September 2005 News

Healthcare IT Helps Katrina Victims
Information technology helps provide health services to hurricane victims. Read full item.

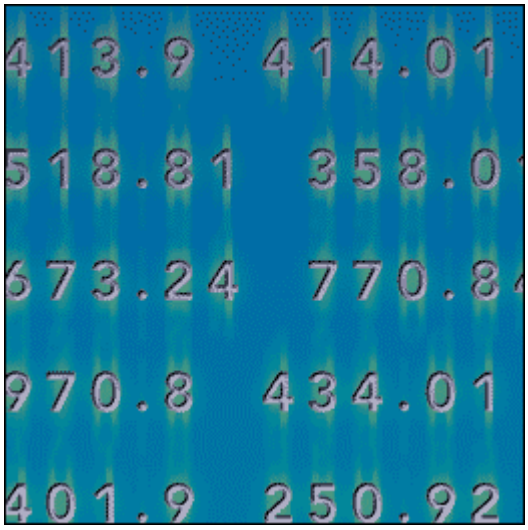
Members of Public-Private Advisory Community Selected
HHS Secretary Mike Leavitt mid-month selected 16 commissioners to serve on the American Health Information Community, a federally chartered group charged with advising him on how to make health information digital and interoperable. Read full item.

EHR Adoption Rate Directly Correlates to Size of Medical Group Practice
Consistent with research by others, new research by the Medical Group Management Association (MGMA) confirms that the bigger the medical group practice, the higher the EHR adoption rate. Read full item.

Pharmacy Computer Systems Fall Short
Little improvement has occurred over the last six years in hospital pharmacy computer systems' ability to detect potentially unsafe medication orders and outdated technology may be the culprit, a new study reveals. Read full item.

Compliance With Medication Treatment Programs Saves Money
Another study proves that when chronically ill patients comply with medication regimens, they help reduce healthcare costs. Read full item.

Insurer Tests Online Pricing Info on Docs



September 2005 Featurettes

White Paper: The Consumer Fit in a World of Interoperability
From the California Healthcare Foundation comes a brief but pertinent white paper on the challenges facing consumers as the healthcare sector moves toward interoperability. Read full item.

Case History: Bar Coding for Better Patient Safety
A Wisconsin community hospital uses bar code technology to improve medication administration, with impressive results. Read full item.

Healthcare's Paper Chase, a Fun Time at the Okay Corral
A five-minute investment can deliver a delightfully written summary of the challenges facing healthcare as it emerges from a paper-based world. Read full item.

DM Concerns and Connections to HSAs and HRAs
The Disease Management Congress offers a short paper on challenges that may arise when DM programs are integrated with HSAs and HRAs. Read full item.

Electronic Prescribing Gallops On
The eRx Collaborative announces positive

Aetna Inc. shares “price tag” for physician services with members. Read full item.

RFID on Track

Only 10 percent of hospitals use RFID tags for tracking equipment, but 45 percent of them plan to implement RFID at their facilities by the end of next year. Read full item.

Lessons in Engineering for Healthcare

The healthcare industry should take advantage of engineering strategies and tools used in other fields to improve productivity, quality and performance. Read full item.

AHIMA Helps Define the Legal Health Record

Are your health records paper, a hybrid of paper and electronic or fully electronic? Whatever the situation, the American Health Information Management Association has guidelines to make sure they meet the legal medical record. Read full item.

Web Site on Hospital Care Quality Now More Complete

The Hospital Quality Alliance’s Hospital Compare Web site now lets patients and families compare the performance of almost all the nation’s acute care hospitals on common quality measures for certain medical conditions. Read full item.

Full Text of News and Features:

September 2005 News

Healthcare IT Helps Katrina Victims

The September 6 issue of InformationWeek featured an article on how healthcare vendors, including Malvern, Pa.-based Siemens Medical Solutions Health Services Corp., provided mobile imaging equipment for field results for its e-prescribing jump-start initiative in Massachusetts. Read full item.

clinicians to help hurricane evacuees. Systems at the Department of Health and Human Services (HHS) headquarters in Washington and mobile command center in Baton Rouge, La. also are helping monitor the outbreaks of infectious diseases by analyzing data collected from many sources, including hospitals, public health departments, the Centers for Disease Control and Prevention, the military and others. To read the entire article, click here.

