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About FYA

FYA – *For Your Advantage*, is a free twice-monthly newsletter published by TrendLeader Connections.

With every issue, FYA provides insights into the topics that concern healthcare leaders today and the challenges that will be faced in the near future.

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A Fresh Look at the Healthcare IT Initiative

By Samuel R. Bierstock, MD, BSEE, Founder and Principal, Champions In Healthcare, LLC

A decade ago, the Institute of Medicine reported that healthcare information system (HIS) technology represented the key to improving the quality of healthcare delivered and a reduction of medical errors. Progressive hospital CEOs subsequently expanded their IT budgets, empowered Chief Information Officers, and went to their trustees with requests for substantial investments in clinical information systems. Vendors designed systems of increasing complexity and struggled to find user interfaces and workflow patterns that would be readily accepted by clinicians.

And yet, with 10 years behind us, and with billions of dollars expended, less than 10 percent of clinicians routinely enter orders by computer and less than five percent of hospitals have a full-featured implemented HIS in place. Additional millions are spent by hospitals each year in an effort to put programs in place that will train and engage their clinicians in the use of planned or implemented information systems. CEOs and CIOs hope, at best, that their staff clinicians will select EMR systems for their offices that will interact with hospital based systems, and that they will be willing to share information.

In an age when cell phone communications and music reproduction technologies have been universally accepted by consumers, and are in fact vigorously sought after, it's time to face facts in the realm of healthcare information technology adoption.

It isn't working.

And it isn't working for a very simple reason.

The vast majority of vendors and C-level hospital administrators have never practiced medicine. Furthermore, most clinical information systems are designed by people who have never practiced medicine. Text book reproductions of historical questions to ask and presumed clinical workflows have little or nothing to do with the way most clinicians work and think. Workflow analysis and electronic simulation using a variety of functionalities and interfaces, some more cumbersome than others, tend to complicate, rather than facilitate efficiencies and are therefore not welcomed or accepted by busy, pressured practitioners.

If you have not practiced medicine or nursing, you can have no concept of what it is like to take on the responsibility of making multiple decisions on a daily basis that impact people's lives and health, and to be held fully liable for every decision made and action taken.

For CEOs who might argue this point on the basis that they too have grave responsibilities, a simple analogy may help.

Let us assume that most hospital leaders receive a lot of e-mail. Let us also assume that they respond to their e-mail when they are able to do so. I, and other outside entities, decide that these people could be doing a better job if all e-mail would be answered immediately and appropriately according to externally

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A Fresh Look at the Healthcare IT Initiative (Continued...)

established standards for hospital administration. I will provide software to be certain that e-mail is delivered instantaneously. Furthermore, every response must have completely appropriate content, adhere to the external standards and must contain 100 percent appropriate advice or instructions. Hospital leaders will need to learn various types of interfaces and will have to be near a fixed or portable device to comply. Incidentally, all users will be held personally liable for any inappropriate decision or instruction contained in their e-mail communications, with the possibility of loss of all personal possessions and professional standing for any misjudgment or error contained in their responses.

Would you like to buy this software?

Welcome to our world.

What vendors, CEOs, CIOs and researchers have failed to understand is that the answer to clinician adoption of information technologies does not lie in the electronic reproduction of presumed workflows, but rather in the support of physician and nursing "thoughtflow" – a true understanding of how clinicians access, assess, prioritize and act upon data – coupled with an appreciation and understanding of the responsibilities and magnitude of consequence that comes with administering care. Only clinicians can determine and describe thoughtflow. If you haven't practiced – you cannot possibly understand. Unless thoughtflow is supported, today's electronic solutions only make clinical care more complicated and cumbersome.

All too often the clinician end-users have been the last people consulted by vendors, system designers and administrative leaders who have spent a decade cramming round technical pegs into square clinical holes. Cell phones

and i-pods are accepted and sought after by consumers because they immediately support the needs of the user, are completely intuitive, take little or no adjustment to learn and enhance rather than disrupt daily activities. Until clinical information systems and workstation interfaces support thoughtflow and fit as seamlessly into the lives of clinicians, they will be viewed as more cumbersome than helpful, and just another disruption in a life of high pressure and great responsibility.

