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Practice Prescriptions

Are Electronic Medical Records Right for Your Practice?

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Introduction

Now that your HIPAA compliance requirements are behind you, you have probably realized just how burdensome the paper-based medical record can be. Fortunately, electronic medical records, or EMRs, are more user-friendly and less expensive than they were just a few years ago.

Make no mistake about it, however -- the transition to an EMR is a major undertaking for any practice. It requires a significant commitment of capital, human resources, and physician leadership. It can take approximately 6 to 12 months to implement an EMR system, depending on the size of the system and the computer literacy of the medical and support staff.

In addition, moving to an EMR system will necessitate a fundamental change in the way that a practice conducts itself. That raises a very simple but profoundly important question: Does an EMR make sense from a business perspective?

Information technology is not always the cure for practices drowning in paper. At Cedars-Sinai Medical Center in Los Angeles, California, for example, a computerized physician order entry (CPOE) system was suspended when physicians complained that the new system slowed down the process of filling and checking the accuracy of prescription orders and even lost some orders in the system. Cedars-Sinai plans to eventually reinstall the CPOE system when problems are resolved.

And not every practice needs all of the options offered by the most expensive systems. The trick is to find the system that works best for you. In searching for the right software system, first have a good understanding of your practice's needs. Second, be realistic about what you can get for what you can afford. EMR software prices range from a few hundred dollars to more than \$1 million. The necessary hardware, implementation, and maintenance costs can double that figure.

Short- and Long-term Use

When considering an EMR system, determine your immediate and long-range plans for use. Potential uses include:

- Scheduling
- Telephone triage documentation
- Patient registration information
- Reviewing lab reports
- Writing prescriptions
- Chart documentation

- Annotating patient records and transcription
- Easy access to charts for printing specific information requested by patients, attorneys or others.

Decide what other features you will need such as:

- Email and secure messaging
- Ability to interface with practice management software
- Ability to interface with ancillary information systems
- Prescription database
- Evidence-based guidelines and other decision-support tools
- Multiple users
- Simultaneous access by clinical and administrative personnel
- Support for multiple databases
- Remote access to data
- Ability to generate reports
- Health maintenance reminders

Once you know what you must have and what you could use, consult with at least 3 practices that use one of the products you are considering. Determine how the practice staff likes the system. Ask how much preparatory work was involved. How has the system performed? What "bugs" did they encounter, and how were they resolved? What are the advantages and disadvantages? Is it saving money? Is it improving service?

Potential Cost and Quality Benefits

Deciding whether to implement an EMR system is based not only on its price but also on its ability to lower costs, increase revenue, and improve the efficiency and operation of a practice. Overall cost-savings can be dramatic.

The traditional paper-based chart systems require a high allocation of clerical time to retrieve and manage charts. Further, "missing" charts are not available to administrative and clinical staff, which leads to inefficiencies in daily operations. Efficiencies of the EMR translate into reduction of staff required to support each provider. Many practices have been able to expand the number of physicians without hiring new administrative staff after fully implementing an EMR system.

A practice in Colorado decreased its overhead by \$60,000 following its first year with a fully implemented EMR system. Its staffing is 2.2 full-time employees (FTE) per physician, which is below the Medical Group Management Association recommended average of 4.31 FTE per physician.

Savings can also be obtained by eliminating copying expenses, especially for practices that use a copying service to provide records requested by attorneys, insurance companies, and other physicians. An EMR system allows records to be printed directly from a PC, eliminating the use of an outside service or the time-consuming in-house process of locating, disassembling, copying, and reassembling the chart.

A practice can significantly reduce transcription costs by having physicians enter all data directly into the EMR. Generally, transcription costs range from \$300 to \$1000 per month per physician. However, savings can be realized even if transcription is not completely eliminated.

For practices that use in-house transcription services, an EMR system can save costs by making transcription more efficient. Since the EMR provides instantaneous access to all charts, transcriptionists spend more time transcribing and less time searching for, assembling, reassembling, and filing charts.

If you decide to consider investing in an EMR system, circulate a questionnaire in your office with basic questions so that a vendor understands as much as possible about your daily operations and billing practices. Include questions such as:

- How many managed care plans does the practice participate in?
- How many outside lab, specialist and/or hospital reports are received to be entered into charts?
- How many staff do you have that will be using the system?
- What are the practice hours and daily patient volume?
- Are any ancillary applications/medical devices used?
- Are physicians currently dictating notes or writing them by hand?
- What transcription services are required?
- What lab or imaging orders are placed?
- How are medications dispensed/prescriptions written?
- How are scheduling and registration handled?
- How many computers are there and where are they located?
- What applications are running on them?
- How many printers and scanners do you have?
- What network is used?
- Is a move or reconstruction planned?
- What kinds of regulatory or administrative reports are done?
- Is any research or clinical research done?

Ask questions about your vendor's track record and whether the company has experience dealing with practices like yours. Ask for references, and contact them. Find out their experiences and what kind of training and support are available. What is the monthly fee for support and/or maintenance?

Is there a trial package? Can you try out how the software will work? Physician Micro Systems has developed a free video case study of an ambulatory EMR installation. This video walks you through a practice that has implemented its EMR system in a primary care setting. To request the free video, call 1-800-770-7674. Other EMR companies offer similar demonstration videos or software.

The American Academy of Family Physicians is preparing a business plan to develop an "open-source" EMR software that would cost less than many proprietary models.

If you decide to go to a completely paperless chart system, take your time, and look before you leap. With proper research and training, your next big decision will be what to do with all that space formerly dedicated to filing charts!

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