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Be Prepared for the HITECH Act: Eight Tips for Successful EHR Adoption

WHITEPAPER

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Who's Afraid of Electronic Health Records?

Uneasy about switching to electronic health records (EHRs)? You are not alone.

Many physician practices are troubled by the huge upfront costs many EHRs require – hardware, software, interfaces, and IT support – without a clear return on investment (ROI).

Practices also worry about disruption during EHR implementation. They could face a forced reduction in patient load during the transition to an EHR. For some, this could lead to a permanent reduction in revenue. On top of that, providers fear that EHR implementation will take too much time away from seeing patients, slow them down, and always be difficult to use.

But the right EHR can dramatically improve patient care, profit, and workflow. What's more, EHR implementation can be a smooth (and practice-strengthening) process. The insights here provide a simple guide to success with an EHR.

What is the HITECH Act?

The Health Information Technology for Economic and Clinical Health (or HITECH) Act is a \$19.2 billion provision of the American Recovery and Reinvestment Act (ARRA) signed into law by President Obama on February 17, 2009. The HITECH Act is designed to encourage the widespread adoption of EHRs. Physicians will be eligible for up to \$44,000 in reimbursements from Medicare and \$65,000 from Medicaid for "meaningful use" of a "certified" EHR starting in 2011. Requirements for "meaningful use" include such things as e-prescribing, electronic exchange of patient health information, and reporting on clinical data. See athenahealth.com/HITECHAct for more details on reimbursement criteria.

Time to Switch to an EHR?

For years, experts have praised EHRs for their potential to improve patient care, reduce medical errors, and contain costs in the American health care system.¹ Now, the Obama administration has made EHR adoption a major health care policy objective. Its goal is for all physicians to begin using EHRs over the next decade. The HITECH Act, part of Obama's new stimulus package (The American Recovery and Reinvestment Act), commits \$19.2 billion to make this a reality.²

The HITECH Act is a response to the reality that only a small number of physician practices have successfully adopted EHRs.³ In fact, only 17% of the nation's 800,000 physicians are currently using EHRs. And a recent study in the New England Journal of Medicine (NEJM) reports that a mere 4% of physicians are using a full EHR.⁴

If EHRs are the future of health care, why are they so unpopular?

The Real Risks of Adopting the Wrong EHR

Choosing the wrong EHR system – or failing to successfully implement one – can result in fallout like:

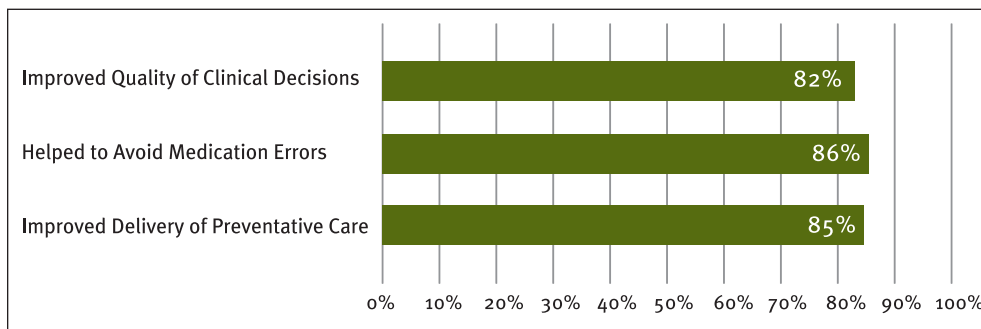
- ▶ **Spiraling costs.** According to one study, initial costs for software-based EHRs ranged from \$15,000 to \$50,000 per physician in small practices.⁵ In addition, practices can fail to anticipate the hidden costs of the EHR, such as ongoing maintenance, upgrade fees or additional IT support and staff. In such circumstances, the practice must decide whether to continue to invest in an increasingly costly system, hire additional support to keep the system running, or write it off completely.

- ▶ **Practice melt-downs.** Practice staff and physicians can be ambivalent about (or even resistant to) the adoption of an EHR. If this happens, the practice can divide over the use of the EHR, causing the EHR adoption to never be fully realized and forcing the practice to make hard decisions about continued investment in the system.
- ▶ **Staff turnover.** EHR implementation means changing roles and expectations for staff. If these aren't communicated effectively, staff may feel undervalued.
- ▶ **Incomplete adoption of the EHR.** If new workflow processes are not developed to optimize use of the EHR, the practice duplicates work (using both paper and electronic systems), fails to optimize the EHR, and will not enjoy a full return on its investment.
- ▶ **Decreased access to patient information.** For practices that do not successfully implement (or optimize) their EHR, patient safety can suffer because of a diversion of resources and reduced access to critical information which is often in multiple places.

