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Executive Summary

Introduction

The 2012 Florida Electronic Prescribing Report provides a general assessment of the status of electronic prescribing (e-prescribing) in Florida as of 2012. It presents a review of Agency for Health Care Administration (Agency) activities to promote e-prescribing; highlights of state and national e-prescribing initiatives; Florida e-prescribing metrics; and action steps to promote adoption of e-prescribing coordinated with other Agency health information technology initiatives. This report is mandated in Section 408.0611, Florida Statutes, which directs the Agency to disseminate information on e-prescribing and promote its adoption.

E-prescribing enables the electronic transmission of prescriptions as well as access to a patient’s medication history by prescribing physicians at the point of care. Properly used, it improves prescription accuracy, increases patient safety, and medication adherence. Accessing patients’ medication history through e-prescribing systems enables physicians to be aware of other medications ordered and better coordinate patient care with other treating physicians. E-prescribing adoption continues to increase because it produces benefits and cost savings for all participants including physicians, pharmacies, and patients.

Electronic Prescribing Highlights in 2012

Several important developments took place in 2011 that will impact e-prescribing over the next several years. In 2012, the Centers for Medicare and Medicaid Services (CMS) and the Agency continued making Medicare and Medicaid incentive payments respectively for the “meaningful use” of certified electronic health records (EHRs) under the provisions of the Health Information Technology for Economic and Clinical Health (HITECH) Act of 2009. The HITECH Act provisions established meaningful use rules which include e-prescribing in the core set of required measures for eligible professionals to qualify for incentive payments. CMS issued the second stage requirements for meaningful use in August 2012 which raise the bar for e-prescribing to 50% of prescriptions unless excluded. The Agency increased its outreach to pharmacies not yet e-prescribing and also began registering pharmacies in the Direct Secure Messaging (DSM) service of the Florida HIE. Pharmacies will be able to use this service to securely communicate with physicians about medication therapies and immunizations. The Agency continued making Medicaid incentive payments for the adoption and meaningful use of EHRs by Medicaid providers. National and state e-prescribing organizations, payers, and professional associations continued to produce educational materials to encourage greater use of e-prescribing. Together these developments have resulted in continued growth in the adoption of e-prescribing.

Agency e-Prescribing Outreach Strategies

In 2010, the Office of the National Coordinator for Health Information Technology (ONC) directed the Agency to engage in outreach to independent community pharmacies to achieve full pharmacy participation in e-prescribing. In response, the Agency conducted a survey of community pharmacies in 2011 as well as further outreach to pharmacies not yet e-prescribing in 2012.
encouraging steps toward e-prescribing. With the assistance of data provided by ONC and national e-prescribing organizations, the Agency continued to produce a quarterly dashboard of e-prescribing metrics showing trends, statistics for metropolitan areas, and a comparison of Florida rates to national e-prescribing rates. In addition, the Agency continued working in close collaboration with representatives of Florida’s regional extension centers which have the mission of assisting health care providers achieve meaningful use. The Agency assigned the activities of the State Electronic Prescribing Advisory Panel to the Health Information Exchange Coordinating Committee (HIECC) which held four meetings during 2012. The HIECC provides for coordination of e-prescribing as part of Florida’s health information exchange initiatives.

**Metrics**

The Agency has developed and published a set of key metrics for tracking e-prescribing adoption rates in Florida. E-prescribing metrics can be viewed on the Agency’s website at [http://fhin.net/content/eprescribing/dashboard/index.shtml](http://fhin.net/content/eprescribing/dashboard/index.shtml). These metrics enable the Agency to gauge progress by region in the state, and in comparison with national rates. Metrics collected and reported quarterly include:

- Counts of new and refill e-prescriptions;
- E-prescribing percent increase quarterly and annually;
- Activated pharmacies and e-prescribing pharmacies by geographic region;
- E-prescriptions per e-prescriber;
- E-prescribers per total prescribers by geographic region; and
- Medicaid medication record requests per total requests.

The amount of e-prescribing relative to the estimated number of all prescriptions that could have been e-prescribed is the *e-prescribing rate*. The annual e-prescribing rate as of the end of the third quarter of 2012 was 39.2 percent, up from the annual e-prescribing rates of 27.1 percent in 2011, 18.4 percent in 2010, 11.3 percent in 2009, 4.3 percent in 2008, and 1.6 percent in 2007.

*Medication record requests* are requests where physicians used e-prescribing tools to access information such as eligibility, benefits, or medication history. The number of Medicaid medication record requests averaged 551,813 per month during 2011. The number of Medicaid medication record requests averaged 926,149 from January through September 2012, showing a 68 percent increase from 2011.

In 2011, Florida’s e-prescribing activity ranked 24th among states as reported by Surescripts, down from its ranking in the prior year although e-prescribing increased rapidly in Florida. The Agency set a goal of achieving an increase in e-prescribing of 25 percent from 2010 to 2011 and again from 2011 to 2012. The increase from fourth quarter 2010 to fourth quarter 2011 was 55.3 percent and the increase from fourth quarter 2011 to third quarter 2012 was 30 percent. The inclusion of e-prescribing in the meaningful use of EHRs is expected to continue to stimulate even greater use of e-prescribing and related clinical applications. The Agency is projecting an annual 25 percent increase in the number of prescriptions sent electronically over the next four to five years.
Florida Electronic Prescribing Clearinghouse

The Agency’s [Florida Electronic Prescribing Clearinghouse](#) provides users a single point of access for e-prescribing information. It is designed to meet the requirements of Section 408.0611 Florida Statutes, and provides information on developments and trends in e-prescribing, with an overall goal of promoting the adoption of and improving the quality and effectiveness of e-prescribing in the state. Current and previous Florida e-prescribing annual reports are posted on the website as well as quarterly metrics on the status of e-prescribing adoption in Florida. The annual report provides up-to-date information on the benefits of e-prescribing derived from reports in the health service research literature. Information about products nationally certified for the EHR Incentive Program, including e-prescribing, can be found at the companion website, [Medicaid Electronic Health Record Incentive Program](#).

