Physician Practice Check-Up: Assessing a Practice's Readiness for Electronic Health Records

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Federal incentives will take some of the pain out of transitioning a practice to an electronic health record system, but the transformation will be monumental, nonetheless. For practices that take the leap, focusing initial efforts on a readiness assessment lays a solid foundation for later success.

Since the early part of this decade, the US healthcare industry has been slowly moving toward the adoption and implementation of interoperable electronic health records (EHRs). A variety of public and private initiatives, workgroups, and organizations have worked on public policy, technical standards, and road maps to meet this challenge.

However, the adoption rate remains relatively low, particularly among physician practices. Considering that most healthcare is rendered in physician offices and clinics, the successful nationwide adoption and implementation of EHRs by physicians is critical if the US is to achieve the goal of EHRs for all Americans as laid out by both the current and former president.

With the passage of the American Recovery and Reinvestment Act (ARRA) in February, Congress provided incentives for physicians who implement and "meaningfully use" EHRs in their practices. Physicians are eligible for up to $44,000 over five years if they meet the requirements set forth in the law (see "Federal Incentives" on page 23).

Physicians and other eligible providers must be "meaningful users" of EHRs to receive the incentives. The Office of the National Coordinator for Health IT solicited input on these requirements through the spring and summer and expects to publish a final definition of the term late this year; however, ARRA identifies three broad characteristics for meaningful use:

- Use of electronic prescribing
- Electronic exchange of information for quality of care (i.e., for coordinating a patient's care)
- Participation in reporting quality of care measures

Physician Practice Readiness Assessment

Strategic Issues

- Is the implementation of an EHR in the practice's strategic plan?
- Who will serve as physician champion(s), willing to take a leadership role in change management for EHR implementation, including guiding the implementation team and post-live physician assistance?
- Are there any clinical or business components of the practice that would benefit from a more focused approach to patients and/or more effective interaction with patients?
- What are the implications of EHR implementation for improvements in quality and safety in the practice?
- What are the practice's plans regarding sharing and exchanging health information?
- What are the critical benefits the practice must gain from implementing an EHR?
- Has the practice defined the type of relationship required with a vendor concerning ongoing costs for support, enhancements, protection of data, and system obsolescence?
- How will patients react when the practice starts using an EHR?
- What are the risks associated with adopting an EHR?

Business and Financial Issues

- Is EHR implementation included or projected in current or future budgets, including pre- and post-implementation expenses?
- Has a cost/benefit analysis of implementing an EHR system been performed?
- Has the practice established a protocol that can minimize the expense associated with the EHR?
- Has a qualified healthcare attorney been identified to assist with contract negotiations?
- Has a qualified financial advisor been identified to assist with evaluating the financial criteria and the business case?
- Are there existing documented policies and procedures for issues including data integrity, data accuracy, privacy, information security, database management, and disaster planning?

Staffing and Skill Sets

- Are there staff members who will be EHR champions?
- Are there compliance, coding, or HIM professionals available for leadership roles in EHR implementation? If not, has the practice identified a consultant who can assume this responsibility?
- Does the practice currently have access to professional IT skills, either on staff or outsourced?
- What skills gaps must be addressed prior to implementation?
- Do both staff and physicians possess adequate basic computer skills (e.g., performing basic computer functions, typing, using a mouse)?

Current State Workflow

- Has the practice identified and documented workflows for its major processes?
- Has staff identified the bottlenecks, workarounds, opportunities for errors, and rework in current processes? Will these be addressed prior to implementation or as part of the process?
- Do the practice's current incentives or penalties work to reinforce poor or inefficient processes?
- Has the practice identified the current information gaps in existing processes? Has it determined if current systems and resources can be optimized or leveraged to fill these gaps?
- Are the physicians and staff ready to potentially change the workflow or processes that are currently in place?
- Have physicians identified the optimal patient care workflow that they want the EHR to facilitate?