The Right EHR Can Transform Your Practice

More than just making a practice eligible for HITECH Act reimbursement, the right EHR – implemented successfully and optimized for your practice – can have major advantages for patient care, profitability, and practice personnel. In the NEJM study, an overwhelming majority of physicians said that using electronic records improved the quality of clinical decisions, helped to avoid medication errors, and improved the delivery of preventative care.

Percentage of Physicians Who Said EHRs...



Source: Steve Lohr, "Most Doctors Aren't Using Electronic Health Records." New York Times, June 19, 2008.

Ultimately, the right EHR can help your practice operate seamlessly among all of your affiliated hospitals, clinics, labs, and pharmacies. It helps your providers have a current, accurate, and complete clinical picture of each patient, so they can make the most appropriate clinical decisions. And the right EHR helps the practice manage the business side of things, enabling it to run more effectively and profitably.⁵

Specifically, the right EHR can support:

- ▶ **Stronger practice profitability.** With more accurate clinical documentation, a practice can bill at appropriate service levels. It can gain workflow efficiencies that contain or reduce the costs of delivering care.
- ▶ **Better patient care.** Improved access to patient information and clinical data could mean reduced medical errors, better patient safety, and stronger support for clinical decision making.
- ▶ **Process integrity.** An EHR can help get things done the right way, at the right time, and the same way each time – all based on best practice workflows.



- ▶ **Provider and staff satisfaction.** A successfully implemented EHR can strengthen the practice team, provide more time for direct patient care, and reduce administrative burdens.
- ▶ **Practice growth.** Access to clinical and financial data gives the practice greater control over and visibility into practice operations, which provide direction for growth.

Your practice can realize these kinds of benefits – and avoid the pitfalls of poor EHR implementation – with eight key insights.

One Practice's EHR Success

Dr. Peter Masucci, a solo pediatric practitioner in Everett, MA, found the right EHR in 2006. In 2008, his success was featured in The *New York Times*' story, [Most Doctors Aren't Using Electronic Health Records](#). Before going live, he worked with his network-based EHR vendor to adjust the practice's workflow to accommodate the EHR.

When they were ready, Dr. Masucci said, "The implementation process took about a week. We had lots of support from our extremely helpful vendor."

Since then, practice revenue, time spent with patients, and quality of care have all dramatically improved. Before the EHR, Dr. Masucci's staff sorted through piles of mail every day. Now, with service options available through the network-based EHR, all incoming mail and faxes are automatically scanned and appear electronically in the EHR. Patient information is always immediately available; no more sorting through charts at every visit. And Dr. Masucci can easily review patients' records before each visit - which means his time is spent more efficiently during each appointment.

"Our nurses love the EHR," reinforced Dr. Masucci. "They have easier access to information. They don't have to write paper prescriptions anymore. Everything is online, saving us time."

Dr. Masucci's office uses the EHR's embedded practice management solution, so the practice has been able to decrease days in accounts receivable (DAR) from almost 70 to 24 days. The practice also estimates that it gets paid correctly for 99% of the claims it submits - because it uses the EHR's continually-updated payer-specific coding rules and E&M guidelines for cleaner claims. And when they have to follow up on denials or unpaid claims, they have the documentation they need at their fingertips.

