Federal Funds Sought to Start EMRs

BY ALICIA AULT
Associate Editor, Practice Trends

WASHINGTON — Several individual physicians and professional organizations urged members of Congress to extend tax credits or deductions and small business loans to physicians who purchase information systems and to require Medicare to offer an incentive payment to physicians who make the move to electronic medical records.

Adopting electronic medical records (EMRs) can make practices more efficient, but the initial expense—both monetary and in staff training—can be devastating to small physician offices, the witnesses told the panel members at a House Small Business Subcommittee on Regulation, Healthcare and Trade hearing.

Subcommittee chairman Charles Gonzalez (D-Tex.) agreed that the federal government should give physicians some kind of financial carrot to invest in health information technology. "Right now there are inadequate incentives for health care providers to adopt many of these technologies," he said.

"Without changes in the way we promote health IT, small physician practices will be left behind the technological curve, and as a result, patients will fail to benefit from the quality of care electronic health records provide," added Mr. Gonzalez, who recently reintroduced his National Health Information Incentive Act. The bill was aimed at assisting smaller practices but would also direct Medicare to make add-on payments for office visits facilitated by EMRs.

The American College of Physicians has called for just such a payment for several years, Dr. Lynne Kirk, ACP president, said at the hearing.

Mr. Gonzalez also noted that the full Small Business Committee recently passed the Small Business Lending Improvements Act of 2007 (H.R. 1332). That bill would let small practices borrow from the Small Business Administration to finance information systems.

Coming up with the capital for health IT is particularly tough for smaller physician groups, Dr. Kirk noted. One 2006 study showed that only 13%-16% of solo practitioners had adopted health IT, she said. Small practices are the lifeblood of internal medicine, she said, adding that 20% of internists are in solo practices and 50% are in practices of five or fewer physicians.

©Jay Mallin

Dr. Lynne Kirk, ACP president (far left), Dr. Mark Leavitt, and Dr. Margaret Kelley join panel members at a House hearing.

Acquisition costs average $44,000 per physician and yearly upkeep amounts to about $8,500 per physician, according to a 2005 study published in Health Affairs, Dr. Kirk said.

To help defray both the initial investment and ongoing maintenance costs, ACP advocates an add-on payment from Medicare scaled to the complexity of the technology.

The initial capital costs could be offset by grants, loans, or tax credits from the federal government, Dr. Kirk said.

The lack of reimbursement for using health IT is a major obstacle to adoption, said Dr. Mark Leavitt, chairman of the Certification Commission for Healthcare Information Technology, a publicly funded agency that for the last year has been vetting hardware and software systems.

CCHIT has certified 57 office-based systems, he said. Some payers are now offering financial incentives to physicians who use these certified systems, Dr. Leavitt said. The Hawaii Medical Service Association (Blue Cross and Blue Shield of Hawaii) announced in November 2006 that it was setting aside $20 million to help individual physicians buy EMR systems, though it required those investments to be in CCHIT-certified systems.

Dr. Margaret Kelley, an obstetrician in a two-person practice with her father in San Antonio, said they had spent $100,000 to purchase an EMR system. Initially, the system devastated the practice's efficiency, said Dr. Kelley, who also spoke on behalf of the American College of Obstetricians and Gynecologists.

"It took our practice nearly 2 years to be able to accommodate as many patients as we could before we invested in our EMR system," Dr. Kelley said. Even so, they would not consider returning to their old way of practice, noting that one of the biggest benefits has been the ability to access patient charts 24 hours a day, she said.

Similarly, Dr. David O. Shober said that buying and implementing an EMR system at his two-physician family practice has been draining but beneficial.

In 2004, the practice—then comprising four physicians and two offices—spent $200,000 to buy a system. Yearly costs have averaged $50,000-$60,000, said Dr. Shober, who is based in New Castle, Pa. The system has allowed the practice to create more thorough notes, standardize charts, and retrieve records easily and quickly.

But the physicians have run into obstacles, including the inability of their system to communicate with radiology centers and labs, and the refusal of many pharmacies in their community to accept an e-prescription, he said.

"The only way to provide incentives for the adoption of health IT is to provide financial assistance," said Dr. Shober, adding that the federal government should make no-interest loans available.