Health Information Exchange Coordinating Committee

In 2007, the Agency established the Health Information Exchange Coordinating Committee (HIECC) under the State Consumer Health Information and Policy Advisory Council (Advisory Council) authorized in Section 408.05 (8) Florida Statutes. The HIECC includes representatives of hospitals, long term care, medical associations, regional health information organizations, clinicians, health plans, rural health, economic development organizations, and consumer organizations. In 2010, a representative of the Florida Pharmacy Association was added to the HIECC by the Advisory Council. Action steps for the Committee to further accelerate the adoption of e-prescribing in Florida are detailed in Section 5 of this report.
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Section 1. Introduction

In 2007, the Florida Legislature passed HB 1155, which created Section 408.0611, Florida Statutes, which states that the Agency for Health Care Administration (Agency) is to collaborate with stakeholders to create an electronic prescribing (e-prescribing) clearinghouse and coordinate with private sector e-prescribing initiatives. The Legislature also directed the Agency to prepare an annual report on the progress of e-prescribing implementation in Florida. The first annual report was published in January 2008. Previous reports are available on the web at: www.floridahealthfinder.gov/researchers/studies-reports.aspx

This Florida Electronic Prescribing Annual Report for 2012 provides a general assessment of the status of e-prescribing in Florida in 2012. It presents a brief overview of e-prescribing, e-prescribing benefits, and the contents of the E-prescribing Clearinghouse. It reports highlights of e-prescribing developments in 2012 that includes increased e-prescribing requirements established as part of the stage 2 requirements for the meaningful use of electronic health records. It presents national and state initiatives including information about Medicare incentives for e-prescribing, the Medicare and Medicaid Electronic Health Record (EHR) Incentive Programs, and a related initiative to engage pharmacists in health information exchange using direct secure messaging in addition to e-prescribing. The report provides monthly metrics on e-prescribing in Florida as available through 2012, based on statistics provided by national e-prescribing networks and Florida Medicaid. It concludes with a review of Agency strategies to promote e-prescribing in 2013.

1.1. What is Electronic Prescribing?

Electronic prescribing (e-prescribing) makes use of health information technology that enables the electronic transmission of prescriptions and access to medication history by prescribing physicians at the point of care. It improves prescription accuracy, increases patient safety, and reduces costs primarily because of the critical health care information it makes available to the physician or other prescribing practitioner. A major benefit of the electronic transfer of the prescription is the elimination of errors caused by miscommunication of the handwritten paper prescription. E-prescribing can reduce opportunities for fraud and abuse that currently occur due to a lack of secure prescription delivery to the pharmacy. E-prescribing creates a more traceable trail for auditing purposes.

As defined by the National Council for Prescription Drug Programs, “e-prescribing comprises two functions: 1) Two way [electronic] communication between physicians and pharmacies involving new prescriptions, refill authorizations, change requests, cancellation of prescriptions, and prescription fill messages to track patient compliance; and 2) Potential for information sharing with other health care partners including eligibility and formulary information and medication history.”

E-prescribing systems are a form of health information exchange that integrate prescribed medication data from multiple stakeholders; including pharmacy benefit managers (PBMs), payers,

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and pharmacies. Through these systems, medication histories are available for prescriptions that were brought to the pharmacy on paper or transmitted electronically. E-prescribing systems enable practitioners with authorized access to view medication history information at the point of care for coordination of patient drug therapy and improved quality of care. E-prescribing systems also provide practitioners with a secure means of electronically accessing health plan formulary and patient eligibility at the point of care.

When physicians use e-prescribing systems to send prescriptions electronically, the prescriptions are transmitted through secure, private networks. The e-prescribing system transmits information through the use of encrypted telecommunication transmission channels that ensure secure, bi-directional, electronic connectivity between physician practices and pharmacies.

Pharmacy networks are an essential part of the e-prescribing system and are integral to the overall success of e-prescribing in Florida and the nation. These networks connect pharmacies, physicians, and PBMs. PBMs are third party companies that administer drug benefit programs for employers and health insurance carriers.

The major pharmacy network in the United States is Surescripts, with more than 85 percent of all pharmacies in the United States certified to participate in the network. Another pharmacy network is Emdeon eRx Network, performing more than five billion health information exchanges per year. Both Surescripts and eRx Network collect and provide to the Agency data for the metrics displayed in this report.

1.2. Electronic Prescribing Highlights in 2012

In 2012, the Centers for Medicare and Medicaid Services (CMS) continued making Medicare incentive payments for the “meaningful use” of certified electronic health records (EHRs) under the provisions of the Health Information Technology for Economic and Clinical Health (HITECH) Act of 2009. The HITECH Act provisions established meaningful use rules which include electronic prescribing (e-prescribing) in the core set of required measures for eligible professionals to qualify for incentive payments. Surescripts continued to support the growth of e-prescribing in a number of ways including studying the impact of e-prescribing on medical adherence, continuing efforts to promote the e-prescribing of controlled substances, and providing national and state-level statistics on e-prescribing rates to assist stakeholders in measuring their progress. In Florida, the Agency for Healthcare Administration (Agency) worked closely with Florida’s regional extension centers which have the mission of assisting health care providers achieve meaningful use. The Agency continued making Medicaid incentive payments for the adoption of EHRs and began making payments for those providers achieving meaningful use of EHRs. The Agency continued development of the Florida Health Information Exchange (Florida HIE) through its cooperative agreement with the Office of the National Coordinator for Health Information Technology and began registering pharmacies for participation in the Direct Secure Messaging (DSM) service of the Florida HIE.

1.3. Electronic Prescribing Metrics and Trends

Electronic prescribing (e-prescribing) has been steadily growing in Florida. The number of e-prescriptions increased from 4,465,025 in 2008 to 30,401,392 in 2011 and to 34,948,829 in just the
first nine months of 2012. If this trend continues at a consistent rate, reports through the end of 2012 are expected to show more than 40 million e-prescriptions processed in Florida in 2012. Figure 1 represents the total number of e-prescriptions since 2008 and the annual percent of increase. The projected annual percent of increase from 2011 to 2012 is 42%.

