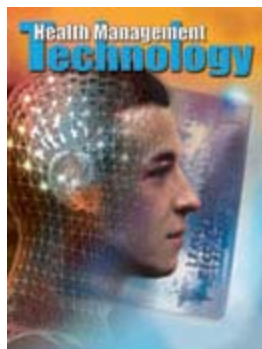


1 2

03



From the December 2003 Issue

[Smarter Than You Think](#)

[The Path to Improved Results](#)

[More of a Good Thing](#)

[Early Experiences in e-Prescribing](#)

[Transaction Portal Cuts Costs](#)

Industry Watch for December 2003

Healthcare Costs

GAO Says IT Reduces Costs, Improves Safety

IT initiatives can help hospitals realize significant cost savings and improve patient safety efforts, according to a new report by the U.S. General Accounting Office (GAO).

In one instance, a 1,951-bed teaching hospital saved \$8.6 million annually by replacing paper outpatient medical charts with electronic medical records (EMRs). The same facility reported an annual savings of at least \$2.8 million by replacing a manual records-handling process with electronic access to laboratory results and reports. In another example, bar code technology and wireless scanners helped a 350-bed rural community hospital prevent administering more than 1,200 incorrect medications or dosages and nearly 2,000 extra or early doses. That hospital saved \$850,000. Other hospitals reported cost-savers such as decreased length of stay, better chronic disease management and improved charge capture accuracy for coding.

Sen. Edward Kennedy, D-Mass., asked the GAO to identify cost savings and other benefits realized by healthcare organizations that have implemented IT solutions for clinical care and administrative functions. The GAO analyzed data reported from October 2002 through August 2003 by 10 private and public healthcare delivery organizations, three insurers and one community data network. The results were presented to the Senate Committee on Health, Education, Labor and Pensions in October. For a copy of the report, go to www.rsleads.com/312ht-212.

e-Consults

Blues Plan Pays Docs for Online Consultations

Physicians in select Blue Shield of California HMO programs will receive reimbursement for online medical consultations. webVisits, by Emeryville, Calif.-based RelayHealth, allows providers to consult patients electronically for nonurgent medical matters and to submit claims for the transactions. Blue Shield will reimburse physicians \$25 for each eligible

consultation; patients' copay portion will be up to \$10 of the total.

Physicians can also write and transmit prescriptions through RelayHealth's eScript and automatically check patient eligibility and collect copayments. Patients can schedule appointments, obtain medication refills, and receive lab results and other routine communications.

Medical Errors

Overworked Staff, Poor Communication Leading Factors in Mistakes

Some 43 percent of Americans believe overworked staff is the leading cause of medical errors in hospitals, caused in part by poor communication among hospital departments. But they also believe information technology will help alleviate those problems. These were conclusions drawn by recent research from Siemens Medical Solutions in a forward-thinking effort to examine consumers' perceptions of patient safety issues.

A recent statement by the Institute of Medicine (IOM) bolsters Siemens' findings. The IOM indicates that working long hours and scaling back on continuing education can compromise patient safety. While most nurses typically work eight- to 12-hour shifts, some work even longer hours. But, patients admitted to hospitals are more acutely ill and require more technologically advanced care than in the past.

IT can help staff perform their duties more efficiently, said Rosemary Kennedy, R.N., director of nursing informatics for Siemens. "Accurate patient information available at the touch of a button saves [clinicians] from having to pull paper records or flip through charts," she said.

For instance, a recent case study at a 10-bed surgical ICU in a Veterans Affairs medical center indicates that a computerized medical information management system in the ICU can reduce the time nurses spend on documentation. The nurses saved more than 50 minutes in an eight-hour shift, and more than an hour in a 12-hour shift, documenting patient care. At the same time, ICU nurses spent 40 percent of their time on direct patient care, up from 31 percent, according to the AHRQ-funded study.

Patient Safety

California Hospitals Adopt Technology

More than one-third of California hospitals will implement three or more technology solutions by 2005, according to the California HealthCare Foundation (CHCF). CPOE topped the list at 46 percent. Pharmacy information systems followed close behind with 44 percent, and 38 percent of facilities will bring in auto-dispense units for medication. Forty-five percent of hospitals plan to introduce two technology solutions within the next two years. A recent CHCF report examined safety plans of some 344 hospitals—about 84 percent of plans submitted to the state Department of Health Services in response to California's Medication Safety Bill, passed three years ago. Just 15 percent of facilities will deploy bar code systems at the point of care within two years, and only 10 percent expect to introduce PDAs for caregivers.

