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Connections

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## Examining the New President's Health Reform Plan

By Phillip M. Singer

A few weeks ago, we as a country were able to watch history unfold. On January 20, Barack Obama was sworn in as the forty-fourth President of the United States. Over the past year and a half of the campaigning season, every candidate has promised changes and reform within the healthcare system. Regardless of party, candidates understood that our system of healthcare needed to be addressed; the candidates, in general had been calling for what can be grouped together under three umbrella terms of improvement: better prevention of chronic conditions and public health, increasing the use of technology to meet the healthcare crises and increasing the vibrancy of the health insurance marketplace.

Now that President Obama has been sworn in as our president, it is appropriate to look at his proposed healthcare reform plan.

According to President Obama's official Health Plan Overview, the first main component of reform is to "make health insurance affordable and accessible to all." President Obama's model for improving health insurance would be a hybrid of the American and European insurance plans. He believes the majority of Americans are not ready to lose their private insurance plans. The Obama Plan would call for a mix of government plans that would buttress the already established private insurance plans.

The type of government insurance plan the new administration has proposed is one similar to that of the Medicare plan and would be available for those under the age of 65 that do not have access or do not qualify for a private insurance plan. It would also be available to small business owners who do not offer private insurance plans. To facilitate this new public program, President Obama intends to create a "National Health Insurance Exchange" that would act as a facilitator of selling government-backed plans directly to those who are not covered currently. Along with these new programs, President Obama also has suggested an expansion of current government health programs, like Medicaid and SCHIP.

President Obama has claimed that his healthcare reform plan will save over two thousand dollars a year for each American family. The way this money can be saved is by shifting the cost of insurance to the government. While this large government expenditure would in

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## Examining the New President's Health Reform Plan (Continued...)

fact require an increase in taxation, the assertion holds that by having more people covered by insurance, the amount of uncompensated care that in the past has been shifted towards the rest of the system, would be reduced. The true cost of this reform is currently not known; President Obama has stated that it will cost fifty to seventy-five billion dollars a year to start the program, but with the reduction of uncompensated care, the costs would diminish over time. The reforms President Obama has promised during the campaign season and after his victory in the general election are predicated on the promise of greater accessibility of health insurance for all Americans.

The second component to the Obama Plan is to modernize the system to improve quality and lower costs. Unfortunately, this portion of the plan leaves much to be desired and does not differ greatly from what past presidential candidates and presidents have also advocated. This portion of the plan contains vague ideas without any real substance behind them. Ideas such as disease management programs, transparency of cost, reducing healthcare disparities among different ethnicities, improving patient safety and increased coordinated care have all been mentioned by the administration. All of these points of improvement have been attempted in the past, while only slight improvements have been made. Harvard Medical School researchers recently reported that even with increased knowledge and policy changes between ethnicities and the type of medical coverage received, they found that no progress has been made in the past 10 years. Without any more substantive ideas being produced by the current administration, the likelihood of a more modern healthcare system is unlikely.

The last component in President Obama's healthcare plan is preventing chronic conditions that harm public health, which includes tax incentives for employer wellness programs, disease prevention programs and new programs that will work on childhood obesity in our schools. This component of the Obama Plan has the greatest potential to see improvement in American lives if President Obama places it as a high priority. We are watching our youngest generation become more obese and less healthy each year. President Obama is in a position to draw attention to this crisis and to head it off before it impacts our health system and increases the costs for our healthcare.

With the beginning of a new administration, there is talk of overarching change. This is especially true for President Obama and his healthcare reform plan. His plan focuses on making insurance more affordable and accessible to Americans, modernizing the healthcare system and introducing more preventative measures to reduce public health disasters.

The success President Obama has with his healthcare reform is inextricably linked to how he prioritizes it. If it becomes one of the hallmarks of his administration, then Americans and members of Congress will begin to see that change truly is necessary.

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## Looking a \$19 Billion Gift-Horse in the Mouth

By Rick Kneipper, Chief Administrative Officer and Co-Founder of PHNS

Hospitals and physicians were cheering last week when the U.S. Senate and House reached agreement on a "stimulus" bill that includes \$19 billion for health information technology ("IT").

As an incentive for implementing and using electronic medical records ("EMRs"), the bill provides that physicians would receive bonuses of between \$44,000 and \$64,000 and hospitals would receive payments of as much as \$11 million – hence the cheering. The bill also provides penalties for physicians and hospitals that are not using EMRs by 2014 – perhaps some booing. The final bill hadn't been released at the time this commentary was written, and thus there are myriad questions about this bill since we all know that "the devil is in the details" when it comes to apparent Congressional largess for any industry, particularly the healthcare industry.

