



Features - Feature

## Opportunity Knocks

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Electronic Records Management Opens New Doors for Record Centers

As business owners, we all expend a great amount of energy trying to identify new opportunities and new markets. But sometimes these opportunities and markets are so close they are overlooked. In essence, we can't see the forest for all the trees!

The Health Care Industry is a perfect example of this analogy. As most record centers are already servicing this industry and have developed strong relationships, Electronic Records Management is simply the next step in continuing your outstanding service to this lucrative market.

As technologies change, new opportunities arise and it is important that we all understand some of the basics before we reach out to existing or potential clients. Here is breakdown of some key concepts:

A fundamental shift in the way companies store, access and destroy documents has occurred. Companies are moving away from the traditional hard copy to an Enterprise Content Management (ECM) system. When this ECM system is placed in the context of the Health Care Industry; it is referred to as Electronic Medical Records (EMR). Other names apply as well. For example, Electronic Health Record (EHR) and Computerized Patient Record (CPR) are sometimes used. Although other names exist within the Health Care Industry, it is most commonly referred to as EMR.

The following is a more detailed definition:

“An electronic health record (EHR) or electronic patient record (EPR) is an evolving concept that can be defined as a systematic collection of electronic health information about individual patients or

populations. It is a record in digital format that is capable of being shared across different health care settings by being embedded in network-connected enterprise-wide information systems. Such records may include a whole range of data in comprehensive or summary form. The records can include demographics, medical history, medication and allergies, immunization status, laboratory test results, radiology images, and billing information. Its purpose can be understood as a complete record of patient encounters that allows the automation and streamlining of the workflow in health care settings and increases safety through evidence-based decision support, quality management, and outcomes reporting.”

With this in mind, the government is requiring medical practices to adopt an EMR system or get decreased reimbursements. This position was adopted through the 2009 American Recovery and Reinvestment Act (ARRA) in the part of the bill called the “Health Information Technology for Economic and Clinical Health (HITECH) Act”.

In an effort to ensure compliance, the government sweetened the bill by offering \$19 billion to physicians that adopt a meaningful use of health information technology. The catch to this is that once the \$19 billion is gone the practices that didn’t get aboard early may miss out. The benefits for the physicians are demonstrated in the charts below.

Medicare - The maximum incentive will be \$44,000 per physician, depending on when providers implement EMR. In order to receive the full amount, physicians must be implementing EMR by 2012. No payment will be made available after 2015.

Year-EMR use is first demonstrate	Provider will receive incentives each year						
	2011	2012	2013	2014	2015	2016	Total
<b>2011</b>	\$18,000	\$12,000	\$8,000	\$4,000	\$2,000	\$0	\$44,000
<b>2012</b>	\$0	\$18,000	\$12,000	\$8,000	\$4,000	\$2,000	\$44,000
<b>2013</b>	\$0	\$0	\$15,000	\$12,000	\$8,000	\$4,000	\$39,000
<b>2014</b>	\$0	\$0	\$0	\$12,000	\$8,000	\$4,000	\$24,000

Providers who are not adopting EMR by 2015 will see reductions in their Medicare reimbursements.

Not adopting EMR by the year	Providers will see reductions in their Medicare reimbursements (%)
<b>2015</b>	1
<b>2016</b>	2

<b>2017</b>	3
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**Source:** American Recovery and Reinvestment Act 2009

Medicaid

Year EMR use is first demonstrate	Provider will receive incentives each year								
	2011	2012	2013	2014	2015	2016	2017	2018	Total
<b>2011</b>	\$25,000	\$10,000	\$10,000	\$10,000	\$10,000				\$65,000
<b>2012</b>	\$0	\$25,000	\$10,000	\$10,000	\$10,000	\$10,000			\$65,000
<b>2013</b>			\$25,000	\$10,000	\$10,000	\$10,000	\$10,000		\$65,000
<b>2014</b>				\$25,000	\$10,000	\$10,000	\$10,000	\$10,000	\$65,000
<b>2015</b>					\$25,000	\$10,000	\$10,000	\$10,000	\$55,000
<b>2016</b>						\$25,000	\$10,000	\$10,000	\$45,000

The Congressional Budget Office estimates that as a result of this legislation approximately 90 percent of physicians and 70 percent of hospitals will be using comprehensive electronic health records within the next decade! There are approximately 790,000 Physicians in the United States, the Center for Disease Control estimates that 56% of these Physicians have no EMR/EHR adoption, 21% has basic adoption, 17% has partial adoption and 6 % has full adoption. This is a huge opportunity for Record Centers that already have medical clients to add a new service to their current offerings.

As you can see, this is an outstanding opportunity for our industry so be prepared!

Don't look at this as a reduction in the paper you currently store. Look at this as an opportunity to offer an EMR solution and value added service to help your clients manage their transition to EMR. This could mean document services like scanning their current records to the EMR system, refile the documents they are required to keep and shred the documents they are not required to keep. This will be the best way to offset shrinking hardcopy revenue. One of the most important benefits to the Record Center getting involved with an EMR solution is a new level of relationship with the practice they will have. If you are their EMR provider/reseller they will most likely look to you and not another company for the accompanying services (scanning, managing and shredding), one point of contact and one invoice for multiple services.

Right now there are 3 types of EMR Systems, Client Server, Hosted Client Server and Cloud (Software as a Service, SaaS) based. Client server EMR systems reside on the physicians own hardware and needs to be supported by the physician's staff or supported by an outside firm. Hosted Client server in which the data is on a server a data center and accessed by a virtual private connection over the internet, this is still a client server based model. Cloud based solutions have been designed from the ground up as a true internet application; all clients are using the same software and the same version. Right now cloud based solutions are gaining over the traditional methods because of many factors like, lower capital expenditures, rapid deployment, device independence, reliability, security, and dynamically scalable.

With the addition of a cloud-based EMR solution to your menu of Record Center Services you will be providing a very beneficial service for your medical clients. First, they will not have to add additional staff to support the EMR since it is supported by the developer and secondly, it's a subscription based service which helps keep the barrier of entry low. There are no license fees or hardware upgrades and your clients will come to rely on your expertise in this area providing longer lasting benefits to your facility and strengthen client relationships. Having relied on you initially to manage and store their patient charts will certainly ensure your proactive approach to the products and services they need and require. The term "value add partner" has never had a more appropriate meaning in defining the future growth of your Medical client base. With the addition of an EMR solution, your organization will be able to compete for storage and scanning revenue that you previously were unable to obtain.

Joining and being active in associations like MGMA (Medical Group Managers Association) and AHIMA (Association of Health and Information Management Association) will surely add to your knowledge of the Medical industry and add to your sales pipeline. By being the first in your marketplace to offer a solution to Electronic Medical Records, you will be securing your place in the transition. Not only will this increase your value to existing clients, it will also give you added appeal to new clients, bringing your organization to the realm of the "Go To" provider for Electronic Records Management!

This article was written by [EMR in the Cloud](#) a St. Louis-based consulting group providing professional consulting services and products to small and medium sized medical groups. Larry Juliano is the CEO of EMR in the Cloud and is a long time member of PRISM International, served as President of the Tampa Bay and St. Louis Chapters of ARMA and most recently served as President of the St. Louis AHIMA Chapter. Larry was recently interviewed by Tom Adams from the [RimproReport](#) radio show and further discusses this program's benefit to the Commercial Records Management Community. He can be contacted by phone at 314-604-8313 or via e-mail at [larry@emritc.com](mailto:larry@emritc.com).