While the legislation encouraged many hospitals to submit action plans to improve patient safety, many struggle with finding effective ways to measure error-reduction strategies. "Hospitals rose to the occasion when they developed their plans. Now they must effectively implement them and demonstrate they are making significant gains," said Bruce Spurlock, M.D., lead report author. For instance, few hospitals directly measure detection or error reduction, and their plans "rarely describe" detailed criteria for a successful program, according to the report. Moreover, few plans discuss to what extent physicians participate in such programs.

For a copy of "Legislating Medication Safety: The California Experience," go to www.rsleads.com/312ht-210.

e-Prescribing

Health Plans Earmark \$3 Million for e-Prescribing Initiatives

Two Massachusetts health plans have secured \$3 million in funding for e-prescribing initiatives among member physicians. Blue Cross Blue Shield of Massachusetts and Tufts Health Plan, in collaboration with Dallas-based ZixCorp, will offer e-prescribing software on either Blackberry Color PDA SmartPhones or wireless Pocket PC devices to more than 3,400 network physicians. ZixCorp's PocketScript Electronic Prescription Program will allow physicians to create and refill prescriptions electronically and give them real-time access to

formularies and patient prescription history.

Tufts Health Plan began evaluating PocketScript in a pilot study among its network physicians in 2001. For participating providers, e-prescribing resulted in 30 percent fewer calls between physicians and pharmacists to clarify illegible prescriptions or alleviate drug/drug interactions.

Digital Healthcare

Hospitals Adopt Digital Technology at Department Level

While a handful of digital hospitals are set to open within the next five years, many of the nation's 5,000 acute care and specialty hospitals already use digital technologies at the department level or through unique collaborations. That is the conclusion of a report by CHCF and First Consulting Group (FCG).

For instance, the emergency department at Springfield, Tenn.-based NorthCrest Medical Center uses Pocket PCs to document cases and enter orders, and information can be accessed from flat touchscreens positioned throughout the department. NorthCrest has reduced the amount of time patients spend in the emergency department by 30 minutes on average. While patient volume has increased 13 percent to 15 percent, the hospital has maintained its current staff level.

Washington state-based Inland Northwest Health Services, a collaboration of five hospitals in two IDNs and 25 regional healthcare facilities, created a unified EMR for the area's 2 million patients. Physicians have access to clinical imaging and patient data from their homes or offices and at the point of care on desktop or laptop computers. Additional PDA software allows physicians to link wirelessly to the EMR. Inland estimates each physician has cut 30 minutes to 45 minutes from daily rounds.

Although it is too early to define best practices for achieving transformation to an all-digital facility department by department, the study identifies common themes for hospitals to focus on, according to FCG authors Erica Drazen and Jason Fortin. Based on interviews with leaders from 11 hospitals that are undergoing significant digital makeovers, FCG found that strong internal leadership, staff training and productive vendor partnerships were the most

significant forces in completing their makeovers.

To view the full report, "Digital Hospitals Move Off the Drawing Board," go to www.rsleads.com/312ht-211.

Briefly

More demand to go mobile. The market for healthcare mobile devices, applications and services is expected to grow to \$1.2 billion by 2006, up from \$50 million in 2002, according to a recent market study by Menlo Park, Calif.-based Spyglass Consulting Group. The study indicates that mobile computing usage among physicians has grown significantly in recent years through the use of stand-alone knowledge-based applications. Spyglass interviewed more than 100 clinicians at leading healthcare institutions throughout the country.

CHIME honors hospital-vendor collaboration. The College of Healthcare Information Management Executives (CHIME) presented its first annual Collaboration Award to Susquehanna Health Systems (SHS) and Siemens Medical Solutions Health Services Corp. Williamsport, Pa.-based SHS and Siemens were honored for their efforts to develop Soarian—Siemens' new generation health information system—and bring it live this year. The CHIME award recognizes the best collaborative effort as evidenced in a paper co-authored by a CHIME Foundation firm and a CHIME member. CHIME published the SHS-Siemens paper on its Web site and in its Fall CIO Forum binder.

HealthSouth rehab facilities get 5,000 tablet PCs. HealthSouth Corp. has selected Austin, Texas-based Motion Computing to deploy 5,000 tablet PCs to its nationwide network of 1,400 outpatient rehabilitation facilities. Motion M1300 Tablet PCs, equipped with TherapySource software from Source Medical Solutions, will help staff manage scheduling, registration, clinical documentation, coding and reporting.

AHIMA launches consumer health info Web site. The American Health Information Management Association (AHIMA) launched a new Web site to help consumers manage personal health information. Available at <http://www.myphr.com/>, the site offers a listing of common information and reports contained in a health record; an explanation of health information rights; information on how to maintain, access, amend, transfer or obtain copies of one's health records; and details of how a health record ensures quality healthcare. Linda

Kloss, CEO of AHIMA, said the site will help alleviate confusion and misinformation consumers might have about their individual health rights and allow them to more effectively manage their personal health information.