**Figure 1. Total Number of E-Prescriptions, 2008 to 2012**

The total number of e-prescribers increased with a marked increase in 2011. The number of e-prescribers increased from 4,492 in December 2008 to 21,860 in 2011 and to 25,810 in the ninth month of 2012. If this trend continues, the number of e-prescribers in Florida is projected to be over 27,000 by the end of 2012. Figure 2 represents the total number of e-prescribers since 2008 and the annual percent of increase. The projected annual percent of increase from 2011 to 2012 is 28%.

**Figure 2. Total Number of E-Prescribers Per Year, 2008 to 2012**

Based on estimates for total prescriptions, annualized for a monthly average of 9.9 million prescriptions per month, the estimated average annual e-prescribing rate through September 2012 increased to 39.2 percent as compared to the average annual e-prescribing rate of 27.1 percent in 2011. Figure 3 shows the increasing trend in the average e-prescribing rate since 2008.
Data reported from Surescripts show that there were 4,865 total retail pharmacies in Florida as of the end of September 2012. Of these, 4,540 (93 percent) were activated to receive e-prescriptions.

Figures 4.1 and 4.2 present the numbers and percentages of pharmacies activated for e-prescribing by Metropolitan Statistical Area (MSA) in Florida in September 2012. More than 90 percent of retail pharmacies were able to process e-prescriptions in more than 80 percent of all MSAs across the state in 2012.

**Figure 4.1 Total Retail Pharmacies, E-Prescribing Pharmacies and Pharmacies Activated to Accept Electronic Prescriptions by Metropolitan Statistical Area, September, 2012**

- TOTAL PHARMACIES
- ACTIVATED PHARMACIES
Figures 5.1 and 5.2 below present the numbers and percentages of e-prescribing pharmacies by MSA in Florida in September 2012. The Miami-Ft. Lauderdale-Pompano Beach MSA had the lowest percentages of e-prescribing pharmacies, at 86 percent compared to 92 percent activated pharmacies (Figure 4.2), a difference of six percentage points. The difference in e-prescribing and activated pharmacies averages one percentage point across MSAs. The Tallahassee and Tampa-St. Petersburg-Clearwater MSAs are next highest with a difference of three percentage points between percent activated and percent e-prescribing pharmacies. Of the 4,865 total retail pharmacies in Florida reported by Surescripts, 4,383 (90 percent) were transmitting e-prescriptions compared to 93 percent activated.
Figure 5.1 Total Pharmacies Transmitting Electronic Prescriptions by Metropolitan Statistical Area, September, 2012

Figure 5.2 Percent of Pharmacies Transmitting Electronic Prescriptions by Metropolitan Statistical Area, September, 2012
In September 2012, of the approximately 81,223 licensed prescribing providers in Florida, including 49,591 medical doctors and osteopathic physicians, 25,810 were active e-prescribing providers. The percentage of licensed prescribing providers in Florida who were e-prescribers has increased to 32 percent in the third quarter of 2012 from 27 percent in the fourth quarter of 2011. Figures 6.1 and 6.2 below shows that most MSAs were within a few percentages of each other except for the Lakeland-Winter Haven MSA, which had the highest rate with 47 percent of licensed providers who were e-prescribing, and the Miami-Fort Lauderdale-Pompano Beach MSA, with the lowest rate at 27 percent of licensed providers who were e-prescribing.

Figure 6.1 Licensed Prescribing Providers and Active Electronic Prescribers by Metropolitan Statistical Area, September 2012
Figure 6.2 Percent of Licensed Prescribing Providers who were Electronic Prescribers by Metropolitan Statistical Area, September 2012

Figure 7.1 presents Florida’s monthly e-prescribing transactions as reported by Surescripts and Emdeon eRx Network and the monthly e-prescribing rates. In September 2012, a total of 3,986,179 e-prescriptions were written, a seven percent increase compared to January 2012, with 3,726,970 e-prescriptions. The totals correspond to the number of new e-prescriptions and refill e-prescriptions. The monthly e-prescribing rate increased more than two and a half percent between January and September 2012 and the annual e-prescribing rate increased more than twelve percent compared to 2011.
Figure 7.1 Monthly Total Number of New and Refill E-Prescriptions in Florida and E-Prescribing Rates, January to September 2012

Figure 7.2 presents Florida’s monthly active e-prescribers as reported by Surescripts. The number of e-prescribing practitioners continued to increase through September 2012. The highest monthly total of e-prescribing health care professionals in 2012 was 25,810 in September, representing a 17 percent increase of e-prescribing practitioners in the first nine months of 2012 from the 22,003 total e-prescribing practitioners in January 2012.

Figure 7.2 Number of Practitioners Actively E-prescribing per Month, January to September 2012

Figures 8.1 and 8.2 show comparisons in the number of e-prescriptions and the percentage of increase/decrease between January and September 2012 by MSA. Some MSAs showed a decrease between January and September with the largest decrease in the Cape Coral-Ft. Myers MSA at a 14 percent decrease in e-prescriptions from January 2012. The Panama City-Lynn Haven-Panama City Beach MSA had 31,657 e-prescriptions in January and 40,806 e-prescriptions in September.
2012, reflecting the highest growth with a 29 percent increase. The largest increase in number of prescriptions was in the Miami-Fort Lauderdale-Pompano Beach MSA with an increase of 97,452 e-prescriptions.

Figure 8.1 Comparison of Electronic Prescription Totals Between January and September 2012 by MSA
Figure 8.2  Electronic Prescription Increase/Decrease Percentages Between January and September 2012 by MSA
The number of Medicaid e-prescribing eligibility transactions and records found continued to grow during 2012 as did the number of patients. Figure 9 shows that in October 2011 there were 750,751 transactions which increased by 18 percent to 886,322 in September 2012. For the same period, the number of patients increased by 29 percent and the number of prescribers decreased by 3 percent.