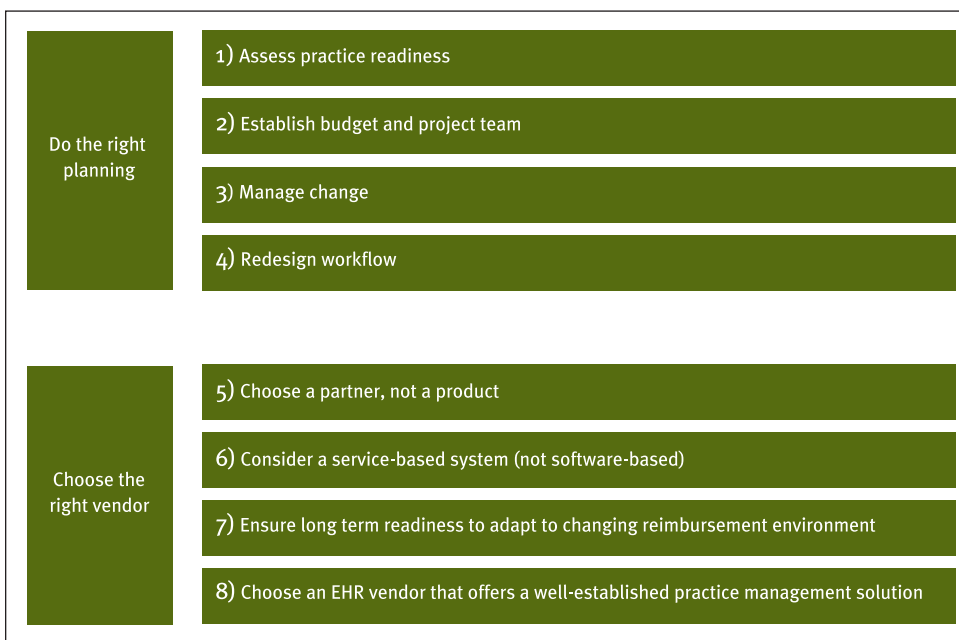
"Our EHR not only alleviates a tremendous amount of our back office work, but also interfaces with in-house labs like Quest, allowing all our results to be processed electronically and saving time and paperwork on our end," said Dr. Masucci. "The power of a web-based network is that it has created a seamless integration between our billing and clinical services, allowing us to focus on patient care, which is our ultimate goal."

How to Achieve Success with an EHR

In a nutshell: Practices that achieve success with an EHR plan correctly and choose the right vendor.

The right planning includes four steps: assessment and goal-setting, creating a budget and project team, managing change, and redesigning practice workflow. But planning alone is not enough for a successful EHR implementation. You need to find the right EHR vendor – one that provides excellent service over the long term, and offers a system with a proven return on investment (ROI).

8 Tips for Successful EHR Adoption



DO THE RIGHT PLANNING

You know you have to prepare for an EHR, but what exactly do you have to plan for? The right planning includes:

1. Assessing your practice's readiness

Before you jump into EHR implementation, do an assessment of your practice's EHR readiness. What software and equipment do you currently use to run your office and what kind of investment in new technology would you need to bring an EHR system live? Does your practice have the right leadership and support to undertake a project of this scope? What about your practice's culture – is there sufficient flexibility and willingness to adapt to change in order for an EHR to be a success?

If you determine your practice is ready for an EHR, then develop a project plan (or charter) with measurable goals. If you can't state why you want to implement an EHR and identify the benefits you expect to see, your practice should take the time necessary to clearly delineate its EHR rationale.

Define what constitutes success or failure with an EHR. Be realistic. Your goals should be measurable, and feel challenging but do-able. If you have a larger practice, you will need to define goals specific to each practice site. Finally, plans should include technical EHR implementation requirements.



2. Establishing your budget and project team

When you've determined that you're ready and have a written plan, assign appropriate resources to the project. Develop a budget that includes the hardware, software, interfaces, support services, space renovations, training, extra staff time needed during planning, and costs related to lost productivity in the first few weeks post go-live.

Make certain you consider potential hidden costs. For traditional, software-based EHRs, this could include the costs of maintaining and updating the software and interfaces, additional IT support for emergency recovery systems, replacing and updating hardware, and necessary training not included in the up-front fees. Though billed as time-savers, many software-based products also require practices to increase staff costs for such tasks as interface management, inputting software upgrades, incorporating industry initiatives as they emerge (i.e., Pay for Performance, new HITECH Act requirements, etc.), creation of templates, and additional scanning.

Next, select a crackerjack project team that includes at least one physician champion, a project manager, and "super-users" who will be available to other staff for resolving issues during and after implementation. The project team provides central leadership and accountability. Drawing from a cross-section of the practice, the project team can leverage clinical, financial, and administrative expertise.

3. Managing change

Successfully implementing an EHR is not about the software – it's about embracing change. If users feel left out of the selection and implementation of an EHR, the system could fail – even if the EHR is a perfect fit with your practice.

To navigate this critical transition in your practice:

- ▶ Engage users in the implementation process before system selection and garner buy-in among all future system users. Get feedback and act upon suggestions.⁷
- ▶ Project leaders should anticipate change barriers – for example, reluctance to change practice workflow – and candidly address these.
- ▶ Document what you learn during this assessment phase and plan how you'll address each barrier.

