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10 steps to buying EHR software: a guide for physician groups

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ELECTRONIC MEDICAL RECORDS SOFTWARE

10 Steps To Buying EHR Software

Are you asking EHR vendors the right questions?

A daunting challenge awaits you – the physician group that has had enough of the frustrating inefficiencies, financial penalties, and antiquated practices associated with maintaining a paper-based practice.

These frustrations, coupled with the availability of federal stimulus incentives are driving most groups to commence a search for the best EHR software system they can find. Any initial enthusiasm evaporates once an initial search for electronic medical records uncovers hundreds of EHR vendors competing for your business.

> ***As of November 2011, there were 906 ambulatory electronic health record products certified by ONC-Authorized Testing and Certification Bodies (ATCBs).***
>
> *It doesn't take too many product demonstrations before the electronic medical records system screenshots and sales pitches begin to look and sound remarkably similar. The sheer number of vendors occupying the ambulatory EHR/EHR market is unmanageable without a basic product assessment and elimination strategy.*

Making matters worse, choosing the wrong EHR vendor can be catastrophic for your practice and cause irreparable financial harm. Imagine zero collections for months; corrupted, lost, or inaccessible patient data; patients waiting hours to see providers; or productivity crawling to a screeching halt because your vendor fails to deliver timely support. These are very real possibilities when you entrust your practice to an undercapitalized EHR vendor, or make a purchase decision based primarily on the vendor offering the lowest price.

This is one time when too many choices are not a good thing.

Competition is fierce between EHR vendors seeking to capitalize on federal stimulus opportunities, but many experts and industry insiders agree that only a handful of the strongest vendors will survive.

Like other industries – banking, insurance, airlines - it's not a matter of *if* the industry will consolidate, it's when. Development of a quality EHR product that meets increasingly stringent federal mandates – including enabling providers to achieve Meaningful Use stages 1, 2, and 3 and supporting ICD-10 code sets - requires substantial programming and development resources that small, undercapitalized vendors may struggle to pull off.

Some industry consolidation and product discontinuation has already occurred – just ask users of McKesson's PracticePoint Manager™, MediNotes™, PeakPractice, and Allscripts Misys EMR, among others. Only the best EHR products will be acquired and supported by large vendors with deep pockets. Many systems will simply be discontinued and users will be left to fend for themselves.

What happens if my EHR vendor doesn't survive or gets acquired?

If you find yourself in the unfortunate circumstance of learning that your product has been "sunsetted" (discontinued or no longer developed or supported), or your vendor has went out of business - prepare for a long and expensive road ahead. The cost of purchasing a new system (data conversion costs, new software license purchase, training and go-live, hardware) can be devastating for a small or mid-sized group practice. Regrettably, the aforementioned costs are a best-case scenario.

What will you do if you don't have a current or accessible data backup? Will your practice survive months of interrupted cash flow if your vendor closes shop abruptly? Can you afford the time and money associated with starting the EHR purchase, installation, and training process from scratch again?

Prevent an expensive mistake. Use factual, industry-standard data to systematically eliminate vendors and products from consideration.

10 Steps To Making The Right EHR Software Choice For Your Practice

Step 1. Have we eliminated EHRs that are not 2011 CCHIT Certified®?

A CCHIT certification has been the gold standard of EHR certifications since 2006. At one time, it was the only EHR certification available. CCHIT® is publicly endorsed by the American Academy of Family Physicians; the American Academy of Pediatrics; the American College of Cardiology; and the American Medical Association, among others. The standards for achieving 2011 CCHIT certification are rigorous, particularly in the areas of EHR functionality, security, and interoperability.

As of this writing, only **83 Ambulatory EHR** products have been certified by CCHIT under the revised 2011 criteria.

List of all CCHIT Certified EHRs

Step 2. Have we eliminated EHRs that are not ONC-ATCB Certified?

