

Health Information Compliance Alert

Electronic Health Records Partners: Dude, Your Doc May Be

Tech companies push to digitize patients' records.

ARRA's \$19 billion for EMR won't begin flowing much until 2010, but you can add another big player to the list of tech companies trying to add a big ole 'H' to their 'IT' offerings.

PC-maker Dell Computer has announced it will partner with hospitals to offer physician groups EHR, reports The New York Times. Dell must see a big, if reluctant, potential physician market. Currently, only 17 percent of physicians have left paper behind, according to a 2008 study published in the New England Journal of Medicine.

EHR Hardware, Software & Services in Aisle 5

Earlier this year, the Times reminds us, Dell teamed up with Wal-Mart's Sam's Club to create affordable EMR solutions for small practices. On one proposal for health care reform at least, there is a rare bipartisan consensus: the push to computerize patient records.

The goal of moving paper medical records into the digital age has been championed for years by health care policy makers across the political spectrum, from Hillary Rodham Clinton to Newt Gingrich. As a presidential candidate, Barack Obama, too, was an advocate, and the economic crisis opened the door for an ambitious step -- \$19 billion put into the recovery package to encourage doctors and hospitals to install and use electronic health records.

Meet The New Players

So even as the Obama administration and Congress struggle with broad health policy legislation, the technology industry is pursuing the opportunity in digital health records as never before. Although most of the government money will not start flowing until next year, the companies hoping to get their share include technology giants like General Electric, I.B.M. and the big telecommunications company, Verizon. Also in the hunt are smaller health technology specialists like Athenahealth, eClinicalWorks and Practice Fusion.

Dell, the personal computer maker, plan to join the scramble in earnest, announcing its plan to form a partnership with hospital groups around the country to offer electronic health records --hardware, software, consulting services and financing -- to their affiliated physicians. Dell, like the other players, sees the big opportunity as being in offices with 10 doctors or fewer, where three-fourths of the nation's physicians practice medicine.

To proponents, electronic health records, when thoughtfully set up and deployed, are a modern tool to improve care and help curb costs. They hold a patient's health history, medications, lab tests and, when connected to databases, treatment guidelines. The potential benefits include fewer unnecessary tests, reduced medical errors and better care so patients are less likely to require costly treatment in hospitals.

Digital Health Records: The Hard Road Ahead

Doctors in small offices have not moved to digital records, mainly because today's technology is costly and complex. What is needed, experts agree, are new models of delivery and easier-to-use technology to reduce the expense and technical headaches.

The proposed offerings are typically based on the new Internet-based service model, known as cloud computing, in which much of the computing firepower and data reside in remote data centers, which doctors, nurses and staff would use via the Web browsers on their personal computers.

Faster networks, improved wireless connections and more affordable tablet PCs or small desktops promise to make the shift to digital patient records less cumbersome these days. But technical assistance and user guidance are also needed. And several companies plan to offer bridge financing to doctors to ease the burden of initial investment costs until the government begins making payments, which can be up to \$44,000 for each doctor, from 2011 to 2015.

Dell plans to act as the hardware supplier and general contractor, working with partners like eClinicalWorks, a maker of electronic health record software, and Perot Systems for data-center hosting, if the medical groups outsource that task.

Dell already has pilot projects under way with a few hospital groups, including Memorial Hermann Healthcare System in Houston and Tufts Medical Center in Boston. This year, Dell announced it was teaming up with Sam's Club, a division of Wal-Mart, to offer the hardware, software and services for electronic health records to doctors in small practices.

"The technology has to be a simplified, affordable package for physicians," said **Jamie Coffin**, general manager of Dell's health care business. "We're really going after this market in a concerted way."

The government's effort to try to encourage a market in digital health records, experts say, faces formidable hurdles. The risk is that physicians buy lots of computer hardware and software, but see no improvements, leaving a legacy of wasted money, angry doctors and disrupted care for patients.

"It's certainly a gamble," said **Dr. David J. Brailer**, former national health information technology coordinator in the Bush administration. "But I do think the net effect is going to be a lot of new efforts at innovation."

In many large medical groups, like Kaiser Permanente and the Mayo Clinic, all the doctors use electronic health records. Yet over all, only about 17 percent of America's physicians are using computerized patient records, according to a government-sponsored survey published last year in The New England Journal of Medicine.

Encouraged by the stimulus financing, besides Dell many companies like G.E., I.B.M., eClinicalWorks and Practice Fusion are hurrying to get their share of the pie and significantly improve the percentage.