

321 – PAYMENT REFORM - E-PRESCRIBING

EFFECTIVE DATES: 10/01/14, 10/01/15, 07/01/16, 10/01/18, [10/01/20¹](#)

APPROVAL DATES: 10/15/15, 04/04/16, 10/18/18, [04/13/21²](#)

I. PURPOSE

This Policy applies to ~~AHCCCS Complete Care (ACC)~~, ALTCS E/PD, DCS/CMDP (CMDP), DES/DDD (DDD), and RBHA Contractors. The purpose of this Policy is to define parameters for the Payment Reform-E-Prescribing Initiative.

II. DEFINITIONS

BASELINE YEAR	Year prior to the measurement year, which shall be 10/1 through 9/30.
ELECTRONIC PRESCRIPTION OR E-PRESCRIPTION	Electronic Prescriptions or E-Prescriptions include those prescriptions generated through a computer-to-computer electronic data interchange protocol, following a national industry standard and identified by Origin Code 3.
MEASUREMENT YEAR	The period for which this Policy applies, which shall be 10/1 through 9/30.
ORIGIN CODE	The field located in the National Council for Prescription Drug Programs (NCPDP) standardized code set known as the Prescription Origin Code and also referred to as the NCPDP Prescription Origin Code.

III. POLICY

A. GENERAL

E-Prescribing is a recognized and proven effective tool to improve members' health outcomes and reduce costs. Benefits afforded by the electronic transmission of prescription-related information include, but are not limited to, reduced medication errors, reductions of drug and allergy interactions, and therapeutic duplication, patient adherence, and increased prescription accuracy.

The following parameters shall apply for the Payment Reform - E-Prescribing Initiative.

¹ [Date changes are effective](#)

² [Date Policy is approved by Assistant Director](#)

1. Only those prescriptions that meet the definition of an E-Prescription shall be included for the purpose of the initiative. The initiative shall not include other electronic methods of transmitting prescriptions including computer-generated paper prescriptions or facsimiles or telephone-generated prescriptions. The initiative also shall not include E-Prescriptions converted to computer-generated facsimile when the E-Prescription is sent via an intermediary that is unable to complete the transaction.
2. Refills retain the origin of the prescription. Each time a prescription that meets the definition of an E-Prescription is refilled, it counts as an E-Prescription. Consequently, refills shall not be counted as electronic originations for this initiative as they overstate the number of prescriptions generated in this manner.
3. Controlled substances can be E-Prescribed and therefore, may be counted as an E-Prescription if the electronic origination meets the definition of an E-Prescription. All prescribing clinicians are expected/required to comply with [A.R.S. §36-2525](#)~~the Arizona Opioid Epidemic Act SB-1001, Laws 2018, First Special Session.~~³
4. Prescriptions generated by nurse practitioners and physician assistants may be counted as electronic originations if they meet the definition of an E-Prescription.

AHCCCS may impose Administrative Action on the Contractor for failure to meet the requirements in [the Section C of this Policy on Contractor Responsibilities](#)⁴.

B. AHCCCS RESPONSIBILITIES

1. AHCCCS shall determine a baseline of original prescriptions generated as E-Prescriptions by line of business for each Contractor based on encounter data with dates of service between October 1 and September 30, for the Baseline Year, with adjudication dates through December 31 following the Baseline Year. Once computed, the Baseline Year of data will be made available no sooner than January 31. For example, the Baseline Year for Contract Year End (CYE) 2019 Measurement Year will be CYE 2018, with adjudication dates through December 31, 2018 and such results will be made available after January 31, 2019.
2. AHCCCS shall measure original prescriptions generated as E-Prescriptions by line of business for each Contractor for each quarter based on encounter data with dates of services between October 1 and September 30 of the Measurement Year extracted no sooner than December 31 following the Measurement Year. AHCCCS will choose the quarter of the Measurement Year with the highest percentage of original prescriptions generated as E-Prescriptions by line of business for each Contractor to represent the Contractor's Measurement Year "peak" quarter. This Measurement Year peak quarter will be compared against the Baseline Year to determine the percent of increase for the Measurement Year. The percent of increase from the Baseline Year to the peak quarter of the Measurement Year will be used to determine compliance with the E-Prescribing

³ Replaced with A.R.S. citation

⁴ Replacing specific section with subject of section throughout Policy; policy formatting

Initiative requirement in ~~C-2~~ [below the section on Contractor Responsibilities](#). For example, the peak quarter in CYE 2019 Measurement Year will be measured against CYE 2018 Baseline Year to determine the percentage increase.

C. CONTRACTOR RESPONSIBILITIES

1. The Contractor shall increase the percent of prescriptions originating through E-Prescribing in the Measurement Year by 30% of the difference between the Baseline Year and the goal percentage of original prescriptions generated as E-Prescriptions as ~~defined~~ [specified](#) below, utilizing the Measurement Year peak quarter (as calculated in ~~B-2~~ [above the section on AHCCCS Responsibilities](#)⁵) to determine compliance with the E-Prescribing Initiative. For example, the CYE 2019 E-Prescribing increase shall equal or exceed 30% of the difference between the CYE 2018 Baseline Year and the goal percentage.

Goal (Percentage of Original Prescriptions Generated as E-Prescriptions)

ACC	70 85%
RBHA	70 85%
CMDP	70%
DDD	75 85%
ALTCS E/PD	50 60 ⁶ %

The required increase in the percent of prescriptions originating through E-Prescribing will be calculated as follows:

G = E-Prescribing percentage Goal

B = Baseline Year E-Prescribing percentage per Contractor

R = Required Measurement Year E-Prescribing percentage increase from Baseline Year E-Prescribing percentage per Contractor

T = Target Measurement Year E-Prescribing percentage per Contractor

P = Peak Quarter Measurement Year E-Prescribing percentage

Calculation

$$(G - B) * 30\% = R$$

$$B + R = T$$

$$P \geq T$$

Example

$$(60\% - 45\%) * 30\% = 4.5\%$$

$$45\% + 4.5\% = 49.5\%$$

$$50\% > 49.5\%$$

2. Prescription origination data shall be submitted on all pharmacy encounter records, as ~~outlined~~ [specified](#) in the AHCCCS [National Council for Prescription Drug Programs](#)⁷ (NCPDP) Post Adjudicated History Transaction Companion Guide.

⁵ Replaced specific section with subject of section, policy formatting

⁶ Updated percentages to align with changes to methodology for e-prescribing

⁷ Spelling out acronym; first time used in Policy

3. The Prescription Fill Number (Original or Refill Dispensing) shall be submitted on all pharmacy encounter records, as ~~outlined~~specified in the AHCCCS NCPDP Post Adjudicated History Transaction Companion Guide.

OPEN UNTIL 05/05/21