The data indicates that in 2012 each prescriber issued a monthly average of 34 e-prescription eligibility transactions for a monthly average of 17 patients and received an 86 percent monthly average of eligible record returns.

**Figure 9. Florida Medicaid Program Electronic Prescribing Eligibility Transactions, Records Found, Patients and Prescribers**

In summary, the data reported for the first nine months of 2012 indicate a steady growth across the year in the number of e-prescribing pharmacies as well as pharmacies activated to e-prescribe, in the number of practitioners who are e-prescribing, in the number of prescriptions submitted electronically, and in Medicaid medication record lookups. Florida’s annual average e-prescribing rate has increased annually from of 4.3 percent in 2008, 11.3 percent in 2009, 18.4 percent in 2010, 27.1 percent in 2011 to 39.2 through September 2012, which is a marker of sustained progress in the adoption of e-prescribing.

Incentive payments for meaningful use of electronic health records will likely continue to drive increases in the volume of e-prescriptions and e-prescribers during 2013.
Section 2. Supplemental Information

2.1. Benefits of Electronic Prescribing

The Agency for Health Care Administration monitors the research literature on electronic prescribing (e-prescribing) for documentation of the benefits of e-prescribing. Recent published evidence of the benefits of e-prescribing included the studies below:

Duffy et. al. (2010) found that e-prescribing reduced the overall rate of after-hours calls in a family medicine residency clinic and that both provider and patient satisfaction with e-prescribing was very high.2

Moniz et. al. (2011) reported findings that the addition of e-prescribing to computerized prescriber order entry (CPOE) in an e-prescribing clinic already using CPOE resulted in a significantly lower dispensing-error rate from the baseline.3

Surescripts reported a 10 percent increase in patient first-fill adherence among e-prescribing physicians compared to those who did not use e-prescribing based on an analysis of over 40 million prescription records.4

Westbrook et. al. (2012) analyzed prescribing error rates for in-patients at two hospitals before and after the implementation of e-prescribing systems and found a reduction in procedural errors such as unclear or incomplete orders.5


2.2. Florida Electronic Prescribing Clearinghouse

Section 408.0611, Florida Statutes, was passed into law during the 2007 legislative session. It required the Agency for Health Care Administration (Agency) to create a clearinghouse of electronic prescribing (e-prescribing) information which was made available on the Agency’s website in October 2007. The purpose of the Electronic Prescribing Clearinghouse is to report e-prescribing trends and provide information to promote the implementation of e-prescribing by
health care practitioners, health care facilities, and pharmacies in an effort to prevent prescription drug abuse, improve patient safety, and reduce unnecessary prescriptions.

The clearinghouse information contained on the website includes:

- links to information regarding the process of e-prescribing and the availability of e-prescribing products, including no-cost or low-cost products;
- information regarding the advantages of e-prescribing, including using medication history data to prevent drug interactions, prevent allergic reactions, and deter doctor and pharmacy shopping for controlled substances;
- links to federal and private sector websites that provide guidance on selecting an appropriate e-prescribing product;
- links to state, federal, and private sector incentive programs for the implementation of e-prescribing;
- Florida’s e-prescribing reports;
- links to meeting and member information for the Health Information Exchange Coordinating Committee (HIECC);
- e-prescribing metrics dashboard including an overview and drop down graphics.

The Florida e-Prescribing Clearinghouse can be accessed at: www.fhin.com/content/eprescribing/index.shtml. Information about products nationally certified for the Electronic Health Record Incentive Program including e-prescribing can be found at the companion website, Medicaid Electronic Health Record Incentive Program.

### 2.3. Initiatives and Developments

The federal Health Information Technology for Economic and Clinical Health (HITECH) Act which passed in February of 2009 established a range of programs to expand the effective use of health information technology including specific provisions related to electronic prescribing (e-prescribing). The Agency for Health Care Administration (Agency) is responsible for the administration of the Medicaid Electronic Health Record Incentive Program.

In 2011 and again in 2012, the Centers for Medicare and Medicaid Services (CMS) issued changes to the Medicare e-Prescribing Program (MIPPA) to enable providers taking steps to participate in HITECH incentive programs to avoid penalties under MIPPA. Surescripts led efforts to implement the e-prescribing of controlled substances consistent with the U.S. Drug Enforcement Administration (DEA) interim final rule issued in 2010. In addition, the Agency continued its participation in the Surescripts network by making Florida Medicaid information, eligibility, and medication histories available to authorized prescribing providers. Reported metrics in 2011 and 2012 indicated increased usage of this service (see Section 4, Metrics on E-Prescribing Implementation).
2.4. Health Information Technology for Economic and Clinical Health Incentives for Electronic Prescribing

The federal Health Information Technology for Economic and Clinical Health Act of 2009 established incentives for certain Medicare and Medicaid providers related to the adoption and meaningful use of electronic health record (EHR) technologies. To qualify, an eligible professional must use certified EHR technology in a “meaningful manner,” demonstrate engagement in information exchange, and report clinical quality measures using certified EHR technology. Electronic prescribing (e-prescribing) is a requirement for eligible professionals to establish that the certified EHR technology is used in a meaningful manner. The meaningful use requirements for eligible professionals to receive Medicaid incentives after the first year of adoption are identical to the Medicare requirements.

During 2009, the Office of the National Coordinator for Health Information Technology (ONC) developed proposed recommendations for defining meaningful use through its Health Information Technology Policy Council. The recommendations proposed that eligible providers would “generate and transmit permissible prescriptions electronically” as an objective for the first stage of meaningful use which would be adopted in rule. The recommendations also provide that eligible providers must report the percent of encounters where medical reconciliation was performed.