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Members of Public-Private Advisory Community Selected

HHS Secretary Mike Leavitt selected 16 commissioners on September 13 to serve on the American Health Information Community, a federally chartered group charged with advising the Secretary on "how to make health records digital and interoperable, and assure that the privacy and security of those records are protected." Members of the Community, as HHS calls it, or AHIC as everyone else refers to it, represent such diverse interests as Blue Cross Blue Shield Association and the American Academy of Family Physicians, SureScripts and Intel Corp., and the Centers for Medicare & Medicaid Services and the Departments of Veterans Affairs and Defense. Leavitt will chair the advisory group, which is designed for an initial two-year life span, with an option to extend up to five years. The Community holds its first meeting Oct. 7 in Washington, D.C. To learn all the commissioners and their representative organizations, click here.

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EHR Adoption Rate Directly Correlates to Size of Medical Group Practice

Consistent with research by others, a new study by the Medical Group Management Association (MGMA) confirms that the bigger the medical group practice, the higher the EHR adoption rate. A study of 3,300 medical group practices by MGMA's Center for Research and the University of Minnesota School of Public Health shows that only 12.5 percent of practices with five or fewer FTE physicians have adopted an EHR. Groups with six to 10 physicians reported a 15.2 percent adoption rate; groups with 11-20 docs reported an 18.9 percent adoption rate; and groups of 20 or more physicians had a 19.5 percent adoption rate.

More than 97 percent of the respondents with an EHR reported that their system had functions for patient medications, prescriptions, patient demographic and visit/encounter notes. Less than 65 percent reported that their EHR provided drug formulary information or clinical guidelines and protocols. Eighty-three percent of respondents said their EHR was integrated with their practice billing system. Cost is the main barrier to adoption—but another significant barrier is that practices are not convinced EHRs will improve their performance.

This challenges research by the Medical Records Institute (MRI) that indicates more than 89 percent of their respondents said the major motivation for implementing EHRs is to improve clinical process or workflow efficiency. The MRI study, conducted in April and May, included 280 responses from provider organizations, of which physicians and nurses represented 27 percent. See “Industry Watch” in the October 2005 issue of *Health Management Technology,* due out soon.

MGMA’s research offers cost information that practices face for purchase, implementation and maintenance of EHRs. Funded by the Agency for Healthcare Research and Quality, the study was conducted in January and February of this year. MGMA members made up 25 percent of the sample. For more complete results on “Assessing Adoption of Health Information Technology,” click here.

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Pharmacy Computer Systems Fall Short

Hospital pharmacy computer systems are not reliably detecting and correcting prescription errors or pharmacy order entry errors. Little improvement has occurred over the last six years, according to a new survey by the Institute for Safe Medication Practices (ISMP), which asserts that only four of 182 pharmacy computer systems tested detected all of unsafe medication orders. Survey respondents were asked to create a test patient in their medication order entry system used by pharmacists and place a series of orders provided by ISMP to field test when safety warnings appeared. Less than half of the computer systems were able to detect orders for medications that exceeded a safe maximum dose. When unsafe orders were detected, nine in 10 systems allowed the user to override the series warnings, in most cases by simply pressing a function key.

On the plus side, compared to a survey conducted in 1999, there was some improvement in detecting contraindicated drugs or doses based on lab results. More pharmacy computer systems today are directly interfaced with the laboratory system and more systems can automatically alert staff according to current lab values. Outdated technology may explain the lack of improvement in pharmacy computer systems over the last six years. More than half (56 percent) of the 2005 survey participants were using a pharmacy system that was at least five years old, with no recent upgrades.