As the only people who truly understand thoughtflow, clinicians must move from a position of occasional consultants to the leaders in clinical information system design. C-level administrators must understand that system selection cannot just have the casual input of the clinical staff, but rather an exhaustive analysis of the degree to which systems under consideration can be customized to support clinician thoughtflow (and therefore workflow) on a specialty specific and individual practitioner level. Selection processes wherein a scattered number of clinicians make cursory evaluations, or are exposed to multiple systems with overwhelming demonstrations of varying feature functionalities will not result in successful clinician adoption and utilization. Vendors and developers must not just seek input from physicians and nurses - they must rely on that input and be fully led by it.

You can reach Samuel R. Bierstock, MD, BSEE, with your comments and questions at info@championsinhealthcare.com



PHNS is an innovative healthcare services company providing strategic outsourcing services in information technology, health information management and receivables management to over 400 hospitals. PHNS is not a consultant, vendor or software company but a partner, a solution. PHNS understands healthcare because our partners are healthcare and 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.

"Best or Worst?!" – More Discussion

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

The discussion continues regarding whether our American healthcare system is the "best" or the "worst":

First, here's a response from Ron Babcock, Administrator of Hudson Valley Heart Center in Poughkeepsie, New York, to Dr. Martin Merry's retort to Ron's commentary:

"Your article on the 'Best and Worst....' has certainly proven to be a hot button. The debate is an old one and tends to be emotional, as it strikes at the core of medicine: the ongoing dichotomy between humanism and capitalism.

"I just read Dr. Merry's response to my response on the 'best of worst' issue. Dr. Merry is, of course, correct on all counts. However, I believe he over-interpreted the point of my letter. Having been working in healthcare for over 30 years, I am painfully cognizant of all the issues raised by Dr. Merry. My original letter to you was brief and not meant to be a treatise on all the ills of our healthcare system, but merely to note that preventable death statistics, by themselves, do not tell the whole story. I am far from naive, which sometimes works to my detriment, as ignorance can bring bliss, as they say. The reality is, as most of us who have been in this business for a while know, there are many things broken within our system of healthcare.

"In an ideal world, 'fixing' the problems outlined by Dr. Merry would indeed be a wonderful thing. However, to do so would require much more than process changes. In an industry other than healthcare, the ills identified by Dr. Merry would be lauded as business acumen. Capitalism interlocks quite well with greed and other less noble human motivations. On the other hand, healthcare is rather an orphan child in our capitalistic society, as most of us have the notion that surrendering our personal health, or that of a loved one, to the vagaries of monetary gain is offensive, if not immoral.

"So what do we do? Socialized medicine has its own set of problems, again pointing to access, among other things. Given that we continue to view healthcare as an 'industry' we have created a rather schizophrenic identity for ourselves. On a human level, we would like to have the image of the friendly, tireless country doctor who gives penicillin injections and delivers babies, but on the industry level, we want to be financially successful and 'leading edge.' I do not know of any magic pill that will outright cure this split personality, however, I do know that one cannot have it both ways. I suspect the most reasonable answer lies somewhere within moderation, i.e., providers learning to be happy with a smaller personal income, putting caps on expensive imaging and other high tech modalities and realizing that ultimate death of a patient is a normal phase of life. Many doctors are currently caught up in angst over the prospect of less take home pay, but it will become the new norm.

"I think open debate on this issue is healthy and I applaud you for allowing this type of commentary in FYA."

Second, the American College of Physicians ("ACP") just issued a report called "Achieving a U.S. Health Care System that is Second to None: *Why Settle for Anything Less?*" that makes some very strong points about the last place ranking of the U.S. by the Commonwealth Fund study:

- o "[T]he United States did better than the other countries in providing patients with clinically indicated preventive care. The U.S. did not do as well on assuring that patients get the right care for chronic disease, on long-term care, and on preventing avoidable hospitalizations. We also did not perform well on measures of patient-centeredness and coordination of care. And on other measures of quality – safety, preventive mortality, infant mortality, and adults with limitations on their activities – the U.S. was ranked last."
- o The ACP states that the healthcare systems of other industrialized countries out-perform the U.S. because they have universal coverage, support the importance of primary care, have efficient physician payment systems, invest in healthcare IT, encourage patient responsibility, have lower administrative costs and support medical research.