Nearly all of the 2011 CCHIT Certified EHR systems are also certified by the Office of the National Coordinator for Health Information Technology (ONC), so if you followed Step 1 and eliminated non-CCHIT Certified EHRs, you have probably have eliminated EHRs that are not certified by an ONC-ATCB (Office of the National Coordinator - Authorized Testing and Certification Body). There are 906 ONC-ATCB Certified EHR products as of November 2011, so using an ONC-ATCB Certification alone is not enough.

Medicare and Medicaid EHR incentives are dependent not only upon verification that the practice can show they have purchased an electronic health record system, but specifically restricts payouts to providers who demonstrate "meaningful use" of a ONC-ATCB Certified EHR.

As of this writing, there are **906 Ambulatory EHR** products have been certified The Office of the National Coordinator for Health Information Technology.

List of ONC-ATCB Certified Ambulatory EHRs

Step 3. Have we eliminated vendors that do not participate in KLAS®?

As of this writing, only 43 ambulatory products are represented in the KLAS Ambulatory EHR ranking process, and several of them have already been sunsetted. KLAS is the only widely recognized company that independently monitors the performance of EHR vendors. KLAS uses a stringent methodology to ensure all data and ratings are accurate, honest, and impartial.

Still, many vendors choose not to participate in KLAS. One might suspect that poorly performing vendors do not participate in order to conceal shoddy support or product quality – because published ratings and comments by actual users are not always positive (even for Best in KLAS ranked products).

Ask any prospective vendor that doesn't participate in KLAS, "Why doesn't your company participate in KLAS?"

Visit http://www.klasresearch.com for more information.

Step 4. Have we eliminated PM/EHR systems that do not operate on a shared database?

As few as five years ago, "interfaced" practice management/billing and patient charting systems were standard. Today, interfaced systems are technologically inferior to medical software that has been developed from the ground up by a single vendor, on a single platform, and utilizing a single database – otherwise described as "integrated," "unified," or "single database" practice management and electronic medical records systems.

⚠ Caution! Despite technological inferiority, interfaced systems are still being sold in 2011!

There are even interfaced products that are CCHIT Certified EHRs, sold by the largest vendors in the industry.

What does this mean? It is a "buyers beware" market. In the past several years, there have been a number of mergers and acquisitions between vendors having market share in one side or the other (practice management or charting/EHR) but needed a comprehensive solution to compete in the market. As a result, there are products currently marketed as a "suite," or even claim to be integrated - but were developed by disparate vendors on different platforms, tied together using a separate application (e.g. interface).

Although generally transparent to the practice, there are questions of data integrity; patient safety (for example, a patient's practice management/billing record does not match the clinical record and lab results get overlooked in the mess); system performance; future development and upgrades; and even the vendor's commitment to the long term development and enhancement of the product.

Is That PM/EHR Truly "Integrated"?

- Did the same company develop the billing and charting sides of the software, or was the integration a result of a merger, purchase, or acquisition?
- If the products were built by two separate companies, you can be confident it is an interfaced system.
- Is there a common database throughout the practice and charting side?

Unfortunately, uncovering if a system is integrated or interfaced is not always straightforward and may require you to conduct some detective work. The first step is to ask the vendor questions about the product's history – which company developed it, were the practice side and the charting side developed simultaneously, does it utilize a common database, and is there a single login for billing and charting? Some interfaced systems require users to log in separately to access the practice management/billing and the clinical portions of the software, so this is one easy way to identify an interfaced system.

Following the elimination of uncertified products with dated technology, the pool of suitable products begins to shrink and the specific needs of your practice should be defined.

Step 5. Have we established a budget?

Medical software systems vary widely in cost. By establishing a budget early in the process, you can avoid wasted time looking at systems that are too expensive or potentially not robust enough to meet the needs of the practice. For example, if your budget is $200 per month per provider, you may not wish to waste time looking at fully integrated, CCHIT Certified EHRs.

Systems vary widely in functionality – many of the least expensive systems on the market are nothing more than a word processor on steroids, and not a true EHR that will improve clinical workflow, help your providers achieve Meaningful Use of an EHR, improve patient safety, and meet the goals of a growing practice.