ISMP invites pharmacists to take the field test and request any needed changes from their pharmacy software and drug information vendors. For a more complete summary of the survey, click here.

To obtain the field test and full survey results, click here.

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Compliance With Medication Treatment Programs Saves Money

Patients with chronic conditions take their medicines on average only 50 percent to 65 percent of the time, costing the American healthcare system as much as $300 billion annually, a study reveals. The study tracked and analyzed medical and prescription drug claims of employees and dependents of a large employer during a two-year period ending May 1999. In the study of 137,277 patients under the age of 65 with diabetes, high cholesterol, hypertension or congestive heart failure, Franklin Lakes, N.J.-based Medco Health Solutions Inc. found that the costs and risks of hospitalization far outweigh the costs of using medications as directed. The least compliant diabetes patients were more than twice as likely to be hospitalized compared to those who were most compliant and their total healthcare costs were nearly double as well. For more details on the study published in the June issue of *Medical Care,* a peer-reviewed journal published by the American Public Health Association, contact Ann Smith at Medco, ann_smith@medco.com or click here.

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Insurer Tests Online Pricing Info on Docs

To help its members better understand their out-of-pocket expenses, Aetna Inc. launched a pilot program in August that offers members online prices on physicians' services. Clinicians participating in the pilot practice in Cincinnati, Dayton and Springfield, Ohio, northern Kentucky and southeast Indiana. Beginning in the Cincinnati area, the Hartford, Conn.-based payer is providing negotiated rates for about 600 common procedures offered by 5,000 individual physicians and physician groups. Aetna members see the actual discounted rates specific to their health plan for office visits, diagnostic tests and minor procedures. The published information varies depending upon the physician's specialty and based on feedback, will be expanded over time and rolled out to other markets. To access the information, members logon to Aetna Navigator (www.aetna.com), Aetna's password-protected member Web site, search for their physician using "DocFind" and choose "View Rates for Aetna Members."

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RFID on Track

Only 10 percent of hospitals use radio frequency identification tags for tracking equipment, but 45 percent of them plan to implement RFID at their facilities by the end of next year, according to a new study by Spyglass Consulting Group. More than half of the respondents named privacy concerns, cost and workflow integration

as obstacles to deployment, but network infrastructure was the most common barrier, named by more than 92 of the 100 directors of pharmacy, clinical engineering, materials management and medical/nursing informatics. HCOs want to be able to use existing wireless networks rather than a dedicated RFID network, the telephone study conducted April through June at 98 hospitals revealed.

Active RFID applications, which can be tracked on an RFID network, were far more popular than passive RFID solutions, which do not contain a battery and require a nearby reader, according to the study by the Menlo Park, Calif. consulting firm. Only eight percent of the respondents use RFID applications for patient tracking, but 21 percent anticipate installing them within 18 months. To purchase the study, “Healthcare Without Bounds: Trends in RFID,” contact Gregg Malkary, managing director, at (650) 321-7002 or visit www.spyglass-consulting.com.

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Lessons in Engineering for Healthcare

The healthcare industry should take advantage of engineering strategies and tools used in other fields to improve productivity, quality and performance, according to a new report from National Academies Press. Fourteen engineers and healthcare professionals, assembled by the National Academy of Engineering and the Institute of Medicine, identify engineering tools and technologies appropriate for use in healthcare. They include: Systems-design tools, such as failure mode effects analysis and human-factors tools; systems-analysis tools, including queuing methods, game theory and neural networks; and systems-control tools, such as statistical process control and scheduling.

To order the 276-page report, “Building a Better Delivery System: A New Engineering/Health Care Partnership,” click here.

