



HiMSS

Southern California Chapter



HiMSS

Northern California Chapter



transforming healthcare through IT™

California State Advocacy Day April 2010

“Meaningful Use” – Impacts

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accenture

High performance. Delivered.



What we're going to talk about for the next 30 minutes

- ❑ Evolution of the Electronic Health Records
- ❑ The Current State of EHR
- ❑ Where Physicians are – Attitudes and Adoption
- ❑ Barriers to Adoption and attaining Meaningful Use
- ❑ Next Steps – Making Sense out of Chaos
- ❑ Messages to Legislators

Evolutionary Trends in Health Records



In the beginning,



Early Man began to use tools, crude as they were



We evolved and so did our tools to provide real information





Meaningful Use and EHR Adoption

MATURITY OF EHR DEPLOYMENT IS LAGGING. THE ROAD TO MEANINGFUL USE WILL REQUIRE SIGNIFICANT EFFORT, RESOURCES AND TIME TO MOVE THE NEEDLE TOWARDS EHR ADOPTION.

EMR Adoption ModelSM Q4 2009 – Q1 2010

Stage 7	Complete EMR; CCD transactions to share data; Data warehousing; Data continuity with ED, ambulatory, OP	0.7%	0.7%
Stage 6	Physician documentation (structured templates), full CDSS (variance & compliance), full R-PACS	1.6%	1.8%
Stage 5	Closed loop medication administration	3.8%	5.0%
Stage 4	CPOE, Clinical Decision Support (clinical protocols)	7.4%	7.7%
Stage 3	Nursing/clinical documentation (flow sheets), CDSS (error checking), PACS available outside Radiology	50.9%	50.0%
Stage 2	CDR, Controlled Medical Vocabulary, CDS, may have Document Imaging; HIE capable	16.9%	16.5%
Stage 1	Ancillaries – Lab, Rad, Pharmacy – All Installed	7.2%	6.9%
Stage 0	All Three Ancillaries Not Installed	11.5%	11.4%

Meaningful Use and EHR Adoption in California

EMR Adoption Model Score

EMR Adoption Model Scores

	Average	Median	Min	Max
Entire HIMSS Analytics™ Database*	2.8018	3.1630	0.0000	7.0710
Pacific Region (N=582)+	2.9621	3.1435	0.0000	7.0630
Arizona (N=76)	2.7353	3.1655	0.0050	5.1650
California (N=386)	3.0240	3.1390	0.0000	7.0630
Nevada (N=40)	2.5375	3.1560	0.0000	4.2670
Oregon (N=62)	3.0987	3.1780	0.0290	6.0560

+Pacific Region includes Alaska, California, Hawaii, Oregon and Washington

Meaningful Use Criteria Phase I – What Exists, What Doesn't

What Exists

- ePrescribing
- Lab results into EHR as structured data
- Insurance eligibility checking from public and private payers
- Claims submission to public and private payers

What Needs to be Deployed

- Data to Immunization registries
- Electronic Syndromic Surveillance data to public health agencies
- Submit reportable lab results to public health agencies
- Exchange clinical summary data including:

Discharge summary, medications, allergies, problem list, immunizations, procedures, diagnostic test results

Physician EMR Survey

Electronic Medical Records in small physicians' practices in the US

Accenture Innovation Center for Health

Research conducted by the Accenture Institute for Health & Public Service Value

Accenture surveyed more than 1,000 physicians in small practices across the US to address the following questions:

- Will incentives and requirements drive rapid adoption of EMR systems, as intended by the American Recovery and Reinvestment Act (ARRA)?
- Which options do physicians favor and what are their concerns about investment, implementation and use?
- What benefits do physicians expect in return for their investment?
- What can we learn from the experiences of current users?





