Physicians Sought To Test EHR Software

BY MARY ELLEN SCHNEIDER
Senior Writer

Officials at the Centers for Medicare and Medicaid Services are seeking physicians to test electronic health record software originally developed by the Department of Veterans Affairs and adapted for use in physicians' offices.

CMS is releasing a test version of the software—called VistA-Office—in an effort to assess its effectiveness, usability, and potential for interoperability in small physician practices, the agency announced late last month.

"The release of an evaluation version of VistA-Office will provide a testing laboratory for interoperability and will supplement efforts by the American Health Information Community to establish a certification criteria and process," CMS Administrator Mark B. McClellan, M.D., Ph.D., said in a statement.

The goal is to refine the software based on the results of the test period and develop a version of the VistA-Office electronic health record (EHR) that could be certified under a process recognized by the Department of Health and Human Services.

The VistA-Office EHR was adapted from the hospital information system of the Department of Veterans Affairs (VA). The VA system is used in 1,300 sites and has been in use for more than 20 years.

The test version of the software includes core functions such as clinical order entry, standard progress note templates, and results reporting. It also includes features designed specifically for physician offices including interfaces to existing practice management and billing systems, quality measure reporting capabilities, clinical reminders for disease management, and templates for ob.gyn. and pediatric care.

The VistA-Office test software will not be free. The first-year costs (cost of software, licensing fees, and support) are estimated to be about $2,740 for a group of one to seven users, according to a CMS spokesman, who added that practices are likely to incur added office staff costs associated with implementing the EHR.

Health information technology experts welcomed the testing of a new office-based EHR product, but cautioned that not all physician practices are suited to becoming a beta-test site.

"It's good for physicians to have more choices," said Mark Leavitt, M.D., Ph.D., chair of the Certification Commission for Healthcare Information Technology, a voluntary, private-sector initiative to certify health information technology products.

But Dr. Leavitt warned that participating in a beta test isn't for everyone. Generally in such a test, practices are not supposed to rely on the new software, so physicians would have to run the test software parallel with their paper systems. That extra step can cost the practice in terms of time and money, he said.

"A beta test definitely stresses the office," he said.

The best candidates for a beta test are physicians who are technically savvy and who have the extra time and interest to devote to the project, Dr. Leavitt said.

Physicians should carefully review the VistA-Office product before volunteering to test it and not just choose it because it is less expensive than some other options on the market, said Joe Heyman, M.D., secretary of the board of trustees of the American Medical Association and a gynecologist in solo practice in Amesbury, Mass.

As with any other EHR, it's important for physicians to survey their own office and work flow, Dr. Heyman said.

Using test software for EHRs provides a reasonable cost option for physicians.

DR. McDOWELL

Family physicians are looking forward to evaluating and providing feedback on the ease of use and associated costs of the product, said David C. Kibbe, M.D., director of the Center for Health Information Technology at the American Academy of Family Physicians.

While the costs cited by CMS were below market costs for most EHR systems, Dr. Kibbe cautioned that charging at all for a beta test could diminish physicians' participation. "Uncertainty is a cost as well," according to Dr. Kibbe.

The test software provides a reasonable cost option for physicians, said Arthur McDowell III, M.D., a cardiologist in Middletown, Conn., who has already implemented an EHR in his practice.

But what will really spur adoption of EHRs will be government-sponsored pay-for-performance programs, he said.

The fear among physicians on pay for performance is that the government will choose to pay physicians less. Instead, the government needs to take the step of providing reasonably priced software and then offering payments for making the change, Dr. McDowell said.

The current discussion about incentives from the federal government is very promising, said Dr. Leavitt. Physicians want to see incentives that offer extra payment or lower the cost or administrative hassle, he said.

The Certification Commission can help spur incentives, he said, because then government payers and health plans will know that they are paying for something robust. "All the signs are pointing the right way," Dr. Leavitt said. ■

Physicians who are interested in being part of a beta test should contact an approved vendor who will actually run the test of the software. A list of approved vendors is available at www.vista-office.org.