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AHIMA Helps Define the Legal Health Record

Recognizing there is no “one-size fits all definition,” the American Health Information Management Association (AHIMA) offers common principles for defining the legal medical record. The Chicago-based association recommends that HCOs examine their existing definition of a legal record to determine if changes are necessary as they migrate from a paper to electronic environment. Considerations for the content of the legal health record should include ease of access to different components of patient care information, guidance from the medical staff and the organization’s legal counsel, community standards of care, federal regulations, state law and regulations, standards of accrediting agencies and the

requirements of third-party payers. In total, nearly 50 data elements and documents should be considered part of the legal record. Text of the report, “Guidelines for Defining the Legal Health Record for Disclosure Purposes,” is available in the September issue of the Journal of AHIMA and by clicking here.

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Web Site on Hospital Care Quality Now More Complete

The Hospital Quality Alliance’s (HQA) Hospital Compare Web site now lets patients and families contrast the performance of virtually all the nation’s acute care hospitals on 20 common quality measures for heart attack, heart failure, pneumonia and preventing surgical infections. The Web site, introduced in April this year, was updated and improved this month by the Centers for Medicare & Medicaid Services (CMS) and the HQA. There has been significant growth in the number of hospitals reporting more than the ten “starter” clinical measures that short-term acute care hospitals must report publicly to receive incentive payments created by the Medicare Modernization Act. In addition, CMS and HQA are seeing an increase in the information that hospitals are providing:

- More than 90 percent of the 4,048 participating U.S. hospitals are reporting at least the 10 “starter” measures;
- More than 70 percent (2,903) are reporting all 17 of the quality measures first introduced in April 2005, an almost three-fold increase in active participation (967 hospitals); and
- More than 80 percent (3,291) of all reporting hospitals publicly report the new pneumonia measure.

To check the site out for yourself, click here.

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September 2005 Featurettes

White Paper: The Consumer Fit in a World of Interoperability

Hats off to the California Healthcare Foundation for its latest and valuable contribution to the future world of healthcare systems interoperability, “Lost in Translation: Consumer Health Information in an ‘Interoperable World,’” by Joshua Seidman, Ph.D., executive director of the Center for Information Therapy, Washington, D.C. Seidman is exceptionally clear about issues that will face

consumers as healthcare develops its NHIN (National Health Information Network). Lack of standards and lack of clear terminology for laymen are a couple of pertinent issues, along with the healthcare sector's failure to organize (electronically or otherwise) information in predefined stages for consumers facing medical tests or procedures, stages that coincide with their making medical decisions, preparing for the test or procedure and understanding the results.

Here's a taste: "Even personal health records only go so far. Without standards for translating raw health data into simple terms and integrating the data with other essential information and infrastructure tools, individuals who manage their own health records may still feel overwhelmed. … As yet, there isn't a standard 'plug-and-play' interface between the electronic medical records maintained by providers and the electronic health resource targeted to consumers. …" Seidman purports that while employers, payers and healthcare providers are increasingly shifting decision-making and financial responsibility for healthcare to consumers, the electronic tools that consumers need to accept and manage this responsibility haven't kept pace. Click here for an abstract and to download the 6-page PDF. It's entirely worth the time.

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Case History: Bar Coding for Better Patient Safety

Anyone who likes case histories jam-packed with details, measures and metrics will want to read this 10-page case history about Beloit Memorial Hospital in Beloit, Wis., a 175-bed community hospital that achieved impressive patient-safety results with its use of bar code/medication administration IT from CareFusion. Too often, case histories that appear on vendor Web sites are thinly disguised marketing collateral—but absolutely not so here. Prepared by The Work Group Inc., a consultancy based in Evanston, Ill., this case history tells in plentiful detail the specific patient-safety goals of the organization, its painstaking implementation and rollout schedule, the intricacies of staff training, including the experience of several staff members for whom the system stopped potential medication errors from occurring, and the full tech requirements of the hospital's implementation of wireless bar coding. But the benefits section is the best one, rich with metrics and easily of the depth and caliber that *Health Management Technology* would publish in its monthly printed pages. Don't miss this one. Click here to read it.