Ask questions about ongoing maintenance costs and what the maintenance covers, just as you would ask when making decision to purchase a car.

Why Are There Such Large Price Differences Between EHRs?

EHR and practice management software features and functionality can vary as widely as the quality between a shirt from Wal-Mart versus one from Nordstrom.

To better describe the range of EHRs on the market today and simplify their descriptions, we will use the terms "Basic EHR" and "Professional EHR".

Comparing PM/EHR Software Pricing and Features

Basic EHR Features

- Less than $450 per provider per month for a web-hosted system.
- Often deployed remotely (a training or implementation person probably will not come to your office).
- "Cookie cutter" approach to sales and purchasing, implementation, training, and support.
- Routine issues or complications may compromise the success of your installation.
- Few, if any, basic EHRs will be CCHIT Certified under 2011 criteria.
- Few participate in KLAS. KLAS is the "consumer reports" of medical software. Vendors are continuously ranked based upon reviews by current customers. Industry leading vendors are happy to share their user reviews and satisfaction trends with prospective practices. It's tricky to evaluate a product objectively when vendors don't participate in KLAS since the only references you talk with are the vendor's handpicked ones.
- Fewer clinical templates, more of a souped-up word processing system than a true electronic health record.
- Usually clunkier, with a less efficient and flexible workflow (more clicks). Requires providers to modify workflow to accommodate the limitations of the software.
- Older technology because vendors in this range often don't have the substantial resources required to continually update and enhance software to meet changing industry standards and re-certify products annually.
- **Caution!** The financial stability of some companies in this category may be compromised, and you may end up re-purchasing and converting to a new system later - but on an emergency basis and at a substantial premium.

Professional EHR Features

- $450+ per month, per provider for a web-hosted system.
- A more comprehensive implementation of your project – the system setup and training is customized for the specific needs of your practice.
- Usually backed by financially sound, industry-leading vendors. There have been a number of vendors over the years that have went bankrupt or continue to fight well publicized financial troubles – in that case, what happens to your data?
- Always Certified. Despite some industry criticism of CCHIT and other testing bodies, certifications are a key gauge if a vendor has the financial resources to meet stringent requirements. You don't want to risk the future of your practice to a company who is not "too big to fail." Additionally, demonstrating meaningful use of an ONC-ATCB Certified EHR enables physicians to collect meaningful use incentives under HITECH.
- Always participate in KLAS.
- Vendors have financial resources to continually develop and enhance product to continually meet new standards.
- Typically (though not always!) newer technology, shared database streamlines data exchange between billing and EHR.
- Robust features and functionality. Extensive clinical template libraries enable faster return-oninvestment and quicker productivity gains.
- Codes at the highest level for maximum reimbursement based on chart data.
- Always scalable and interoperable if the practice grows, merges, or plans to connect regionally to hospitals or other practices.
- Caution! Avoid interfaced PM/EHR systems still sold by large vendors at this price point.

Step 6. Does the EHR have content and workflow features for my specialty?

Not all EHRs accommodate all specialties – regardless of what the sales rep claims. For example, some leading vendors have well-developed content for family practice; internal medicine; and pediatrics; but may not fare as well in specialties such as ENT, obstetrics and gynecology, or cardiology. By asking the vendor to demonstrate the product's performance in a specific specialty, the number of suitable software systems will shrink.

 **Caution! Though some specialty-specific EHRs may have bells and whistles that multispecialty EHR may not, the limited market for these vendors may compromise future growth and financial stability – thus, compromising your software investment.**

Step 7. Is the product an appropriate one for the size of my practice?

Just as not all electronic medical records systems accommodate all specialties, most are geared toward a specific practice size – with features and cost typically reflecting the product's expansion capacity.

In general, if the practice expects to add providers or additional locations over time, it is important to start with a product that is stable and feature-rich enough to handle the workflow of a larger practice - even if the product's features may not be fully leveraged early in the product's lifecycle.

