

**E-Prescribing**[» Overview](#)**Overview**

E-prescribing - a prescriber's ability to electronically send an accurate, error-free and understandable prescription directly to a pharmacy from the point-of-care - is an important element in improving the quality of patient care. The inclusion of electronic prescribing in the Medicare Modernization Act (MMA) of 2003 gave momentum to the movement, and the July 2006 Institute of Medicine report on the role of e-prescribing in reducing medication errors has received widespread publicity, helping to build awareness of e-prescribing's role in enhancing patient safety. Developing the standards that will facilitate e-prescribing is one of the key action items in the governments plan to expedite the adoption of electronic medical records and build a national electronic health information infrastructure in the United States.

The MMA created a new voluntary prescription drug benefit under Medicare. Although e-prescribing will be optional for physicians and pharmacies, Medicare will require drug plans participating in the new prescription benefit to support electronic prescribing.

On November 7, 2005, CMS published foundation standards that became effective on January 1, 2006. These standards apply to all electronic prescribing done under Part D of the MMA. The foundation standards cover:

- Transactions between prescribers (who write prescriptions) and dispensers (who fill prescriptions) for new prescriptions; refill requests and responses; prescription change requests and responses; prescription cancellation, request and response; and related messaging and administrative transactions;
- Eligibility and benefits queries and responses between prescribers and Part D sponsors;
- Eligibility queries between dispensers and Part D sponsors.

MMA required CMS to implement pilot projects to test additional standards. These additional standards were pilot tested in 2006. They are:

- Formulary and benefit information
- Prior authorization
- Medication history
- Structured and codified SIG
- RxNorm

The results of the pilot test were announced in a report to Congress in April 2007 and were the basis for an NPRM proposing additional standards that was published on November 16, 2007.

The final e-prescribing rule was placed on display at the Federal Register on April 2, 2008. The final rule provides three electronic tools for use in e-prescribing:

Formulary and benefit transactions: gives prescribers information about which drugs are covered by a Medicare beneficiary's prescription drug benefit plan.

Medication history transactions: provides prescribers with information about medications a beneficiary is already taking, including those prescribed by other providers, to help reduce the number of adverse drug events.

Fill Status notifications: allows prescribers to receive an electronic notice from the pharmacy telling them that a patient's prescription has been picked up, not picked up, or has been partially filled, to help monitor medication adherence in patients with chronic conditions.

The final rule also adopts the National Provider Identifier (NPI) for e-prescribing under Medicare Part D, and retires NCPDP SCRIPT 5.0 in favor of the upgraded NCPDP SCRIPT 8.1.

To view the E-Prescribing final rule on additional standards, see the link in the "Related Links Outside CMS" section below.

To view the E-Prescribing report to Congress on the pilot project results, see the link in the Downloads section below.

To view the evaluation of AHRQ and CMS-Funded E- Prescribing Pilot Projects and a copy of each of the Pilot sites final reports, see the link in the "Related Links Outside CMS"

To view the E-Prescribing final rule on foundation standards, see the link in the "Related Links Outside CMS" section below.

Downloads[E-Rx report to congress \[PDF, 311KB\]](#)**Related Links Inside CMS**

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[E-Prescribing final rule on foundation standards \[PDF, 223KB\]](#)

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