporated into a data base and indexed utilizing a master patient index (MPI) technology within the SureScripts network
- ◆ Medication history is provided to a patient's provider using industry standard medication history messages to authenticated prescribers using a SureScripts Certified Solution Provider
- ◆ Initial geographies: MA, RI, TN, FL, NJ, NV, OH, NC
- ◆ Initial vendors: Allscripts, DrFirst, Gold Standard, InstantDx, Medplus, Zix
- ◆ Initial pharmacies: Ahold (Giant and Stop & Shop), Brooks/Eckerd, CVS, Rite Aid, Walgreens, Wal-Mart



E-prescribing Through SureScripts – Progress to Date Nationally

	<i>January 2004</i>	<i>July 2004</i>	<i>January 2005</i>	<i>July 2005</i>	<i>January 2006</i>	<i>Dec 06</i>
<i>Pharmacy Connectivity</i>	50%	75%	80%	85%	90%	95%
<i>Activated Pharmacies</i>	800+	8,000+	17,000+	20,000+	24,000+	34,000+
<i>States Live With ERx</i>	5	24	33	45	47	48
<i>ERx Capable Physicians</i>	7,800	71,200	98,100	130,000+	150,000+	150,000+
<i>Contracted Solutions</i>	20	35	53	74	85	100+

Examples of eRx/EMR/HIE Initiatives

- ◆ Rhode Island – initial launch with RIQI, multi-stakeholder group working to drive adoption and utilization, Governor set goal that majority of prescriptions would go electronically by end of 2007
- ◆ Massachusetts -- MA eRx Collaborative, MA SHARE roll out, MA eHealth Collaborative
- ◆ Nevada – Southwest Medical roll out with Allscripts
- ◆ North Carolina – BCBS program with DrFirst, Zix, Allscripts, NCHICA e-prescribing program including web-based e-prescribing CME program and other education programs
- ◆ Maryland – CareFirst program with DrFirst
- ◆ Ohio –Cleveland Clinic roll out with Epic
- ◆ New Hampshire – Governor announced goal to connect physicians electronically with pharmacies for e-prescribing

Examples of eRx/EMR/HIE Initiatives

- ◆ Michigan –SEMI E-prescribing project, roll out with Henry Ford
- ◆ Pennsylvania – Highmark’s eHealth Collaborative
- ◆ Illinois – Governor issued Executive Order encouraging e-prescribing, Blue Cross Blue Shield program with DrFirst and Zix
- ◆ New York – HEAL NY grants fueling e-prescribing and HIE projects, NYC Department of Health expanding its eRx/EMR program
- ◆ Louisiana -- Blue Cross Blue Shield e-prescribing program with Zix starting to get physicians on the network
- ◆ Alabama – Blue Cross Blue Shield (SureScripts physician CSP) expanding roll out, UAB Family Physicians in Mobile interested
- ◆ Tennessee – clinical information exchange initiatives, increased interest in e-prescribing, multi-stakeholder coalition forming

Examples of eRx/EMR/HIE Initiatives

- ◆ Florida – Medicaid program funded e-prescribing with Gold Standard
- ◆ California – supported CAL-RHIO's grant proposal to CMS for a medication management program
- ◆ New Jersey – health plans (Horizon BCBS, Aetna) subsidizing e-prescribing
- ◆ New Mexico – QIO is leading multi-stakeholder initiative to accelerate adoption and utilization of e-prescribing
- ◆ Oklahoma – Medicaid soon to issue vendor RFP and launch e-prescribing program
- ◆ Maine – HealthInfoNet (statewide health information exchange) very interested in SureScripts med history, also launching statewide e-prescribing initiative
- ◆ Kentucky – Governor recently announced HIT initiative, supporting Dept. of Health efforts to drive eRx/EMR strategy
- ◆ Colorado – clinical information exchange initiatives, increased interest in e-prescribing

2005 SafeRx Award (announced May 2006)



- ◆ Pharmacy industry issued State awards on May 8th (NACDS, NCPA & SureScripts)
- ◆ Issued to Top 10 e-prescribing states & top 3 physicians within each
 - Based on % of eligible prescriptions within the state routing electronically
- ◆ Recognized outstanding leadership – at the state and practice level – of those that helped improve the safety and efficiency of the prescribing process
- ◆ Announcement supported by a significant media relations campaign

2005 SafeRx State Award Recipients & Rankings

1. Rhode Island
2. Nevada
3. Massachusetts
4. Maryland
5. Florida
6. Delaware
7. Virginia
8. North Carolina
9. Ohio
10. Michigan



Utilization Study Background

- ◆ SureScripts launched a short survey in August/September 2006 to examine 2 sets of its network users:
 - 1) Prescribers that use the network in low relation to the amount of total prescriptions written – High Prescribers/Low Utilizers.
 - 2) Prescribers that use the network to a very high degree – High Utilizers.