Step 8. Have I considered our in-house I.T. resources?

Does your practice have a staff I.T. department or a trusted I.T. firm? If not, it's important to ensure that the software vendor offers managed I.T. services. Improperly installed hardware or inaccessible support personnel can have a detrimental effect on the success of the training and implementation.

Additionally, with tightened HIPAA and security regulations, it is critical to ensure that your network security is evaluated and strengthened to avoid security breaches.

See our chart on "Comparing Web-Hosted and Server-Based Installations" on the following page:

Comparing Web-Hosted and Server-Based Installations

Web-Based EHR Pros & Cons

- Clinicians access data from anywhere at anytime – from the hospital, home, or from within the practice.
- Much lower upfront costs than Client/Server. Due to higher monthly costs, the amount paid over time may appear to be higher than Server-based, but the ongoing expenses related to maintenance of a Server-based system are extensive – server upgrades, workstations, backup systems, and other I.T. infrastructure.
- One potential disadvantage of **most** web-hosted systems is they are not immune to technical disruptions such as internet outages or line failures. With most web-based EHRs, should you have an interrupted internet connection for any reason, will not be able to access your billing or patient charts if you don't have a backup connection.
- You need to ask about backups and disaster recovery. In most cases, your vendor will do that for you – but find out how you can get access and backup data yourself if necessary. Most vendors have highly secured data centers with redundant servers, so your data is safe and backed up in the event of a server failure.
- Caution! Make sure that you have access to your data. There have been instances in the past few years where vendors have made it next-to-impossible to export clinical data for the purposes of migrating to a new system.

Client/Server EHR Pros and Cons

- Your practice owns the software, so you aren't paying indefinitely for the software licenses.
- Possible tax advantages through Section 179 deductions (talk your tax advisor).
- Cost of a Client/Server EHR system is much higher in the beginning due to increased hardware requirements, hardware installation costs, and the cost of purchasing the software licenses. Additionally, you will need to occasionally upgrade hardware and servers.
- Although monthly costs may be lower than Web-Based installations, you will still need to pay software maintenance and support – which is typically included in the vendor's bundled pricing.
- You may see increased speed and performance of your system when it's at your facility, particularly if you do not have guaranteed bandwidth on your internet connection.
- You will need to work closely with your I.T. vendor to ensure that your system is backing up and disaster recovery procedures are in place. The ongoing costs for I.T. maintenance should also be a consideration in your decision.
- Smaller medical practices simply do not have the I.T. resources required to maintain a server in-house and ensure the daily backups are processing and transported to secure offsite storage. What happens when something goes wrong? Consider natural disasters (tornadoes, hurricanes, earthquakes), a fire, or a burglary – what would happen if your server and data was destroyed or stolen. Would you have a reliable backup from which to restore the data? Could your practice afford the negative HIPAA ramifications from stolen data (fines, notifying patients, etc.)?

Step 9. Will the vendor work with us during each step to ensure that we are successful?

Training and "go-live" support expenditures account for a substantial portion of the total initial system cost, and careful planning is essential for a smooth implementation.

1. The vendor should provide a project coordinator that will help the practice make critical decisions and schedule the project timeline.

2. Most groups utilize a combination of web-based and on-site training prior to go-live (the days or weeks dedicated to going 'live' on the new system and transitioning away from the old system). In addition, the vendor should provide onsite support for the practice during the go-live. The number of training days, go-live days, and the delivery (web-based or onsite) is determined by the size of the practice and the skill levels of the staff.

3. **Follow-up training to reinforce original material or introduce advanced concepts are critical for success of a new system implementation**.

   Caution! Ask vendors what the rates are for ongoing training and follow-up sessions. Often to "close the deal," a salesperson will undercut training days to compete on price. Be very cautious of claims such as, "The system is so easy to use, that is why you only need 2 days of training."

4. Understand that inadequate training (not enough, poor quality) and unresponsive support are key reasons why EHR implementations fail at an alarming rate.