The Centers for Medicare and Medicaid Services (CMS) issued the final rules specifying the requirements for obtaining Medicare and Medicaid incentives related to the adoption and use of EHRs (i.e. “stage 1 meaningful use”) in July 2010. In the final rules, there is a “core set” of measures and a “menu set” with 15 core measures for eligible professionals and 14 measures for hospitals. Providers must perform the core set and five additional measures selected from a menu set of measures to demonstrate meaningful use.

E-prescribing is one of the core set measures required of eligible professionals. Eligible professionals must achieve a 40 percent e-prescribing rate to qualify for an incentive payment under the program. These thresholds apply to all of the provider’s patients, not limited to Medicaid and Medicare. Although e-prescribing is not a stage 1 core requirement for hospitals, included in the core set are several measures related to medication management including computerized physician order entry, drug-drug interaction checks, maintaining active medication lists, and maintaining active medication allergy lists that are required for hospitals and eligible professionals. The menu set includes a measure for medication reconciliation applicable to hospitals or eligible professionals.

CMS issued the final rules establishing the “stage 2” requirements for the meaningful use of EHRs August 23, 2012. The threshold rate was raised to a 50 percent e-prescribing rate for eligible professionals that must be met among other requirements to receive an incentive payment from Medicare or Medicaid.

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Stage 2 requirements include as a core requirement that hospitals automatically track medications from order to administration using assistive technologies in conjunction with an electronic medication administration record (eMAR). Medication reconciliation is a core requirement for hospitals and eligible professionals. The menu set includes a measure that more than 10 percent of hospital discharge medication orders for permissible prescriptions are queried for a drug formulary and transmitted electronically using a certified EHR.

Current Meaningful Use Requirements Related to Medication Stage 2

- Use computerized prescriber order entry (CPOE) for medication orders directly entered by any licensed health care professional that can enter orders into the medical record per state, local, and professional guidelines (more than 60 percent).
- Enable and implement the functionality for drug drug and drug allergy interaction checks for the entire EHR reporting period.
- Provide a summary of care record for more than 50 percent of transitions of care or referrals with 10 percent provided electronically.
- The eligible hospital or professional who receives a patient from another setting of care or provider of care, or believes an encounter is relevant, should perform medication reconciliation (more than 50 percent).
- In addition, eligible health care professionals must generate and transmit permissible prescriptions electronically (more than 50 percent of permissible prescriptions).
- There is one “menu” item from which eligible hospitals can choose that relate to medications.
- Generate and transmit permissible discharge prescriptions electronically (more than 10 percent).

In September 2011, the Agency for Health Care Administration (Agency) launched the Florida Medicaid Electronic Health Record Incentive Program. Eligible professionals and hospitals may register and apply for incentives associated with the adoption, upgrade, or installation of a certified EHR system. Demonstration of meaningful use is not required in a provider’s first payment year to receive Medicaid incentive payments. In their second payment year, eligible professionals may apply for additional incentives that require documentation of the meaningful use of a certified EHR including meeting the electronic prescribing requirements of the program. During 2012, the Agency began making payment to hospitals and eligible professionals for achieving EHR meaningful use.
2.5. Medicare Incentives for Electronic Prescribing

Beginning January 1, 2009, the federal Medicare Electronic Prescribing Incentive Program, as authorized under the Medicare Improvements for Patients and Providers Act of 2008 (MIPPA), began offering incentive payments to eligible professionals who are successful electronic prescribers (e-prescribers) as defined by MIPPA. A “successful e-prescriber” is to receive an incentive payment of two percent of the total 2009 estimated allowed charges for professional services covered by Medicare Part B and furnished by an eligible professional during the reporting period. In order to be a “successful e-prescriber,” a physician or other eligible professional must report on the e-prescribing quality measure in at least 50 percent of the cases in which the measure is reportable by the eligible professional.

Successful e-prescribers are to receive a two percent incentive payment in 2009 and 2010; a one percent incentive payment in 2011 and 2012; and a one-half percent incentive payment in 2013. Eligible professionals who are not “successful e-prescribers” by 2012 are subject to a differential payment (penalty) beginning in 2012. The differential payment would result in the physician getting 99 percent of the total allowed charges of the eligible professional’s physician fee schedule payments in 2012, 98.5 percent in 2013, and 98 percent in 2014.

In October 2009, The Centers for Medicare and Medicaid Services (CMS) issued the 2010 Physician Fee Schedule (PFS) final rule making changes to the MIPPA Incentive Program simplifying the reporting requirements for the electronic prescribing (e-prescribing) measures. Instead of reporting one of several e-prescribing codes based on different scenarios that must be reported 50 percent of the time; in 2010, eligible professionals needed to report an e-prescribing code only when a patient visit resulted in an e-prescription being issued. The eligible professional must report the e-prescribing code at least 25 times during the reporting period to be considered a successful e-prescriber.

In October 2010, CMS announced that 2009 payments would be distributed to eligible professionals who met the criteria for successful reporting. Medicare is expected to save up to $156 million over the five-year course of the program in avoided adverse drug events. It is estimated that Medicare beneficiaries experience as many as 530,000 adverse drug events every year, due in part to negative interactions with other drugs, or a prescriber’s lack of information about a patient’s medication history.

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12 Fact Sheet “Changes to the Physician Quality Reporting Initiative and the Electronic Prescribing Incentive Program,” October 30, 2009, posted on the CMS website at: http://www.cms.gov/apps/media/press/factsheet.asp?Counter=3541&intNumPerPage=30&checkDate=&checkKey=&srchType=1&numDays=3500&srchOpt=0&srchData=&keywordType=All&chkNewsType=6&intPage=&showAll=&pYear=&year=&desc=false&cborder=on&
The 2011 PFS final rule was issued by CMS in November 2010 clarifying that eligible professionals that do not meet the “successful e-prescribers” requirements in the first six months of 2011 will be subject to differential payment penalty beginning in 2012. In addition, eligible professionals who receive incentives from the Medicare Electronic Health Record (EHR) Incentive Program may not receive additional incentive payments under the MIPPA Incentive Program.14

On August 31, 2011, CMS announced additional changes to the Medicare Incentive Program applicable to 2011. The changes provide that eligible professionals may apply for an exemption from the Medicare e-prescribing penalty if they register to participate in the 2011 Medicare or Medicaid EHR Incentive Program and adopt certified EHR technology. The exemption must be requested by November 1, 2011.15

On July 6, 2012, CMS published proposed rules that would establish hardship exemptions from the Medicare e-prescribing differential payment penalty applicable to 2013 and 2014 if the eligible professional achieves meaningful use or registers and adopts certified EHR technology in the timeframes specified in the rule. The exemptions must be requested by October 15, 2012, or the effective date of the rule, whichever is later.