POLICY & PRACTICE

Preparing for a Pandemic

The Department of Health and Human Services is taking additional steps to prepare for a potential influenza pandemic, purchasing additional vaccine and antiviral medications that will be placed in the nation's Strategic National Stockpile. Sanofi Pasteur received a $100 million contract to manufacture avian influenza vaccine designed to protect against the H5N1 influenza virus strain, the strain behind an avian flu epidemic in Asia. Just how many individuals could be protected by the newly contracted vaccine is the subject of ongoing clinical studies, HHS said in a statement. In addition, HHS awarded a $2.8 million contract to GlaxoSmithKline for 84,300 treatment courses of the antiviral drug zanamivir (Relenza). These contracts build upon a plan to buy enough vaccine for 20 million people and enough antivirals for another 20 million people.

Part B Premiums on the Rise

Monthly Medicare Part B premiums will be $88.50 in 2006, an increase of $10.30 from the current $78.20 premium, the Centers for Medicare and Medicaid Services announced. The agency cited continued rapid growth in the intensity and utilization of Part B services as the primary reason for the premium increase. "This growth is seen in physician office visits, lab tests, minor procedures, and physician-administered drugs. It also includes rapid growth in hospital outpatient services," the agency said in a statement. Part of the premium increase is necessary to increase funds held, for accounting purposes, in the Part B trust fund. Most Medicare beneficiaries will see significantly lower out-of-pocket health care costs in 2006 because of the savings in drug costs from the new Medicare prescription drug benefit, the agency claimed. About 25% of beneficiaries can receive assistance that pays for their entire Part B premium, and about 33% can receive assistance for their Part D premium.

Saving Billions Through Health IT

The widespread implementation of electronic medical record systems by physicians could lead to $142 billion in net savings over 15 years, according to a study from the RAND Corporation. And the implementation of hospital-based systems could mean a savings of nearly $371 billion over 15 years, according to the study, which was published in the September/October issue of Health Affairs. "Our findings strongly suggest that it is time for the government and others who pay for health care to aggressively promote health information technology," Richard Hillestad, the RAND senior management scientist who led the study, said in a statement. While the potential savings would outweigh the costs quickly during the adoption cycle, there are still a number of barriers to the effective adoption and application of health information technology, the researchers wrote. For instance, although providers would pay to implement the system, it's the payers and consumers who are likely to experience savings. In addition, even if the systems are widely adopted, interoperability and information exchange networks might not be developed, according to the study.

Decline in Employer Coverage

The percentage of businesses offering health insurance to their workers has declined steadily over the last 5 years as the cost of providing coverage continues to outpace inflation and wage growth, according to the 2005 Annual Employer Health Benefits Survey released by the Kaiser Family Foundation and Health Research and Educational Trust. The survey found that 60% of employers offered coverage to workers in 2005, a decrease from 69% in 2000 and 66% in 2003. "The drop stems almost entirely from fewer small businesses offering health benefits, as nearly all businesses (98%) with 200 or more workers offer such benefits," the report stated. The survey found that 20% of employers who offer health insurance now provide a high-deductible health plan option. Large employers—defined as those with 5,000 or more workers—are significantly more likely than smaller ones to offer a high-deductible plan option, with 33% offering one in 2005. The survey defines high-deductible health plans as those with at least a $1,000 deductible for single coverage or at least a $2,000 deductible for family coverage. In the meantime, relatively few workers are enrolled in "consumer-driven" plans, despite their growing availability.

Salary Affects Specialty Choice

When it comes to choosing a specialty, U.S. medical graduates are more concerned with their earning power than with medical liability costs, according to a study published in the September issue of Obstetrics and Gynecology. Procedure-based and hospital-based specialties, which generally are associated with higher incomes, are the most likely to have residency positions filled by U.S. medical graduates, the researchers found, even when the specialty had higher professional liability costs. For example, U.S. medical students filled more than 90% of the residency positions in neurosurgery and orthopedic surgery, for which medical liability insurance costs are high—but so are average incomes. In contrast, U.S. students filled 70% of the available residency positions in obstetrics and gynecology, according to the American College of Obstetricians and Gynecologists. But the researchers noted that students also may be attracted to high-earning fields because of the technical challenges or the ability to have a more controllable lifestyle. The results are based on data from the 2004 National Resident Matching Program, the American Medical Association, the Medical Group Management Association, and a major Massachusetts liability insurer.

—Jennifer Silverman