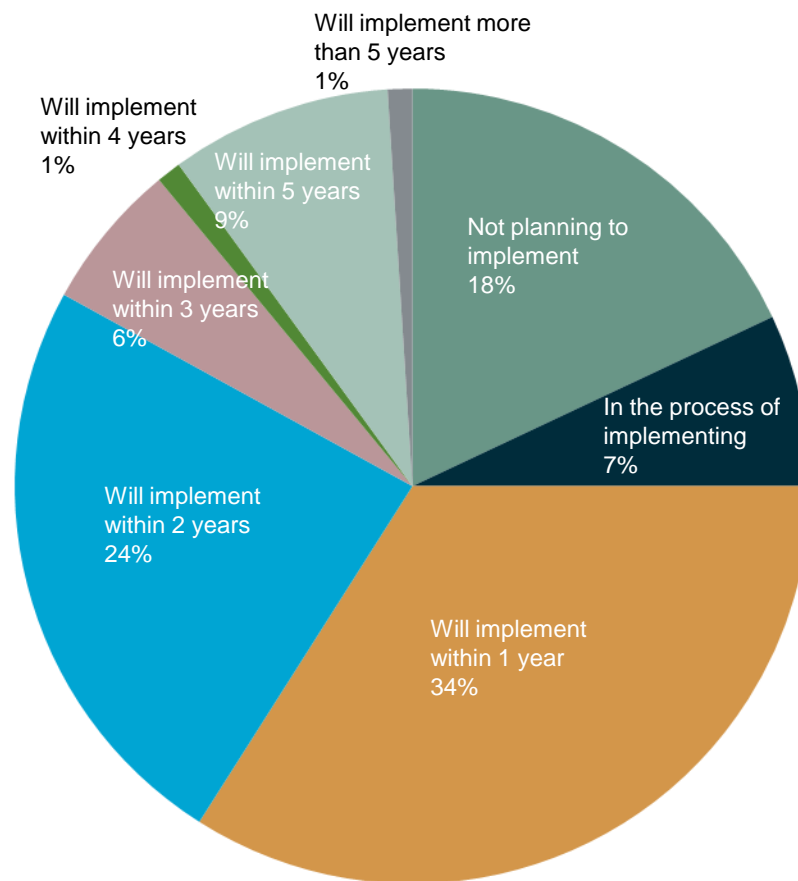
Physician EMR Adoption – The Results

- ❑ Our survey indicates that physician adoption will be significantly more accelerated than previous studies have suggested:
 - Almost 60% of nonusers intend to purchase an EMR system within the next two years.
 - 80% of physicians under 55 years of age and all those from group practices have plans to adopt an EMR within the next two years.
 - Physicians from solo practices and those over 55 years of age are less likely to adopt EMR systems.
- ❑ The ARRA incentives and requirements are the main reasons that many physicians are planning to implement an EMR within the next two years.
- ❑ Three-quarters of physicians are attracted by the idea of sharing EMR systems with a hospital or health network if the systems are at least partly subsidized by the hospital.
- ❑ Top ambulatory EMR vendors have considerable market momentum; two-thirds of physicians with plans to adopt an EMR system are already considering specific solutions provided by existing ambulatory vendor market leaders.
- ❑ Concern about cost is the main barrier for adoption, although physicians tend to be unclear about the actual costs and resources required to purchase and implement EMR systems.
- ❑ Unlike early adopters, the next wave of physicians purchasing EMR systems— those who are generally less comfortable with and more critical of technology in medical practices—have higher expectations and anticipate greater challenges.

Current and Future Adoption of EMR

- ❑ Approximately 15% of US physicians currently use some form of EMR, although estimates vary (largely because of different definitions about what constitutes EMR).
- ❑ 7% of physicians are in the process of implementing an EMR system.
- ❑ 58% of all nonusers intend to implement an EMR system within the next two years.
- ❑ 80% of nonusers under 55 years of age have plans to adopt an EMR system within the next two years.
- ❑ Current nonusers over 55 years of age and potentially nearing retirement and those in solo practices are much less likely to have plans to adopt an EMR system.
- ❑ 18% of nonusers do not have any plans to implement an EMR system in their practice.