Communicate the plan, progress to goals, and next steps to keep everyone informed about the change. You may need a communication plan embedded in your project charter. The communication plan should include a complete list of stakeholders you need to communicate with about the EHR, as well as the preferred communication format for each group and how often you plan to be in touch.

4. Redesigning workflow

Finally, there are fundamental differences in the way information is communicated and tasks are completed in an office powered by an EHR. You'll need to redesign your practice's workflow to incorporate the use of this new technology. It's daunting, but the right vendor can help tremendously, offering templates based on best practices. Start by documenting current workflows. Evaluate them to improve efficiency (e.g., by removing steps or people from the process). Decide how you will replace "paper triggers" (e.g., when the paper chart posted outside an exam room door is used to signal that the patient is ready to be seen) with "electronic triggers" (patient is "checked in" and the exam room is automatically indicated in the EHR schedule).

What a Project Charter Should Include:

A project charter provides a framework for moving through EHR implementation and should include:

- ▶ Strategic vision for the project
- ▶ Goals and objectives
- ▶ Budget
- ▶ Project team members and key stakeholders
- ▶ Summary of the project plan
- ▶ Communication plan

View sample charters at www.masspro.org under DOQ-IT/HIT Services.



Concentrate on documenting (either in list or chart form) five main areas:

- 1) **Patient Flow.** How the patient progresses from check-in to check-out.
- 2) **Point of Care Documentation.** How and when you document the visit (for example: using templates, free text, and dictation – in the exam room, in the hallway, in the physician office, at a nursing station, etc.).
- 3) **Communication.** How different team members in the practice communicate with each other about phone calls, patient requests, and other issues.
- 4) **Document Management.** How you manage paper that comes into the practice via fax, mail, and lab orders for patients.
- 5) **Chart Abstraction.** How you will migrate from the paper chart to the EHR, including defining interim steps where necessary to move through this migration.

Six Steps to Redesigning Workflow

1. Document current workflows by watching, asking questions.
2. Create a step-by-step list or flowchart to capture all steps in each task, and who does the task.
3. Compare operations to industry best practices.
4. Identify waste (waiting, rework, multiple handoffs) and opportunities (improving care, reducing errors).
5. Redraw workflow maps.
6. Implement new workflows with good communication, EHR training, and method for auditing/enforcing changes.

FIND THE RIGHT VENDOR

No matter what kind of planning you do, you need a vendor with a proven implementation methodology and excellent ongoing service and support. If you are reimbursed for Medicare or Medicaid patients, you will also want to find a vendor who is well-positioned to qualify you for federal EHR reimbursements provided by the 2009 HITECH Act. Here's how to succeed with your choice of vendor.

"Automating a bad process only makes things worse."⁸

5. Select a partner, not a product

You are about to enter a long-term partnership with a vendor. Product versions will change over time, but once the product is implemented, and especially after paper charts are no longer available, you must rely on your vendor to provide service and support. You want a partner with a culture and long-term vision that are aligned with yours.

Another question to investigate: What incentive does the vendor have to make the implementation a success? For example, will you invest heavily up front, leaving the vendor with little motivation to provide excellent service after implementation? Look for a vendor that shares the risk, and therefore has a vested interest in the long-term success of the EHR.

You need a partner who can offer support as early as possible in the planning phase. The vendor you select should be prepared to assist with assessment of practice readiness, goal-setting, budget and team assignment, and the examining and adapting of practice workflows to maximize the EHR's potential effectiveness. If the vendor offers this kind of support, find out how adaptable workflows can be. Some vendors can customize workflows to each provider in the practice so that everyone is comfortable with (and enthusiastic about) the EHR – propelling the EHR to full optimization.

The vendor should also have a clear approach for providing assistance both during and after the implementation phase. At a minimum, the vendor should help prepare users so they can comfortably use the EHR at the time of implementation, and offer live support following the implementation.



6. Consider a network-based system, rather than a software-based EHR

Some practices assume that getting an EHR means buying and installing a software package. In these cases, the package relies upon on-site server hardware, interfaces, and complex software programs.

Unfortunately, these types of solutions are often challenging because of high fixed prices, fast hardware obsolescence cycles, poor training, clunky upgrade processes, and the inability to adapt to complex and evolving clinical and payer guidelines and regulations.

