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Kenneth M. Klebanow, MD, FAAP

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Business 101: Electronic Medical Record – Why I Changed My Mind

By Kenneth M. Klebanow, MD, FAAP

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Haven't we all watched in horror as the incredible inefficiency of our paper-based office unfolded before us? What if we could make all of the paper disappear? What if we had an electronic medical record (EMR) system? In a previous column, I explained why I believed the implementation of an EMR was an economic nonstarter. However, three weeks later, I found an application that changed my mind. I began a conversation based on business analysis, not faith, and here is what happened.

It all started when I finally found what I had been looking for almost forever – an online scheduler. I could see the economic and service value immediately. It was taking an average of four to five minutes to make an appointment for a physical examination and two to three minutes to make an acute care appointment. If just half of those appointments were made online, we would save 800 to 900 hours of receptionist time annually. In addition, parents and patients wanted it because they would avoid busy signals and being put on hold, and they could make appointments on evenings and weekends.

I mentioned my interest in an online scheduler to the owner of my practice management program (PMP), and he referred me to his vendor. One demonstration, and I was hooked. The vendor's scheduler interfaces with the PMP so patients with billing issues do not access the online appointments function. In addition, a built-in clock allows people to make acute care appointments only 24 hours in advance and not after 3:00 p.m. "By the way, we also have an EMR." The vendor said. "Not interested," I replied. Then he said the magic words, "you'll be able to reduce your staff."

One of the four paths to profitability is lowering expenses, and I had seen no convincing evidence that this happened with an EMR. When I told the vendor I did not believe him, he invited me to see a practice of comparable size to mine -- 10 full-time equivalent (FTE) health care practitioners (HCPs) in one location that had reduced staff by 0.7 FTEs/HCP. So, I visited the practice, and saw one large waiting room with 3 receptionists welcoming patients and 2 signing them out. Where were the rest of the receptionists and why did the phone only ring once in a while? I was impressed so I followed up with a more detailed workflow study. This study clearly backed this EMR's ability to make the staff more efficient.

Will we be able to save a 0.7 FTEs/HCP? At this point, I don't know. We could do this by saving 0.5 FTE support employees per HCP or about \$16,000 each. This times 10 HCPs equals about \$160,000 or 0.5 HCP. That would be nice indeed.

The next barrier holding back my implementation was the conversion process itself. How is a practice with more than a quarter-century of paper, where the doctors average age was 48 years, going to make this transition with somebody else holding the stopwatch? I have heard sales pitches before, seen detailed schedules, and been given "reasonable deadlines." But there is a reason why the saying "caveat emptor," let the buyer beware, exists. Then there is the difficulty of trying to get our doctors to make important changes in how the practice works. Have you heard the expression, "herding cats"? we need a conversion done on our schedule, and the EMR we selected allows for a modular approach.



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We chose to start with an interactive website, www.klebanowandassociates.com, and the online scheduler. This took two months to get up and running. Next, we set up the rest of the functions that would create staff efficiencies (ie, patient e-mailing instead of calling for immunization records, prescription refills, camp and sports forums, and referrals and laboratory results). Getting the staff comfortable with this procedural paradigm shift was very important to our administration, and it took three months. Why so long? Don't ask. Next was the actual implementation of the EMR. First, we had a lot of questions to be answered. For example: are hardware updates necessary? Should we use laptops with voice recognition, tablets with drop-down menus, or handwriting recognition software? And what would the total cost be? We didn't have a bucket of cash to do this and you probably don't either. The license/FTE/HCP was \$10,000. I estimated at a cost of \$5,000/HCP for everything else.

Last on my list of implementation concerns was changing practice management programs. Having done it 17 years ago, my head of Billings said she was not doing it again. As she, several times a year, has 83% of what we are owed in the 0- to 30-day column, I follow her advice.

This was also the time to specify any other features I needed, like web-based support, charge capture, and a patient kiosk. I also wanted the ability to have faxes accepted directly into the EMR and to have the information on my office server in case the Internet goes down. A personal health record is in development. In addition, I like this EMR's patient portal, where patients can register their own password (one-time use only), and provide a physician anywhere with Internet access to see their medical records.

There are other reasons our practice decided to get an EMR. In the ordinary course of business events, the most costly step your growing practice can take is to expand into new space. Two of our examination rooms have been taken over by charts. By eliminating most of our paper records, we will free up these rooms and delay the need to expand for 2 years.

My practice was once housed in four separate offices, and the lack of connecting medical record was one of the major reasons we moved back into one space. We also wanted to avoid our struggles with administrative and financial headaches caused by the complexity of adding multiple office complexity to a practice that grew 800% in six years.

Last, will pay for performance create a financial incentive to those with an EMR? I hope so. Should you buy an EMR? It is certainly an important business decision. Take time to understand the costs involved and the potential economic value of going paperless for your practice. I hope my two columns started you on the road to understanding.