2.6. Connecting Florida Medicaid to the Surescripts Pharmacy Network

During 2009, the Agency for Health Care Administration (Agency) began development of plans to extend Florida Medicaid’s participation in electronic prescribing (e-prescribing) and encourage provider adoption through Florida Medicaid’s participation in a secure pharmacy network, allowing the Medicaid medication history to be made available to any e-prescribing tool designed to work within the pharmacy network.

Many of the new e-prescribing applications are integrated with electronic medical record (EHR) applications, and are becoming more technically advanced. Physicians have indicated to the Agency that they want access to Medicaid prescription fill data and Medicaid preferred drug list (PDL) information. Physicians have also indicated that they want integration of this access with the health information technology tools they choose to use.

On November 3, 2009, the Agency issued an invitation to negotiate (ITN) entitled “Expansion of Medicaid Prescription Data Access” to identify a vendor who can work with the Agency’s pharmacy benefits manager, to provide the prescription claims history and the PDL information in “real time” data feed so that any registered EHR or e-prescribing application can pick up and integrate the data.

On July 1, 2010, the Agency implemented the participation of Florida Medicaid in the Surescripts pharmacy network enabling providers to access Florida Medicaid prescription drug claims data using any Surescripts certified e-prescribing tool. The data feed is “real time,” and provides recipient eligibility status, preferred drug information, plan limitations, and medication histories. The Agency’s objective is to prevent medication errors and curb prescription fraud and abuse by giving providers actionable information at the time of prescribing. Reported metrics in 2011 and 2012 indicated increased usage of this service (see page 19, Figure 9. Florida Medicaid Program Electronic Prescribing…).

2.7. Electronic Prescribing of Controlled Substances

Until 2010, the U.S. Drug Enforcement Administration (DEA) regulations required that controlled substances be written on a paper prescription pad. On March 29, 2010, the DEA issued an interim final rule permitting electronic prescribing (e-prescribing) of controlled substances. The rules specify system requirements related to identity proofing, access control, and auditing for prescribing practitioners and other registrants, e-prescribing vendors, pharmacies and pharmacists, among others. The interim final rule contains the following provisions:

- **Identity Proofing** – Practitioners must be able to prove identity through a federally-approved third party credentialing service provider or certification authority. These entities provide two-factor authentication credentialing to the requesting practitioner. The interim final rule permits institutional practitioners to conduct identity proofing in-house through their credentialing office.

- **Two-factor Authentication** – The interim final rule requires two-factor authentication with the option of using a biometric to replace the hard token or the knowledge factor.

- **Issuing Prescription** – The interim final rule permits two-factor authentication to be synonymous with and legally constitutes as the practitioner’s signature of the prescription. When the practitioner completes the two-factor authentication protocol, the e-prescribing application must digitally sign and electronically archive the record.

- **Monthly Logs** – E-prescribing applications must provide a monthly log to practitioners or a log on request with practitioner specified date, patients, and drugs. Practitioners are not required to review the monthly logs per the interim final rule.

- **Pharmacy** – The interim final rule requires that either the last intermediary (e.g. Surescripts) or the pharmacy digitally sign the prescription as received unless a practitioner’s digital signature is attached and can be verified by the pharmacy. The pharmacy must check the DEA registration when it has reason to suspect the validity of the registration or the prescription.

During 2011 and 2012, the Agency continued to monitor developments in the private sector moving toward the availability of e-prescribing software conforming to the DEA requirements.
2.8. Surescripts Electronic Prescribing Initiatives

During 2011, Surescripts completed its network upgrade to support electronic prescribing of controlled substances (EPCS) and began the initial certification of prescriber software vendors and pharmacy applications for the EPCS. In 2012, Surescripts completed initial deployment activities and opened EPCS certification nationwide. Surescripts-certified physician and pharmacy vendors may apply to become EPCS enabled upon completing software updates and obtaining a third party audit. Prescribers should check that EPCS is permitted by state law, obtain the audit report from their software vendor, and adhere to the U.S. Drug Enforcement Administration requirements.

According to Surescripts, Florida is one of five states that do not permit the e-prescribing of Schedule II controlled substances. More information about engaging in EPCS is available on the Surescripts website at: http://www.surescripts.com/about-e-prescribing.aspx.

In July 2012, Surescripts announced its annual SafeRx Awards, which is part of its campaign to raise awareness about electronic prescribing (e-prescribing) and its growth through comparisons of the States. Florida was ranked number 24 on the list of top-prescribing states down from its 12th ranking in 2011. Although Florida had an increase in the rate of e-prescribing from 18 percent to 27 percent, medication history requests showed no increase at a steady 34 percent. Prescription benefit requests increased from 39 percent to 57 percent of patient visits.16

On May 17, 2012, Surescripts reported that 58 percent of office-based physicians were using e-prescribing as of the end of 2011 in their annual national progress report. The most significant growth occurred among solo practitioners at 46 percent in 2011, up from 31 percent in 2010.17

2.9. Pharmacy e-Health Information Technology Collaborative

In September 2010, nine national pharmacy organizations launched a new collaborative called the Pharmacy e-Health Information Technology Collaborative. The collaborative will work toward the greater participation of pharmacists in health information exchange and address opportunities for pharmacists to access and contribute to the patient specific information in electronic health records (EHRs).