However, consider the following caveat from a probing editorial in *The Wall Street Journal* on February 11, 2009:

"The 'stimulus' is the bill that keeps on giving...Health-care providers and patients may have a different reaction, however, when they learn that Democrats are using the bill to create a health information monopoly that will help centralize government control of the health-care market."

The editorial states that "[i]n theory, electronic medical records are among the few stimulus ideas that might do some actual good." However, it properly points out that one of the reasons that only 17-29 percent of physicians use EMRs is because there are "many technical issues to work out," including the need to have disparate systems "communicate with each other, coordinate care and share information – and they don't want to invest in a platform that could become as obsolete as HD-DVD." In order to solve this problem, the editorial states:

"Democrats have decided that the way to jump this gap is for government simply to pick the next Blu-Ray...[T]he stimulus bill codifies...a federal office and gives it broad new powers if private companies are not 'substantially and adequately' meeting the needs of doctors and hospitals. The health IT outfit will soon be deciding which platforms are up to code and shutting down competitors."

While I share the editorial's concern about creating a new all-powerful government healthcare technology office, there may be some merit in the concept based on the conclusions in a recent National Research Council report entitled "Computational Technology for Effective Health Care: Immediate Steps and Strategic Directions" (see my last *FYA* commentary). That report concludes that the current direction of healthcare IT is misguided and misdirected since it improperly focuses on transactions instead of providing clinicians with evidence-based decision support and feedback. Before throwing billions of taxpayer money into improving healthcare IT, perhaps it would be worthwhile to reconsider whether current healthcare technology is headed in the right direction.

However, the editorial cautions that another purpose of the bill is to give "government exclusive control over electronic health information and reporting," which will be used to impose price controls and deny some types of medical treatments and drugs and thus end up with a governmental agency "micromanaging the practice of medicine" based on its views of "comparative effectiveness." That's a very scary thought that we all should keep in mind when digging into the details of this new \$19 billion gift-horse.

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I would like to hear your comments.  
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## Google, IBM Team-Up on Patient Data Collection

**G**oogle Inc., moving to improve its online health-record service, is teaming with International Business Machines Corp. to allow patients to add data generated from home-health monitoring products, such as blood-pressure cuffs and glucose meters.

The *Wall Street Journal* reports that software developed by IBM, with consumers' permission, can shift the data into a personal health record in Google Health, the search giant's service for helping consumers manage and store their health information online. Other software lets the patient transfer the information from there to an electronic medical record kept by providers like healthcare companies and primary care physicians.

At a time when the new administration has made electronic health records a priority and included funds in the stimulus plan to encourage providers to adopt records, the collaboration between the two companies has the potential to "kick-start" use of online monitoring of chronic diseases, Dan Pelino told the *Journal*. He is general manager of healthcare and life sciences for IBM.

Both IBM Chief Executive Samuel Palmisano and Google CEO Eric Schmidt have been prominent in business leaders' meetings with President Obama on high-tech stimulus measures.

Still, the electronic health-records industry – and Google's attempt to help spur and organize it – is in a very early phase. While major insurers have migrated medical records for tens of millions of patients online, only a few hundred thousand patients have claimed and actively updated their information through their providers or other services like Google Health and Microsoft Corp.'s HealthVault, estimates Harry Wang, a research analyst for Parks Associates.

Sameer Samat, director of Google Health, declined to tell the *Journal* how many patients have uploaded their own personal health information into Google's system or imported records

from partners, which include Cleveland Clinic, Beth Israel Deaconess Medical Center in Boston and a number of pharmacies.

Google is "pretty happy with the progress so far," he said, while acknowledging that feedback from consumers has been mixed. "We have had a lot of people who are really happy with us and who rave, and probably more people who say it is a great start and here is what we want to see" for features, he said.

The new IBM partnership, he said, will help consumers round out their medical records with daily health information, like their blood pressure, that is often difficult to organize. Diabetes patients at home could check their blood sugar at the same time each day and upload the information. If the system detected a sharp change, it could alert a relative or a visiting nurse to check on the patient.

To tap as much information as possible, IBM designed the software to use computer standards agreed to by the Continua Health Alliance, a large consortium of technology companies and medical device makers spearheaded by Intel Corp.

Any device built with electronic-communication capabilities that adhere to the Continua standards will be able to send information to a Google Health account via the IBM software, said Mr. Pelino. So far, Continua says one device has been officially certified and several more are going through the process.

To take advantage of the data through Google, patients will have to create a Google account and grant permission for their data to be imported into their health profile.