Implementation intention





Survey Conclusions

- ❑ The ARRA incentives and requirements will drive rapid adoption rates among physicians in small practices across the US; as many as 80% of physicians under 55 years of age plan to implement an EMR system within the next two years.
- ❑ Physicians view hospitals as desirable partners in their EMR planning; they regard a potential partnership with a hospital as a way of obtaining support for the purchase, implementation and maintenance of an EMR system. There is demand not only for high-quality products, but also reliable, high-quality support.
- ❑ The next generation of users—who are generally less comfortable with and more critical of technology in medical practices—expect considerable challenges in implementation and beyond. They are also more demanding customers than the early adopters of EMR systems; current nonusers expect greater return on their EMR investments.
- ❑ Learning from users' experiences, meaningful use brings with it greater benefits. Physicians who are “heavy” users and take advantage of most functionalities in their systems are more likely to realize benefits and achieve a speedier return on their investment.



Impact

- ❑ Nine out of 10 users indicate that their EMR systems have brought value to their practice; however, users identified a wide range in benefits and value.
- ❑ Physicians who use the most functions of their systems report the greatest benefits to their practices.
- ❑ Returns on investment in an EMR system take time; so far, only 28% of all users indicate that overall the benefits of adoption exceed the costs.
- ❑ Nonusers' expectations of EMR systems are generally higher than users' actual experiences.
- ❑ Users highlighted a number of benefits to their practice and patients, including:
 - Improved communications—facilitating ease and speed of referrals and allowing prompt solicitation of specialists' advice.
 - Overall time savings and more efficient work among partners in the practice.
 - Immediate access to patients' full records, enabling better decisions about prevention and treatment.
 - Greater involvement of patients in their own care; empowered by access to their medical records, patients are able to comment and correct where appropriate.



Physician Adoption Barriers

- ❑ Solution Quality
 - User Interface – Smaller practices focus more on usability
 - Workflow Challenges
- ❑ Lack of faith in the potential benefits to patients
 - Only 48% believe EMR leads to better care
- ❑ Productivity Impact
 - 76-79% of non-users perceive major impact on productivity
 - Training is a major component of this concern
 - Perceptions that shifting to the electronic tools would require more time, not less
- ❑ Lack of confidence by clinicians that the IT tools would function with high levels of performance and reliability
- ❑ Concerns about data ownership and control
 - 75% of current non-users prefer to keep their data under their control
 - 68% believe greater scrutiny of practice will result, including legal liability



Overcoming Physician Adoption Barriers

❑ Change Management

- Readiness Assessment
- Optimize Workflow
- Early Wins
- Right 'super user'

❑ Deliver Value

- Integration of Labs & Diagnostics
- Critical Documentation

❑ Clarify ROI

- Meaningful Use Incentives
- Practice Benefits

❑ Subsidy

- 75% of non-users willing to share data if solution is at least 50% subsidized



Getting to Meaningful Use

- ❑ Hospitals and Physicians will need to accelerate the rate of EHR Adoption to be eligible for maximizing incentive payments
- ❑ Work process redesign will be generally required
- ❑ Certified EHR's will be required
 - Modular certification has been approved by ONC
 - Vendors will need time to respond, apply and receive certification
- ❑ Physicians will need to understand:
 - Funding streams (funding and penalty structure)
 - EHR technology, certification, data exchange
 - The Value Proposition for embarking on the EHR journey
 - Alternatives to EMR's



What's Next?