This is obviously a critical subject for our country at a critical time as we approach picking new leaders in Washington and around the country. What do you think?



I would like to hear your comments.
Send them to:
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About

TrendLeader Connections

FYA - For Your Advantage is brought to you by TrendLeader Connections. The function of TrendLeader Connections is producing educational materials and seminars that help healthcare executives differentiate between fads and trends; and making connections with "Trend Leaders" within the healthcare industry.

We are committed to delivering new perspectives and ideas, creative and innovative healthcare solutions, provocative concepts and quality educational materials to today's healthcare leaders. We want to concentrate on "what comes after what comes next."

KLAS Report Gives PHNS Winning Score

The sponsor of *FYA* – almost from its inception – has been PHNS, a Texas-based information technology outsourcing company. It recently won highest marks for its information technology application hosting services in a report by KLAS.

KLAS Enterprises, LLC, is an independent research and consulting firm. Its mission is to improve the delivery of healthcare technology by independently measuring and reporting on the performance of healthcare IT vendors.

The January 2008 Application Hosting report by KLAS gave PHNS an "Overall Satisfaction" rating of 8.7, which was the highest score of the nine vendors that received performance scores. PHNS received 100 percent scores in the categories of "Would You Buy It Again," "Services Delivered Within Budget/Cost," "Keeps All Promises" and "Would You Recommend to a Friend/Peer."

The KLAS report was prepared based on customer interviews and written surveys. It is the first application hosting report by KLAS, which stated that "application hosting was the largest and fastest growing area of IT outsourcing for providers."

This KLAS report provides strong, independent validation of PHNS' application hosting services. We, at *FYA*, are proud to be associated with a sponsor that scored the highest in the quality of its IT services staff, its executives' interest in its customers and its on-time service delivery.

The entire KLAS report can be found at www.KLASresearch.com. © 2008 KLAS Enterprises, LLC. All Rights Reserved.

Medicare Spending to Surge

Government spending on healthcare could nearly double by 2017 to more than \$2 trillion, according to a new federal study. Driven by the aging of the baby-boom generation and rising costs of new drugs and medical technology, Medicare will take up 20.7 percent of national health spending by 2017, according to the report.

Overall, the report projects healthcare spending in the U.S. will hit \$4.3 trillion by 2017, nearly double the 2007 amount. That would equate to nearly 20 percent of gross domestic product. In 2007, healthcare spending accounted for 16.3 percent of GDP, according to the study. But more of that cost is expected to shift to government agencies – even as the federal government struggles to shrink huge deficits.

"The impact of the population aging is expected ... to have a substantial influence on the public share of spending growth, as the leading edge of the baby-boom generation becomes eligible for Medicare," wrote Sean Keehan and his co-authors of the study, economists at the federal agency

that runs Medicare and Medicaid.

The latest data renews the spotlight on the question of how the government should pay for the bulging cost of healthcare.

Healthcare spending will grow on average 6.7 percent in the next decade, outpacing the general economy by 1.9 percentage points each year, the new federal study said. The growth will mainly be driven by medical prices and increased usage, as well as, smaller factors such as population growth and its changing mix. Private spending on healthcare is expected to grow at a slower pace, from 6.6 percent in 2009 to 5.9 percent in 2017, the authors said. That is partly because of the cost shift to the government.

Medicare spending is expected to grow to \$844 billion in 2017, up from \$427 billion in 2007. There also will be a shift toward the private arm of Medicare, which tends to cost the government more. By 2017, 27.5 percent of eligible Medicare enrollees are expected to enroll in managed-care plans, compared with 16.4 percent in 2006, the study said.