Step 10. Why should I *avoid* "Cookie Cutter" EHR plans and vendors?

Various studies continue to report the EHR failure rate continues to hover in the 50% range. This means that 50% of practices that buy EHRs abandon them, de-install them, or don't use them for the purpose originally intended in the project planning.

In fact, many experts say that the next phase of Health I.T. market acceleration will be driven by the replacement EHR market. You don't want to be in the replacement EHR market - it won't be fun, and it won't be cheap.

Some vendors today are approaching EHRs as commodities – where one is just as good as another, training is a luxury, and every practice or specialty is basically the same.

A key reason that EHR implementations fail continue to fail at a high rate even today can be traced to a few key areas:

Why do EHR software installations fail?

Sales & Project Planning

- "Cookie Cutter" Sales and Project Planning processes should be red flags.
- Some EHR salespeople won't or don't have the skills to evaluate your practice and recommend a customized training and implementation plan. Be cautious of salespeople who undersell training to earn your business on price.
- The salesperson/vendor doesn't understand your particular pain points in order to recommend a customized project plan.
- **Some "cookie cutter" vendors provide customers with an order form to check off specific functional areas**. Order forms may work when you are buying a pizza, computer, maybe even a car – not when you are buying a system that will transform the way you conduct your business, generate revenue, and practice medicine.

Training

- **Without sufficient high quality training, an EHR implementation WILL fail.**
- By cutting corners on training, you will never achieve a rapid return-on-investment and will pay for it many times over in productivity and financial losses.
- Robert Lowes, senior editor of Medical Economics said it best, "A $30,000 electronic medical record system is like a $30,000 grand piano. Whether you play the equivalent of Beethoven's "Moonlight" sonata or "Chopsticks" depends on your level of training." (Medical Economics).
- What works for a 3 physician orthopedic surgery practice in Los Angeles does not work for your rural 3 physician Internal Medicine practice in Mississippi. Even if the number of physicians and users are the same, the training and implementation plan will vary.
- Ongoing training to reinforce concepts and introduce new features is critical to your ongoing success.

Support

- **Finally, evaluate the vendor's technical support. This is arguably the most important aspect in your decision making process.**
- *Be very cautious about call center technical support.* Many vendors utilize call centers to provide technical support following go-live of your system. Why should a call center environment be a red flag for physician groups?
- Call centers just don't work for supporting EHRs. Your EHR project manager and trainer(s) are the ones who intimately know your staff, challenges, and practice workflow. A tier 1 technical support employee is not as experienced and probably knows little about you or your practice. Each call you make to call center support is like starting from scratch.
- You have little or no consultative "elbow support" or continuity. Your long-term financial objectives and workflow goals walk out the door with your trainer following go-live.
- **What is the response time for getting questions resolved?** Ask yourself if waiting 3 days, 5 days, or a week to get an answer is reasonable. This is almost certainly what you will encounter with call center support. You will lose productivity when users struggle with denied claims; unanswered questions; or broken functionality.

By asking relevant questions, evaluating the needs and culture of your practice, and systematically eliminating unsuitable products and vendors – practices can enjoy the host of current and future financial and patient safety benefits that an electronic health records system can deliver!

About MDS Medical

Headquartered in Scottsdale Arizona, MDS Medical is a privately held integrator of electronic medical records software (EHR), practice management (PM) solutions, and managed IT solutions for physician groups.

Physician groups nationwide in more than 30 specialties rely on MDS to advance the use of medical office technologies that facilitate efficiency improvements; increased profitability; and the delivery of safer patient care.

MDS was ranked on the 2011 and 2009 Inc. 5000 of the fastest growing private companies in America, and is the nation's leading integrator of Greenway Medical Technologies' award-winning PrimeSUITE application.

MDS' proprietary electronic medical record implementation and support model reduces downtime and lost productivity, accelerating return on investment. For more information, visit http://www.mdsmed.com or call 1-800-494-3188.