ICD-10

Field Test Boosts Push for Updated Medical Codes

Implementing ICD-10-CM codes represents a significant improvement over current ICD-9-CM code sets, without excessive staff training costs or changes to documentation practices. So say the results of a field test conducted by AHIMA and the American Hospital Association.

AHIMA CEO Linda Kloss was very encouraged by the findings. "This country desperately needs ICD-10 in order to improve the quality of healthcare data to meet the demands of patient care delivered in the 21st century," she said.

Coding professionals from all types of healthcare settings coded more than 6,000 medical records for the field test. The vast majority—nearly 72 percent—said ICD-10 clinical descriptions were better than those offered by current ICD-9 standards. Specifically, participants indicated that ICD-10-CM offered superior clinical descriptions and that notes, instructions and guidelines were clear and comprehensive. Nearly 80 percent favored migration to ICD-10 codes within three years, and 60 percent said they would need less than 16 hours of face-to-face or Internet-based training to learn the new system.

For full results, go to www.rsleads.com/311ht-212.

Users Groups

HIMSS Absorbs MS-HUG

HIMSS and the Microsoft Healthcare Users Group (MS-HUG) have consolidated. Under the terms of the agreement, effective Oct. 1, MS-HUG becomes a membership community within the HIMSS Users Group Alliance Program.

“MS-HUG and HIMSS share similar, compatible missions centered on the desire to provide technology leadership and knowledge that will improve healthcare delivery and efficiency,” said Andrew Fowler, chair of MS-HUG.

HIMSS staff will coordinate and implement activities as recommended by MS-HUG leadership, including the MS-HUG Industry Solution Awards for Healthcare and the Windows on Healthcare Symposium, which will be offered as part of the HIMSS annual meeting.

Evidence-Based Medicine

BCBSA Launches New Internet Resource for Caregivers, Consumers

The Technology Evaluation Center (TEC) of the Blue Cross and Blue Shield Association (BCBSA) has launched a new Internet resource to provide physicians, consumers and healthcare organizations with scientific assessments of medical devices, drugs and procedures, and to promote the use of scientific evidence in healthcare decision-making.

The Web site—available at www.bcbs.com/tec—offers a rolling three-year inventory of TEC assessments on a variety of topics such as cardiovascular medicine, oncology and diagnostic imaging. The Web resources will be updated as new TEC assessments are reviewed by the Medical Advisory Panel and published by BCBSA.

The resource is designed for easy navigation, offering 15 searchable clinical topic areas, keyword searching and access to summaries of assessments in process—those recently reviewed by the medical advisory panel and being prepared for final publication. Visitors can also sign up to receive e-mail alerts when new material is published on the Web site.

Medical Privacy

Groups Oppose Data Mining of Health Information by Financial Institutions

A number of healthcare advocacy, provider and consumer groups fear changes to new medical privacy rules could give a “green light” to banks and other financial institutions to access sensitive, personal medical information.

“Financial institutions have expressed strong interest in data mining information they obtain through transactions and in using this information for marketing to their existing customers, finding new customers and evaluating credit risks,” the Health Privacy Project, the Electronic Privacy Information Center and 28 other groups said in a letter to HHS Secretary Tommy Thompson. The groups are protesting lobbying by some in the financial services industry to roll back “critical consumer protection.”

Current HIPAA privacy regulations prohibit financial institutions from accessing health information for data mining purposes, according to the Health Privacy Project.

For more information, go to www.rsleads.com/311ht-213.

Physician Practices

AAFP Establishes Healthcare IT Center

The American Academy of Family Physicians (AAFP) has established a Center for Health Information Technology. The center, based in AAFP’s Leawood, Kan., headquarters, will help to promote and facilitate adoption and optimal use of health information technology among AAFP members and other office-based clinicians.

Center staff will guide all AAFP health technology initiatives based on four principles: affordability (the costs for acquisition and use in small- and medium-size medical practices); compatibility (how well healthcare information systems and their components operate with existing systems); interoperability (data shared between other medical specialists, labs, hospitals, pharmacies and patients, regardless of application or vendor used); and data stewardship (physicians and other clinicians retain control of the data and choose its guardian).

AAFP executive vice president Douglas E. Henley, M.D., said family physician offices need to move from paper-based to computerized information systems to improve quality and safety of medical care.

David C. Kibbe, M.D., former director of health information technology for AAFP, was named director of the center.

© 2003 Nelson Publishing, Inc