- ❑ Vendors will be “all over the market”
- ❑ Confusion will abound on functionality, certification and interoperability
- ❑ Having an EHR is one thing—using it effectively is quite another
- ❑ Real ROI has not been established for most providers



Adoption is the result of acceptance where benefits have overcome the barriers



Key Messages to Legislators

- Adoption of Electronic Health Records is a good thing and needs to be supported
 - Patient Safety ● Continuity of Care ● Efficiency ● Analytics
- The ARRA Stimulus Bill provides incentives—and penalties to accomplish the goal of improving healthcare through technology
- Providers will need assistance in determining the appropriate course to take to adopt EHR's and meet the criteria for meaningful use
- It won't be easy and it won't be cheap
- Pushback is a possibility — this will extend the adoption timeline, but EHR's are inevitable
- Your constituents may have issues with the carrot and stick approach, loss of productivity, penalties, cost
- Stay informed
- Consider joining HIMSS as one of your sources of information about this complex initiative



Questions?



Thank You!

Medicare Physician Payments

Starting Year	Payment Year							Total	Penalties
	2011	2012	2013	2014	2015	2016	2016		
2011	\$18K	\$12K	\$8K	\$4K	\$2K	0	\$44K *		
2012		\$18K	\$12K	\$8K	\$4K	\$2K	\$44K *		
2013			\$15K	\$12K	\$8K	\$4K	\$41K *		
2014				\$12K	\$8K	\$4K	\$36K *		
2015					\$8K	\$4K	\$14K *		
2016								1%	
2017								2%	
2018								3%	

- 5% penalties may be reached if less than 75% adoption is reached
- Physician Shortage areas receive 10% increase



Medicare Hospital Incentives

Example (\$ in thousands)

Hospital with 16,000 discharges, 40% Medicare bed days, 6% Charity Care (Critical Access Hospitals (cost-based): add 20%)

Starting Year	Payment Year							Total	Penalties
	2011	2012	2013	2014	2015	2016			
2011	\$2,710	\$2,032	\$1,355	\$677	\$0	\$0	\$6,776		
2012		\$2,710	\$2,032	\$1,355	\$677	\$0	\$6,776		
2013			\$2,710	\$2,032	\$1,355	\$677	\$6,776		
2014				\$2,032	\$1,355	\$677	\$4,065		
2015						\$677	\$2,032		
2016								-33% to 3/4 of MB	
2017								-66% to 3/4 of MB	
2018								-100% to 3/4 of MB	

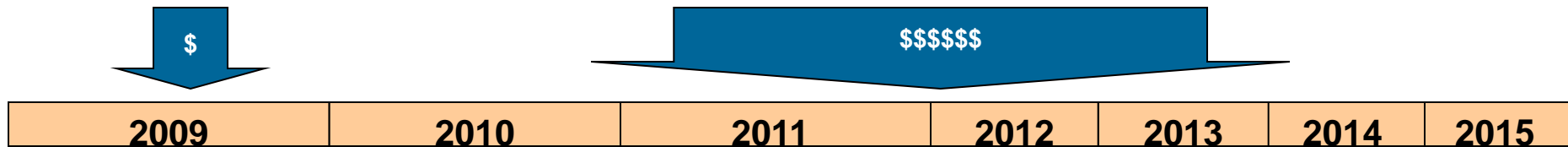
- (\$2M base + \$200 per D/C) * Medicare share (per hospital not per IDN)
- 4 years of incentives for those starting before 2014
- Payments are front-loaded, tapering down
- “Attestation”, rather than “application”

Medicare Discharges	Avg Net Pt Rev (2006)	Example Organizations
5,000	\$200M	Temple Univ Hosp; Westchester MC
10,000	\$400M	UVA; Maimonides
15,000	\$750M	Clarian.; Montefiore
20,000	\$900M	Spectrum Health; Christiana Care
>25,000	\$1.70B	NY Presbyterian; Beaumont

Back pocket slides

\$300M-2B
for HIE to States
and Designated
Entities

\$17-30B
To Hospitals & Physicians
with Certified EHRs



'Certification'
criteria defined

**Rapid Hospital EHR
Implementations**

**Ambulatory
EMR** **Continued Ambulatory EMR Deployment**

State and Regional HIE opportunities