A key objective of the collaborative is to:

- Identify (through the consensus work of expert panelists) the minimum data set and functional EHR requirements for the delivery, documentation, and billing of pharmacist-provided medication management services. Such requirements include


access to key medical information such as laboratory data, and bidirectional communication flow among all practitioners.

The collaborative will prepare a “roadmap” for the development of a certified pharmacist EHR that would enable pharmacists to affect improved medication use in an efficient and effective manner.\(^\text{18}\)

The collaborative continued to conduct outreach toward these objectives in 2012. The collaborative submitted comments to the Office of the National Coordinator for Health Information Technology, the Centers for Medicare and Medicaid Services, and Department of Health and Human Services on proposed stage 2 rules for the meaningful use of EHRs; proposed rules for EHR standards, implementation, and certification; as well as provided comments to various federal advisory bodies and requests for information.

### 2.10. Electronic Prescribing Standards and Certification Bodies

The federal Medicare Prescription Drug, Improvement, and Modernization Act (MMA) included a provision for the adoption and testing of specific technical standards for the data exchange transaction that Part D plans would use for electronic prescribing (e-prescribing). In 2009, the National Committee on Vital and Health Statistics recommended that the Centers for Medicare and Medicaid Services (CMS) support the National Council for Prescription Drug Programs (NCPDP) SCRIPT 10.6 standard in its Medicare Part D e-prescribing initiative.\(^\text{19, 20}\)

In 2010, the Office of the National Coordinator for Health Information Technology (ONC) developed a temporary program for the establishment of authorized testing and certification bodies (ATCBs) that are responsible for certification of electronic health record (EHR) technologies. E-prescribing tools may be certified as a module in the preliminary Health Information Technology for Economic and Clinical Health (HITECH) Act certified technology program or as part of a certified EHR. The certification program ensures compliance with the technical requirements and standards as provided in the rules issued by ONC.\(^\text{21}\)

Surescripts is an ONC-Authorized Testing and Certification Body under the temporary program and provides e-prescribing module certification services at no charge. Per ONC guidance, the test procedure performed by Surescripts evaluates conformance with the NCPDP SCRIPT 8.1 NEWRX transaction when used to transmit a new prescription from a prescriber to a pharmacy. A

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\(^{18}\) Pharmacy e-Health Information Technology Collaborative Overview, Shelly Spiro, Director, [http://www.pstac.org/downloads/Pharmacy-e-HIT-Collaborative-Overview.pdf](http://www.pstac.org/downloads/Pharmacy-e-HIT-Collaborative-Overview.pdf)

\(^{19}\) Freidman, et. al. (2009), Interoperable Electronic Prescribing In the United States: A Progress Report. Health Aff March/April 2009 vol. 28 no. 2 393-403. [http://content.healthaffairs.org/content/28/2/393.abstract](http://content.healthaffairs.org/content/28/2/393.abstract)

\(^{20}\) Department of Health and Human Services, National Committee on Vital and Health Statistics, July 10-11, 2009 Meeting Minutes. [http://www.ncvhs.hhs.gov/090610mn.htm](http://www.ncvhs.hhs.gov/090610mn.htm)

Surescripts certification for an e-prescribing application to connect to the Surescripts network is not sufficient for meeting the HITECH certification provisions.

In January 2011, ONC issued the final rule to establish the Permanent Certificate Program for Health Information Technology which will eventually replace the temporary program. Under the permanent program, testing and certification will be performed by separate entities.22

The EHR certification final rule issued August 23, 2012, by ONC establishing standards, implementation specifications, and certification criteria for EHRs (2014 edition) requires use of NCPDP SCRIPT version 10.6 as the only content exchange standard for e-prescribing in the ambulatory and inpatient settings. The rule requires the capacity to use RxNorm, the vocabulary standard, specifically RxNorm concept unique identifiers (RxCUIs).23

2.11. Regional Extension Centers

Regional extension centers (RECs) are organizations under contract with the Office of the National Coordinator for Health Information Technology to assist providers in transitioning to the meaningful use of electronic health records (EHRs). The purpose of the RECs is to furnish assistance defined as education, outreach, and technical assistance to help providers in their geographic service areas select, successfully implement, and meaningfully use certified EHR technology to improve the quality and value of health care.

RECs assist providers in selecting an EHR system that must include e-prescribing or compatibility with a separate e-prescribing system. RECs provide technical assistance including workflow analysis in preparation for implementation and consultation throughout the process. During 2010, four RECs were established in Florida. County coverage areas which collectively encompass the entire state, REC locations and REC contact information can be viewed on the FHIN website at: www.fhin.net/content/rec/index.shtml.

During 2011 and 2012, the Florida RECs attended and reported to the Health Information Exchange Coordinating Council on their progress in achieving milestones of provider outreach, adoption, and meaningful use.

2.12. Outreach to Florida Independent Pharmacies

The Agency for Health Care Administration (Agency) conducted a survey in May 2011, both in English and Spanish, of 1,150 licensed independent pharmacies to assess their current use of electronic prescribing (e-prescribing). By the close of the survey, 47 responses had been received with the following results:

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• Ninety-seven percent of responding pharmacies reported that their current software system allowed for e-prescribing functionality;
• Eighty-one percent of these same pharmacies indicated that they engaged a network vendor in order to receive e-prescriptions;
• Nearly one-third of responding pharmacies reported prescription transaction fees as the primary barrier to pharmacy participation in e-prescribing;
• Approximately 20 percent indicated the cost of updating software as the primary barrier;
• Another 20 percent indicated low prescriber activity as the primary barrier;
• Thirteen percent reported potential prescribing errors as the primary barrier;
• Fifty-seven percent of responding pharmacies indicated that a level of e-prescribing activity between 10 – 20 percent of prescriptions in their area (as defined by the respondent) would prompt them to implement e-prescribing; and
• Twenty-two percent reported that an activity level of more than thirty-three percent would be needed to prompt them to implement e-prescribing.

