

Dow Jones Reprints: This copy is for your personal, non-commercial use only. To order presentation-ready copies for distribution to your colleagues, clients or customers, use the Order Reprints tool at the bottom of any article or visit www.djreprints.com

[See a sample reprint in PDF format.](#)

[Order a reprint of this article now](#)

THE WALL STREET JOURNAL.

WSJ.com

BUSINESS | APRIL 20, 2010

More Doctors Are Prescribing Medicines Online

By [TIMOTHY W. MARTIN](#)

Doctors are increasingly prescribing medications electronically, abandoning the traditional paper scripts that can result in drug errors due to hard-to-read writing or coverage denials by a patient's insurer.

The number of e-prescriptions nearly tripled last year to 191 million from the previous year's 68 million, representing about 12% of the 1.63 billion original prescriptions, excluding refills, according to Surescripts LLC, whose online network handles the bulk of the electronic communications. The growth has accelerated. For the first three months of this year, nearly one in five prescriptions was filed electronically, Surescripts says. About 25% of all office-based doctors currently have the technology to e-prescribe, more than twice as many as at the end of 2008, Surescripts says.

Industry officials expect the growth in e-prescribing to continue, helped in part by a regulatory ruling last month that will soon allow doctors to start prescribing controlled medications such as narcotics and anti-depressants electronically. Under Drug Enforcement Administration rules, doctors previously had to hand out paper prescriptions for controlled drugs, even while other drugs could be e-prescribed.

The recent DEA ruling "is what we've all been waiting for," says John Halamka, an emergency-room physician at Beth Israel Deaconess Medical Center in Boston, who has used e-prescribing for three years. Being able to digitally zap some prescriptions to a pharmacy, while having to use a pad and paper for other medicines has disrupted work flow at the hospital, he says. "Now we can write prescriptions for [cholesterol drug] Lipitor and Valium [a controlled anti-anxiety medication] on the same program," he says.

Doctors transmit e-prescriptions via a secured Internet network directly to pharmacies from their computers or hand-held devices. Nearly all chain drug stores and 62% of independent pharmacies now accept e-prescriptions that are uploaded directly to their computers. For medical practices, the cost of e-prescribing software and hardware, such as laptops, as well as training can range from about \$1,000 to \$1,750 per physician, according to software makers.

Displayed on the doctor's e-prescribing screen are an array of drugs and their prices. Doctors select among different doses and either generic or name-brand medications. Also listed are which medications are covered, and which are not, by a patient's insurance company. For some e-prescribing programs, symbols in the form of small faces appear on the screen: A green smiley face means the medication will be the cheapest for a patient, or that it's the preferred drug based on other medications the patient is taking. Yellow and red faces indicate less desirable options.

Major pharmaceutical chains say about one in four prescriptions they receive aren't filled because they are not covered under a patient's insurance plan. That usually prompts calls from the pharmacy to the doctor

seeking alternative medication, they say. Insurance information is also available without e-prescribing, but usually requires a doctor or his staff poring through binders of information.

Ali Tural, a pediatrician from Fall River, Mass., who started e-prescribing last fall, says the new system has meant he spends less time on the phone with pharmacists and patients wrangling, for instance, over prescriptions not covered by insurance or the cost of the medications. "In the past, patients would complain to me about the little eye drops that cost them \$80 or \$100," Dr. Tural says. "Now I can go to a patient and show them the real-life prices and compare the costs."

A study by researchers at Weill Cornell Medical College in New York, published in February in the *Journal of General Internal Medicine*, found that e-prescribing significantly reduced errors that occurred with paper prescriptions, including patients receiving medications of the wrong dose or incorrect usage instructions. The researchers examined some 7,500 prescriptions from 12 medical practices. Practices that used electronic prescribing for a year cut their error rate to 6.6% on average from 42.5% before they began e-prescribing, the researchers found. The error rate at medical practices that continued to use paper prescriptions rose slightly to 38% on average from 37%.

Electronic prescriptions can also lead to errors, for instance if a doctor hits the wrong computer key. Dr. Tural says that in e-prescribing for his young patients he has inadvertently selected the pill version of a drug instead of the liquid form.

Michael Cohen, president of the Institute for Safe Medication Practices, a nonprofit that analyzes medication errors, supports e-prescribing. Still, he recommends that patients getting electronic prescriptions also ask for verbal instructions from the doctor for taking the medication and request a printout of the e-prescription.

Debbie Kenney, 59, of Philadelphia, says her doctor last spring wrote her a prescription for a hypertension medication that had recently come on the market. Unknown to both of them, however, the new medication could interfere with her asthma. Side effects flared up in December when she had trouble breathing after catching a cold, she says.

After her doctor began e-prescribing in January, Ms. Kenney says the new system clearly indicated that she shouldn't be taking that hypertension drug. Instead, she says, her doctor switched her to another medication for hypertension that was compatible with her asthma.

"I do feel more confident now," Ms. Kenney says. "When other drugs are prescribed, I can say to my doctor, 'Show me the side effects.' "

Helping to win doctors over to e-prescribing are incentives by the Center for Medicare and Medicaid Services, the federal agency that oversees the big federal insurance programs. CMS last year began paying doctors a bonus for e-prescribing. And beginning in 2012, CMS will begin penalizing doctors who haven't adopted the electronic system for issuing prescriptions.

E-prescribing also is expected to encourage broader use of electronic medical records, which includes such features as storage of full medical histories, lab reports and programs that let doctors send alerts and reminders to patients. The cost of the technology to maintain full electronic medical records is roughly \$25,000 to \$45,000 per physician. An e-prescribing system typically can later be incorporated into a medical records system.

President Barack Obama has touted broader adoption of e-prescriptions and electronic medical records as integral parts of health-care reform. Government stimulus money has been earmarked for helping doctors pay for electronic medical records systems.

Pharmacy chains, including [Walgreen Co.](#) and [CVS Caremark Corp.](#), say they like e-prescribing because it means their staff spend less time on the phone sorting out problems with doctors. "E-prescribing gives the pharmacist more time to spend with the patient, to really have those meaningful discussions," says Don Huonker, Walgreen senior vice president of health care innovation.

Write to Timothy W. Martin at timothy.martin@wsj.com

Copyright 2009 Dow Jones & Company, Inc. All Rights Reserved

This copy is for your personal, non-commercial use only. Distribution and use of this material are governed by our [Subscriber Agreement](#) and by copyright law. For non-personal use or to order multiple copies, please contact Dow Jones Reprints at 1-800-843-0008 or visit www.djreprints.com