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Healthcare's Paper Chase, a Fun Time at the Okay Corral

In case you missed it, "Health Care's Paper Chase" by Erik Sherman in Chief Executive, January/February 2005—about the multitude of benefits to accrue from

implementing EMRs and EHRs—makes a terrific read. It's not that a vast amount of new or heavily detailed information will come to light, but rather that Sherman grandiloquently articulates some of the biggest of big issues facing the healthcare industry, and with enviable writing style. Want a taste? "The fundamental problem facing health care is that it has remained a cottage industry dominated by independent businesses—doctors, hospitals and labs—that must communicate with one another to provide effective service. Unfortunately, the paper-based systems have kept processes firmly rooted in the 1800s."

Or how about this? "The industry is almost perfectly suboptimized. Each hospital, doctor, testing facility and insurance company looks to its own interests first, not those of the entire system—which no one can monitor anyway. … Even when a facility has software for automating operations, few if any of the legacy software packages communicate, so adding electronic health records would be like putting a Formula 1 engine into a go-cart." Or this: "Worsening the situation is the industry's archaic financial structure: It's an entire system that rewards inefficient behavior. Providers receive payment for rigidly defined procedures undertaken at a specific point in time, not for long-term management of health." This four-pager is everything everyone ever suspected about healthcare's paper-based woes, but never have they been articulated so well. Click here for Sherman's take on healthcare IT.

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DM Concerns and Connections to HSAs and HRAs

A drier and shorter read, but of definite significance for employers, payers and possibly providers involved in disease management (DM), is "Compliance Concerns That May Arise When DM Programs Are Integrated With HSAs or HRAs," by John R. Hickman and Ashley Gillihan, both with Alston and Bird LLP. Offered by the Disease Management Congress, this three-page paper explores tax and financial implications of employer decisions to implement HRAs and HSAs within cafeteria and/or consumer-directed health plan offerings, especially in concert with wellness or disease management programs. Click here to read it.

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Electronic Prescribing Gallops On

Those who combed through *HMT*'s decision support and e-prescribing survey data in the September 2005 print edition of *Health Management Technology* will be pleased to know that e-prescribing is gaining a foothold, at least in New England. The eRx Collaborative, comprised of Blue Cross Blue Shield of Massachusetts, Tufts Health Plan, Neighborhood Health Plan, ZixCorp, and DrFirst, recently issued data for the first half of 2005,

indicating that more than 2,700 prescribers in Massachusetts used the technology provided through the collaborative. These prescribers generated more than 1 million e-prescriptions in 2005, and this includes a 41 percent increase in the number of prescriptions generated in 2Q compared to 1Q 2005. The three health plans offer providers sponsorship for a handheld device or Web browser, a license fee, six months of Internet connectivity where applicable and one year of service. The two vendors are well known providers of e-prescribing technology. Using the jump-start provided by the eRx Collaborative, providers can access patient-specific drug histories, create new and renewal prescriptions electronically, send prescriptions to the pharmacy via fax or EDI, and print the prescription to paper. For more information on the eRx Collaborative, contact any of the member organizations:

Blue Cross Blue Shield: Susan Leahy (susan.leahy-schuh@bcbsma.com)

Dr.First: Irene Froehlick (ifroehlick@drfirst.com)

Neighborhood Health Plan: Sonia Javier-Obinger (sjavier@nhp.org)

Tufts Health Plan: Catherine Grant (catherine.grant@tufts-health.org)

ZixCorp: Christa Osswald (cosswald@zixcorp.com)

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Have News for HMT e-News?

If you have a mini case history you would like to submit to **HMT e-News**, or you know of research, a study or a white paper that we should include, send an e-mail to *HMT* Editor Robin Blair at rblair@healthmgttech, and put "HMT e-News" in the subject line. If you need guidelines for HMT e-News, ask for those.

Please ***do not*** send vendor news, contracts, awards, KLAS standings or promotions to HMT e-News. We receive these through regular HMT venues and cover them in NewsMakers in the print magazine when space allows.

For **HMT e-News**, we want real industry news of the type covered in *Industry Watch* in the print version of *HMT*, and we want featurettes that include white papers, sponsored research and mini case histories.

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