Both Google and IBM hope that the partnership will encourage the adoption of portable monitoring devices. While many medical devices already have communicating capabilities, they generally rely on custom-built interfaces rather than a single standard for communications.

### About



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healthcare only. Unlike its competitors, PHNS strategically aligns itself with a hospital's clinical and financial goals and objectives. Through its unique business model, PHNS reduces costs by aggregating, consolidating and sharing resources among its participating hospital partners. PHNS helps hospitals manage information systems, computer technology, patient records, coding and patient billing to improve patient care, safety and efficiency and increase profitability and efficiency. For more information, visit [www.phns.com](http://www.phns.com).

## Get More Bang from Your EHR Buck: Automate Quality Reporting

By Randy L. Thomas

**H**ealthcare organizations across the country have spent, or are currently spending, hundreds of millions of dollars implementing electronic health records (EHRs) and other information technology in hopes of improving quality and reducing cost. The goal is a big return, but what is success and how do you measure it?

Benefits such as cost savings, improved data accuracy, among others, are possible by focusing on one multi-layered aspect of an EHR system – automated quality reporting.

We have seen this scenario:

*A highly-skilled nurse pulls up a patient record in the EHR, visually scans it for needed data, writes the data on a worksheet and then goes to another system to enter the transcribed data into a reporting database.*

There are inefficiencies and high cost implications to that scenario. The key to seeing the benefits of the two systems streamlined into one can be reality, but only if EHR and IT projects are started with the end in mind.

### Quality Reporting

Hospital quality improvement and patient safety programs help organizations deliver safer and higher-quality care that result in improved outcomes. They are also responsible for ensuring compliance with quality reporting requirements (e.g., Centers for Medicare & Medicaid Hospital Compare and The Joint Commission Core Measures), which can affect reimbursement and public perception. The success of these efforts relies on data to measure baseline metrics and plot progress over time.

To effectively drive internal quality improvement programs and comply with various regulatory reporting requirements, we need to automatically repurpose data collected in EHRs and other systems to support these efforts. "Collect once, use many times" should be a guiding principle.

For quality improvement and patient safety programs to benefit from the data collected in the course of patient care, analytic tools need to take the collected data out of the various transaction systems and transform it into information that highlights not only *where* care could be improved, but also *how*. Regulatory reporting should be an automatic byproduct of the internal process of quality and safety improvement programs, not the focus.

### Fully Leverage Your EHR

In order to fully leverage EHRs for quality and safety reporting, two critical components must be addressed – one is within your control and the other is within your sphere of influence.

A component within your control is how you repurpose data collected in your EHR. For example, you could: (A) collect vital signs in free form text in a progress note, with the text note dictated and the transcribed document then "attached" to the patient record; or (B) collect vital signs in structured fields specifically labeled for that purpose. Option A data is difficult to automatically repurpose since a technology such as natural language processing needs to "read" and "interpret" the note and then map it to a common vocabulary. Option B supports easier access for future reporting. Knowing what data are needed to support current and anticipated future quality reporting can guide decisions.

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## Get More Bang from Your EHR Buck (Continued...)

Your internal decisions are critical, but you also need the cooperation of your EHR vendor and need to be familiar with industry standards. Your EHR vendor can augment your internal efforts by documenting where the data are physically stored in your database so a data appliance can extract the data for loading into an analytic database that supports quality reporting. A step further would be for them to automatically map and store data in industry-standard formats.

In July 2004, President Bush declared that the U.S. was embarking on a 10-year mission to deploy a ubiquitous, interoperable EHR. Several national groups have worked diligently to define the scenarios and technology standards needed for interoperability. The American Health Information Community defined a scenario to support the repurposing of data collected via an EHR for quality reporting ([www.hhs.gov/healthit/ahic/quality](http://www.hhs.gov/healthit/ahic/quality)). This scenario is supported by a set of data and transaction standards identified by the Health Information Technology Standards Board ([www.hitsp.org](http://www.hitsp.org)).

Some of the required standards are already defined, while others are being defined by standards development organizations (SDOs). However, none of these standards will benefit your organization unless they are adopted by healthcare IT vendors and incorporated into their

products. We need to encourage the SDOs to rapidly conclude their work, but also encourage vendors to embrace current and emerging standards into their products.

### Measuring Benefits, Achieving Success

Once you can automatically abstract data for quality reporting, you can reap the full benefits of your investment, including:

- seeing if your physicians are following evidence-based standards of care,
- using your data to measure and report on your quality and patient safety initiatives, and
- applying advanced analytics to find new opportunities for improvement – mining your own data to identify where to focus your quality improvement expertise.

The data available in your analytic database can now guide your decision-making on what, if any, course corrections are needed to ensure you are driving high performance.

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