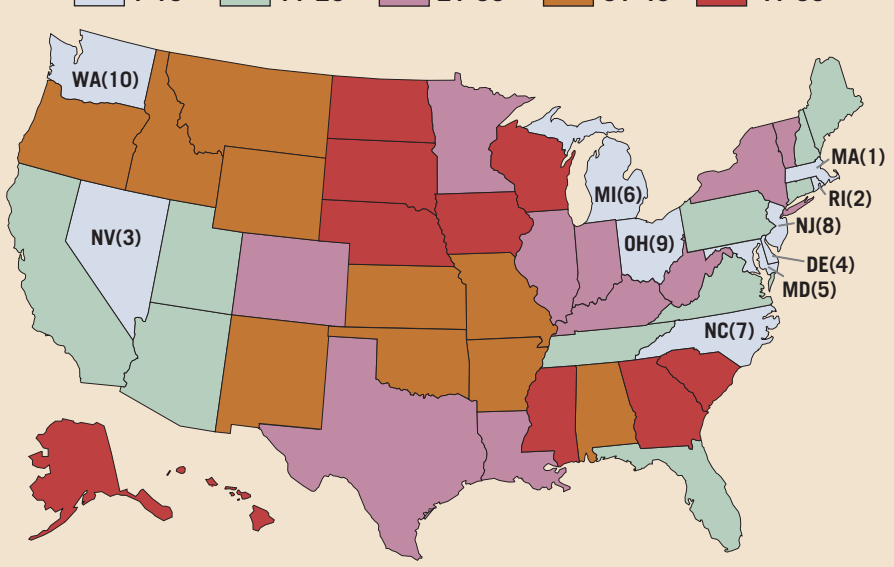
Dr. Kevin Napier, an internist in a nine-physician family and internal medicine practice in Griffin, Ga., said that he and his colleagues had spent $400,000 for the purchase of a system and subsequent training since 2005.

The physicians are financing the system at a cost of $1,000 a month each, and their payments will continue for the next 3 years, he said.

There was a huge drop in patient volume and income the first year of implementation, but the benefits have outweighed the risks, Dr. Napier said. ■

DATA WATCH

Massachusetts #1 in Electronic Prescribing



Note: States ranking based on the percentage of prescriptions routed electronically in 2006.
Source: SureScripts

Elsevier Global Medical News

Labeler Can Pinch-Hit For EMR

BY BRUCE K. DIXON
Chicago Bureau

If you're not ready to invest thousands of dollars in an electronic medical records system, a desktop label writer may be just what the doctor ordered.

"This is a very cost-effective alternative for anyone who doesn't have an EMR system," said Dr. Stephanie Lucas, who equipped her two-physician Detroit practice with several Dymo Twin Turbo label makers at a cost of about $150 apiece.

"I have all my prescriptions on the attached software, so all I have to do to print a label is go to the list on my computer, click on the prescription, and it comes out of the machine," said Dr. Lucas.

'Patients love it, and pharmacists appreciate being able to read the prescriptions without ever having to call.'

DR. LUCAS

She puts one label into the patient's chart and gives a second, signed, copy to the patient to take to the pharmacy. "Or I stick the label or labels on a sheet of paper and fax it to the pharmacy," she added.

The internist and endocrinologist take an extra step to ensure that patients know what their medications are for.

For example, in addition to printing "Statin 20 mg #90," the label says "cholesterol med."

"Patients love it, and pharmacists appreciate being able to read the prescriptions without ever having to call and ask me what I wrote," said Dr. Lucas, whose bad handwriting in grammar school drew a few knuckle raps from a ruler-wielding teacher.

The desktop labeling system also integrates with many software programs such as Outlook and Quickbooks to produce individual labels. "It's nice because it has an optional mailing bar code to facilitate mailing," she added.

The label maker also prints individual postage stamps using the Web site www.stamps.com.

"In addition, the data management software that comes with the machine contains our entire Rolodex file of physicians, so that patients referred to another facility get a legible copy of the name, address, and phone number on a printed label that can be affixed to the lab sheets or tickler file."

Dr. Lucas uses the label maker to print legible, customized instructions for each patient, and puts a second copy into each chart. ■

Pages 48a—48b