Training Issues

- Do staff members currently use computers in their daily tasks? If not, what areas of the practice do not use computers? Has the staff been assessed for their keyboarding and mouse skills?
- Do all the physicians in the practice currently use computers on a daily basis? What tasks do they complete on a computer? Do all of the physicians have keyboarding and mouse skills?
- Do the physicians and staff currently have questions about EHRs?
- Will the practice's administrative or HIM staff transition to the EHR easily or with difficulty? Are they enthusiastic about using an EHR?

System Issues

- Which computer systems currently exist in the practice, such as laboratory systems, billing systems, and practice management systems? Which of these must interface with the new EHR system or other systems?
- Has the practice completed a hardware inventory, including back-up equipment and personal portable equipment, such as PDAs and cell phones?
- Has the practice identified the pros, cons, and trade-offs of an EHR with an integrated practice management system versus a best-of-breed EHR for the specialty of the medical practice?

- Has the practice determined the pros and cons of owning the EHR computer system versus using a "software as a service" (SaaS) model?

Ready, Set, . . . Go?

The incentive program is designed to get providers moving quickly-the highest payments occur soonest (see the "Federal Incentives" table). Given the aggressive timetable, practices must assess their EHR readiness now, if they have not already. This step is a critical prelude to evaluating and selecting a specific EHR software product.

Skipping the readiness assessment can make the difference between success and failure. Key outcomes of the assessment include establishing the specific goals and benefits the practice seeks from use of the EHR as well as identifying and anticipating issues associated with the transition and post-implementation. The sidebar "Sample EHR Goals" illustrates the type of goals a practice might set for its EHR.

While the ARRA incentives will be a major consideration for many practices considering an EHR system, the attitudes and perspectives of physicians within the practice are, without a doubt, more important. Lack of physician motivation can delay, hinder, or even halt implementation. Practice managers and other office leaders will play an essential role; however, without substantial commitment by the practice's physician leadership, there is a high risk of failure.

A strong physician champion is key to the successful implementation and use of the new system. He or she often will be required to spend extra time not only with IT staff and vendors, but also with other physicians in the practice to assist and support while the EHR is implemented.

One Size Does Not Fit All

Each medical and surgical specialty has unique workflows and information needs, as does each individual medical practice. A complete understanding of these needs will help identify specific system requirements.

EHR products are typically based on standard business processes that may or may not align well with those of an individual practice. Before evaluating EHR products, the practice must analyze its processes to gain a full picture of its workflows and information needs. Multispecialty practices will need to identify requirements that allow them to meet the unique needs of all the specialties in the practice.

While the analysis does not have to be an onerous project unto itself, it should be a conscientious and systematic assessment that identifies what information is needed when and by whom.

Federal Incentives

ARRA provides incentives of up to $44,000 over five years for physicians who adopt and "meaningfully use" EHRs. Incentives are higher for physicians who practice in rural and designated underserved areas by 25 percent and 10 percent, respectively. ARRA also provides incentives for physicians whose practices consist of 30 percent or more Medicaid patients (20 percent for pediatricians). These incentives will be calculated based on the actual number of patients.

Physicians will have to choose between the Medicare and Medicaid incentives. They will not be eligible to receive incentives under both plans. Hospital-based physicians (e.g., pathologists, anesthesiologists, and radiologists) who are employed by the hospital and provide services solely in a hospital setting are not eligible for the incentives.

The bonuses will convert to penalties starting in 2016, with an increasing reduction in Medicare reimbursement of 1 percent per year.

Year	Bonus Payment
1 EHR adopted in 2011	$18,000
EHR adopted in 2012	$15,000
2	$12,000
3	$8,000
4	$4,000
5	$2,000

Sample EHR Goals

An important step in a practice's readiness assessment is defining the goals and benefits it seeks from implementing and using an EHR system. These might range from improving quality of care to streamlining practice administration. They can include:

- Immediate access to patient records, allowing comprehensive review of patient information at the point of care
- Legible, complete documentation resulting in better patient care and more accurate coding practices
- Improved efficiencies in treatment, payment, and other practice administration
- Appropriate alerts and reminders resulting in improved patient care and fewer treatment errors
- Reduced expenses for office supplies, transcription, record retrieval, etc.
- Reduced duplication of services (may be offset by implementation and ongoing maintenance costs)
- Improved patient satisfaction

Setting Realistic Expectations

Reviewing resource requirements and assessing their availability is another important task in determining readiness. While the ARRA incentives are significant, they are not expected to fully cover a practice's implementation costs. In addition to start-up costs, practices will have ongoing costs for training and maintenance.