The survey questionnaire and results are posted at: www.fhin.net.

The Agency conducted further outreach in 2012 to encourage independent pharmacies to participate in e-prescribing. The Agency contacted rural and urban pharmacies and was assisted in its outreach efforts by the University of Florida pharmacy school. In addition, the Agency began working with pharmacies interested in using Direct Secure Messaging for medication therapy management programs.

2.13. Florida Medicaid Health Information Network

In 2009, the Agency for Health Care Administration (Agency) entered into a two-year no-cost contract with Availity, LLC to develop a secure web portal designed to give health care providers access to patient specific claims-based information, along with patient eligibility and benefit look-up capabilities. The information includes the patient medication history from the Medicaid claims. Authorized providers can use it for viewing or downloading into the provider’s electronic health record. In addition, the contract provided for making information available to Medicaid recipients about their own records processed by the Florida Medicaid program. In 2011, the Agency renewed the Medicaid Health Information Network contract for two years.

In 2012, work to enable Medicaid recipient access to their personal health information was completed through the partnership with Availity and subcontractors HealthTrio LLC and Healthwise that provided the personal health record platform and consumer oriented health content, respectively. The information includes medications, procedures, and other information about the patient visit. Recipients may register for the internet-based personal health record, My Florida Health eBook, through the Agency’s website.
2.14. Florida Health Information Exchange

The federal Health Information Technology for Economic and Clinical Health Act of 2009 provided funding to the states to develop and implement strategies for health information exchange (HIE). In March 2010, the Agency for Health Care Administration (Agency) was awarded $20.7 million over a four year funding period from the Office of the National Coordinator for Health Information Technology (ONC). In February 2011, the Agency awarded a contract to Harris Corporation to build the infrastructure for statewide health information exchange as proposed in the Agency’s Strategic and Operational Plan approved by ONC.

During 2011, Harris began deploying two HIE services: Patient Look-Up (PLU) and Direct Secure Messaging (DSM). DSM provides secure email for sending files containing protected health information. PLU can be used by health care providers to search for electronic health records made available by participating organizations. Organizations using PLU must meet the technical requirements for onboarding, including system security. The Agency has also established a vetting process that includes identify proofing and a licensure check for providers registering in DSM.

During 2011, the Agency began a process of evaluating the benefits of including pharmacies among the types of health care providers permitted to register for the DSM service. In 2012, the Agency began outreach to pharmacies and registration of pharmacies in DSM. Participating pharmacies have indicated that the initial use of DSM will include communications with physicians related to medication therapy management and immunizations administered at the pharmacy.

2.15. Health Information Exchange Coordinating Committee

Section 408.0611, Florida Statutes, requires that the Agency for Health Care Administration (Agency) convene quarterly meetings of stakeholders from organizations that represent health care practitioners, health care facilities, pharmacies, organizations that operate electronic prescribing networks, organizations that create electronic prescribing (e-prescribing) products, and regional health information organizations to assess and accelerate the implementation of e-prescribing. This legislation also requires the Agency to create the Electronic Prescribing Clearinghouse website.

The Agency formed the State Electronic Advisory Panel (Panel) during the fall of 2007 in response to the above legislation. The Agency scheduled the first meeting of the Panel in 2007 on October 4th to coincide with the initial release of the e-prescribing website. The Panel held three meetings in 2008, three meetings in 2009, and one meeting in 2010.

The Health Information Exchange Coordinating Committee (HIECC) was formed by the State Consumer Health Information and Policy Advisory Council (Advisory Council) to advise the Agency in implementing a strategy to establish privacy-protected, secure, and integrated exchange of electronic health records among physicians involved in patient care which includes the exchange of medication information through e-prescribing. The Agency assigned the HIECC the advisory role regarding e-prescribing promotional activities in 2010. A representative of the Florida Pharmacy Association was added to the membership of the HIECC and approved by the Advisory
Council at its September 16, 2010, meeting. The HIECC held four meetings in 2011 and again in 2012.

In 2010, the Advisory Council added measurable objectives to its goals for health information exchange to facilitate integration of e-prescribing within health information exchange initiatives. The measurable goal for e-prescribing is to increase the electronic prescriptions by 25% and electronic prescribing physicians by 10% within the state from 2012 to 2013 and increase the participation of independent pharmacies in electronic prescribing. The HIECC and Advisory Council continue to monitor progress in e-prescribing adoption and the Agency’s strategies to promote e-prescribing.

2.16. Action Steps

In 2013, the Health Information Exchange Coordinating Committee and the Agency for Health Care Administration (Agency) will address the following action steps to further accelerate the adoption of electronic prescribing (e-prescribing) in Florida:

1) Continue to track and report e-prescribing metrics on a quarterly basis and include Florida Medicaid medication history statistics as available. The information will be posted on the Agency’s website, www.fhin.net, as part of the Florida Electronic Prescribing Clearinghouse, and on the Agency’s performance dashboard.

2) Promote e-prescribing adoption as an integral part of the education and outreach efforts for the adoption of electronic health records conducted under the Health Information Technology for Economic and Clinical Health Act programs. Coordinate these efforts through the leadership of the Health Information Exchange Coordinating Committee.

3) Engage the participation of state professional pharmacy associations, pharmacy colleges, and pharmacy students in promoting the benefits of e-prescribing to independent pharmacists.

5) Support emerging national standards for “fully informed” e-prescribing that require health plans and vendors to electronically transmit medication history and formulary and benefit information to e-prescribers and pharmacies.

6) Identify and promote opportunities for the participation of pharmacists in health information exchange. Work with pharmacists to identify health information exchange opportunities to improve the e-prescribing process.

7) Continue to disseminate information on e-prescribing to the general public. The Agency will include e-prescribing information for consumers on the website, FloridaHealthFinder.gov.
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Agency for Health Care Administration
2727 Mahan Drive
Tallahassee, FL 32308
1-850-412-3730

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