- ◆ **Objective:** Identify behaviors, best practices, and issues that affect level of network usage
 - Lower than expected usage
 - High Usage

Prescriber Utilization Analysis – Key Findings

- ◆ Prescriber reasons for Non-Use – New Prescriptions
 - Paper is easier, faster – habit of writing scripts by hand
 - Instances of mishandled prescriptions at pharmacies
 - Technical issues/broken hardware
- ◆ Suggestions for SureScripts CSP to Boost Utilization
 - Respond to technical needs/broken hardware more quickly to reduce downtime
 - Provide more efficient training
 - Provide a more user friendly interface
 - Integrate prescribing app. with EMR system
- ◆ Suggestions to Pharmacies to Boost Utilization
 - More effective training at store level to reduce mishandled prescriptions
 - Discontinue faxing renewal requests / send all refill requests electronically

Successful E-Prescribers – Why Are They Successful?

- ◆ Patient convenience, prescription often ready when patient arrives at pharmacy
- ◆ Reduction in calls back to the physician
- ◆ Simplicity of software
- ◆ Smoother internal workflow
- ◆ Reduction in prescription errors, no more illegible handwriting for pharmacists to interpret – reduction in calls back to the physician
- ◆ Less paperwork
- ◆ Very little to no faxing
- ◆ One on one troubleshooting with local pharmacies during implementation of electronic prescribing, establishing relationship early in the process

Lessons Learned from E-Prescribing Initiatives

- ◆ Once size does not fit all
 - Single vendor solution will not work for all physician practices but too many options can also be a challenge
 - Examples: CareFirst, SEMI
- ◆ Free isn't cheap enough
 - Need incentives for use as well as adoption
 - Examples: Wellpoint, BCBS MA, SEMI
- ◆ If you build it, they won't necessarily come
 - Physician recruitment can be harder than you think
 - Examples: MA eRx Collaborative, SEMI, CareFirst
- ◆ Need multi-stakeholder forum to track progress and address issues
 - Workflow and change management implications cut across multiple settings (physician practice, pharmacy, network) and it helps if all stakeholders collaborate to overcome barriers
 - Examples: RI ePrescribing Steering Committee, MA eRx Collaborative,

Critical Success Factors for E-Prescribing Initiatives

- ◆ Define e-prescribing broadly
 - Include EMR users
 - Ensure pharmacy connectivity
 - Improve safety and efficiency of entire prescribing process
- ◆ Multi-stakeholder collaboration and leadership is key
 - Establish and communicate clear vision and goals
 - Develop organized awareness building and education program on benefits of e-prescribing with pharmacy connectivity and how to get connected
 - Benefits realized across stakeholder groups and each stakeholder group needs to understand the others
 - Maximize EDI connectivity with pharmacy and PBM/payer for formulary/eligibility information
 - Financial incentives can help jump start adoption and use
- ◆ Target high prescribing physician practices to encourage adoption and use of eRx/EMR with pharmacy connectivity
 - Identify those using a SureScripts CSP and develop plan to convert them from fax to EDI
 - Identify those without eRx/EMR and develop plan to encourage adoption
 - Create forum for physicians to spread the word with physicians

Drivers for Physician – Pharmacy Interoperability

- ◆ **Institute of Medicine Report**
 - More than 1.5 million Americans are injured every year by drug errors
 - Recommendation: All prescriptions be sent/received electronically by 2010
- ◆ **CCHIT certification of EMRs including e-prescribing**
- ◆ **President signed Executive Order enforcing standards for e-prescribing**
- ◆ **The Administration and Secretary Leavitt's HIT initiatives**
 - Medication history seen as playing strategic role within AHIC
 - Value-driver for EMRs, Bio-surveillance, Consumer Empowerment (PHRs)
- ◆ **CMS Pilots – testing of e-prescribing messages**
- ◆ **State and Regional eRx/EMR/HIE Initiatives**
 - MA, RI, MI, MD, FL, NH, NC, IL, PA, NV, NY, NJ, LA, AL, TN, CA, ME, NM, CO, OK
- ◆ **Exceptions to Stark Anti-fraud and Anti-kickback Laws - HHS announced in August**
 - Covers both e-prescribing and electronic medical records
- ◆ **National E-Prescribing Patient Safety Initiative – free e-prescribing for every physician**

QUESTIONS?

Thank You

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