The alternative is a network-based EHR system, which is accessed through the Internet. This approach offers remarkable benefits to the physician practice, including lower up-front costs and greater efficiency. Network-based systems are also well-positioned to integrate the evolving U.S. Department of Health and Human Services requirements for "meaningful use" of an EHR as mandated by the 2009 HITECH Act.

In a network-based system, users access software via the Internet rather than through a server located in their business. A network-based system require little up-front financial investment and gives practices the benefit of participating in a "network" – where software is constantly and automatically upgraded, clinical data and protocols as well as payer rules are updated daily, and the collective lessons of every practice are immediately integrated into the system for all to use.

Achieve Solid ROI with your EHR

	<i>Software-Based EHRs</i>	<i>Network-Based EHRs</i>
Initial investment	Initial costs for software-based EHRs can range from \$15,000 to \$50,000 per physician in small practices ⁹	Only requires a PC and connection to the Internet to get started, with no upfront licensing or server hardware investment
Investment during implementation	Large amounts of scanning and data conversion prior to going live	Reduces the burden of this work by eliminating (outsourcing) or streamlining it (hands-on, partner-based change management)
Ongoing cost	Software alone cannot help practices keep pace with changing reimbursement rules, requiring staff time to research and input changes or upgrade the software	Web-based application constantly incorporates new intelligence that is instantly available to all users, systematically improves revenue capture, and keeps pace with emerging P4P rules

What's more, a network-based system constantly adapts to changing information – such as new billing rules, updated lab and pharmacy information, and clinical guidelines – all of which are immediately available to all users. With a direct, real-time connection to payers, labs, patients, pharmacies, and referral networks (accessible almost anywhere there's an Internet connection), physician practices eliminate the inefficiencies of written requests, unreturned phone calls and wasted staff time.

Software-based systems also create little vested interest for the vendor in the success of any particular installation. With a service-based model however, where a vendor charges little up front, the vendor and the practice share goals for success – preventing conflicting priorities through shared incentives.



7. Ensure your vendor has long-term readiness to adapt to the changing reimbursement environment

EHR software is static. Once installed, it does not change unless a new version comes out that must be re-installed at every workstation. So software alone can't help your practice keep pace with emerging trends such as Pay for Performance (P4P) and consumer-directed health care – physician practices are left to their own devices when it comes to incorporating and managing these initiatives. In addition, with the HITECH Act, reporting requirements for many physicians will likely continue to increase.

Again, here is where a network-based model keeps your practice profitable. Collective clinical rules offer providers constantly updated, proactive clinical intelligence that supports increased revenues. For example, clinical rules databases can track quality measures against P4P programs that a physician participates in, so these are automatically tracked for the practice. As an example, Physician Quality Reporting Initiative (PQRI) measures can be quickly added as the Centers for Medicare and Medicaid Services (CMS) expand this initiative and increase the number of measures. The result is a constant stream of collective financial and clinical intelligence that is built into the office workflow, allowing providers to have more time for patient care.

8. Choose a vendor with a strong practice management system

The best EHRs can interface with practice management systems to handle claims submission and billing alongside clinical tasks. This helps ensure a smooth flow from identifying, scheduling, and checking in each patient, to billing for the visit.

EHRs that interface well with a practice management system can improve the patient experience, increase room utilization and flow, bill appropriately for care given, increase the timeliness of documentation, and eliminate lost or missed charges.

So it's smart to ask how your billing and collections, scheduling (patient, provider, equipment), productivity and revenue analysis will improve with the new EHR system. The better integrated the system, the greater the likelihood you'll see improvement. What other changes will you see as a result of adopting both at the same time? Make sure any additional training and support for the practice management system is included in the EHR implementation.

You're Ready for a Smooth Implementation

EHR implementation does require hard work and careful planning. But with the insights here, your practice is well-equipped to find and implement the right EHR – for stronger revenue, better patient care, and minimal disruption. In the long term, if you've done the right planning and selected the right vendor, your practice will enjoy substantial cost efficiencies so you can focus on what matters most – patient care.

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¹Steve Lohr, "Most Doctors Aren't Using Electronic Health Records." *New York Times*, June 19, 2008.

²Title IV – Health Information Technology for Economic and Clinical Health Act. Prepared by the Majority Staff of the Committees on Energy and Commerce, Ways and Means, and Science and Technology, January 16, 2009. Available at: <http://waysandmeans.house.gov/media/pdf/110/hit2.pdf>.

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