It is critical that the practice gain a realistic estimate of the capital requirements-both financial and human-that the implementation will require.

During implementation, practices should expect a degree of turmoil and frustration for everyone involved. While physicians and staff are learning new processes and functionalities they will likely be required to work longer hours, all while striving to minimize disruption to the practice and its patients. Developing a timeline for the implementation is an important task and is unique for each physician practice.

Reviewing the literature and the experience of others will help estimate the time frame for the many steps along the way, but the practice should carefully review and modify each step according to the nuances of its particular situation.

Focusing initial efforts on a readiness assessment will lay a solid foundation for successful EHR selection and implementation. Once the assessment is complete, the practice is ready to create a detailed statement of its EHR system and functionality requirements. However, people and process must come before technology.

Perspective on the Physician's Role

Transitioning to electronic records affects all aspects of a medical practice, so it must be carefully considered and planned. Multiple components of the process must incorporate specific clinical requirements from the

practice's physicians.

During the investigation phase, physicians should avail themselves of resources for information and insight from state and local medical societies, publications and pamphlets from the American Medical Association, and information from appropriate medical specialty societies. They should also work closely with the compliance, coding, and HIM members of the transformation team and use resources that they obtain from their related societies.

Evaluating Record Samples

Once the investigation begins in earnest, the practice should strongly consider implementing a confirmatory evaluation in addition to the conventional efforts of talking with other physicians and observing the use of an electronic record in practices that they believe are using it successfully.

This critically important step involves requesting 25 or 30 de-identified patient records, several of which should be sequential visits for the same patient, from one or more practices using an electronic record. The lead physicians and coding and compliance staff should scrutinize these medical charts.

The coders should assess whether the records demonstrate compliant documentation and coding and the absence of "cloned" generic documentation that can lead to failed audits and even to potential fraud or abuse charges as described by the Department of Health and Human Services.[1] The physicians should evaluate whether the charts provide clinically meaningful information, individualized to each patient and each visit, which would be effective in helping them to provide optimal medical care for their own patients.

Physicians should also work with coding, compliance, and HIM staff to develop prioritized criteria and benchmarks for the design and usability of the EHR. This will assist the team in creating a request for proposal, facilitate efficient and effective evaluation of systems under consideration, and provide a template for identifying improvements that are required prior to final selection.

An "Information Transformation" Plan for Physicians

Finally, while there are reasonably well-established practice workflow transformation protocols for preparing and training nonphysician practice staff for the transition to an electronic record, the transition team should develop a related "health information transformation" plan for the physicians. This process could include:

- Confirming an effective EHR forms design, including history and physical
- Training in using the enhanced EHR in an optimal fashion to facilitate patient care
- A verification step, prior to implementation, with physicians and compliance reviewers to confirm that all physicians are trained and satisfied that the EHR fulfills their criteria and meets their needs[2]

The current imperative for adoption of EHRs creates a time of opportunity for physicians, but also a time of peril. Effective preparation is the most important step to ensure success.

While physicians must, of course, be involved in the entire process, it is their responsibility to ensure that software design for the clinical components of an EHR (e.g., the electronic history and physical) is optimal and that physicians are trained to use the software effectively. In the current environment, policy makers, politicians, and vendors all need physician involvement and leadership to pave the way to success for this evolution.

Notes

1. Office of the National Coordinator for Health Information Technology. "Recommended Requirements for Enhancing Data Quality in Electronic Health Record Systems." Final report, June 2007. Available online at www.rti.org/pubs/enhancing_data_quality_in_ehrs.pdf.
2. Levinson, Stephen. *Practical EHR: Electronic Record Solutions for Compliance and Quality Care*. Chicago, IL: American Medical Association, 2008.

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