

Why The End Of Meaningful Use Incentives Might Be A Good Thing

Now You'll Do The Right Thing

by Dr. Steven J. Kraus



Until now, the federal government has offered incentives for health care providers who integrate electronic health records (EHRs) into their practice in a meaningful way. However, you may be concerned to learn that Federal Meaningful Use incentives have now expired. Starting next year, health care providers who do not adopt an EHR under Federal Meaningful Use guidelines will be penalized 1% to be deducted from all 2015 Medicare payments and these penalties will compound an additional percentage each successive year to eventually be 5% and then add the PQRS penalties and providers could be penalized greater than 8 percent within the next 4 years.

What then, is the impetus for EHR adoption? While it was once capitalizing on incentives, it may seem like the primary motivation will be to avoid penalties. However, the surprising truth is that you should dismiss both of these reasons for adopting an EHR. Instead, you should disregard thoughts about the end of the incentives program and choose to evaluate an EHR like you would evaluate any other technology — by looking at its clinical premise, compliance and how it might improve patient care.

Why fear shouldn't be a factor when considering an EHR

Firstly, it's important to realize that Medicare penalties should be the least important motivator when

deciding whether to adopt an EHR. As some practitioners have learned the hard way, adopting the wrong EHR that was designed for medical practice and not a chiropractic practice leads to far more serious problems and financial losses than submitting to Medicare penalties.

That being said, providers who choose wisely can expect to enjoy major benefits, including increased efficiency, reduced spending, and improvements in patient care as a result of reduced administrative burdens. A good EHR makes life better for patients as well as for providers. These clear advantages

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mean that even if you have missed the incentive period, you don't need to worry that you have waited too long to benefit from adopting an EHR.

How to identify a good EHR

Since a good EHR for one practice setting may be entirely inappropriate for another, there are no universal criteria that can tell you whether you're looking at good EHR. However, there are certain key questions you should ask when you're trying to make your decision.

- Will it improve care and allow you to better manage your patients?
- Will it help patients and families

to engage in their own health care creating loyal patients who refer?

- Will it ensure privacy and security for better HIPAA compliance and improved documentation in your record keeping?
- Will it increase practice efficiency by allowing faster access to charts, reducing work redundancy and integrating multiple functions?

As you explore different EHRs, just remember that no doctor should buy practice software simply to avoid a penalty. What you're really looking for is something that

helps you run your practice efficiently, providing the best possible care for your patients — not something that just helps you avoid Medicare penalties.

How healthcare software has improved

If you have waited to choose an EHR, you might think you have missed the boat now that the incentive program is on its way out. On the contrary, it turns out that you might just have made the smartest call. Early adopters have already done the hard work, spending huge amounts of time and money to mold the system to their needs. You can now benefit from their investment and their unique ability to offer advice that guides the decision-

making process of choosing an EHR.

As with any market, the health software industry has undergone a process of maturation, accelerated by government incentives, which means that doctors now have more and better choices than they did even a few years ago. Most importantly, you no longer need a bachelor's degree in computer science just to implement your practice software. There have been exciting advances in health software over the last few years alone, and late EHR adopting means that you will benefit from these advances:

- Increasingly specialized systems serve increasingly diverse practice settings. No matter your needs, there is an EHR out there to suit them.
- More effective and wide-ranging communication with other electronic record systems.
- More integrated practice software connecting all of your practice departments.
- With the advent of cloud computing and improved online security, you no longer need to invest in an IT staff or spend time learning about complex hardware in order to adopt an electronic health record.

Thanks to the flurry of research activity into everything from user interface dynamics to the added value of software, designing, developing and implementing health software is a rigorous evidence-based process. Developers are actively working with health care providers, listening to their needs and following the research to create better, more useful software.

Why electronic records really do save money

While EHRs are often advertised as saving money, you might be skeptical about whether these claims hold up to scrutiny. The high up-front cost of health software is a daunting \$15,000 to \$30,000 per doctor, and

this price has kept many practitioners on the sidelines. However, careful research on the costs and benefits of EHRs prove that there are indeed several distinct ways in which electronic records can ease financial burdens on your practice in the medium to long term.

The average practice will pay for and profit from adopting an EHR in just two and a half years. This project payback period is markedly shorter than it used to be, and here's why:

- **Reduced transcription costs.** Dictation can cost thousands of dollars per year in transcription fees, and the typical EHR cuts these costs by 50-100%.
- **Immediate availability.** Instead of waiting days to weeks for transcription returns, you have more immediate record completion and faster billing.
- **Reduced paper costs.** If you think about how much you budget for staffing, supplies, paper, copying, printing and storage of medical records, you'll likely realize that you spend thousands or tens of thousands on these expenses. EHRs cut all of these costs, helping the environment in the bargain.
- **Greater efficiency.** EHRs boost staff and provider efficiency by facilitating faster creation, alteration and retrieval of records (as well as allowing multiple people to access one chart at the same time). This efficiency reduces overtime and allows more time to spend on other value-added activities.

In sum, the adoption of an EHR generally means going home earlier while making more money.

Moving forward after federal incentives

Many providers resented the federal incentive program. It felt more like coercion than assistance, creating a lot of pressure to quickly adopt new, expensive technology. However, the truth is that the government

incentive program was just a means to an end — the goal was to jump-start the EHR industry, which is now thriving. Electronic health record developers needed to see demand for their products to feel comfortable investing in development, but providers needed an incentive to wade into the uncharted waters of health software. Government incentives were designed to decrease the risk to providers in an effort not just to encourage adoption, but also to drive innovation by simultaneously decreasing risk for the manufacturers.

The resulting progress in the health software industry has been tremendous, meaning that EHRs are now advanced enough to offer simple integration, point-and-click technology, robust security, sophisticated templates to increase practice efficiency, allergy checking, remote access, and so much more. While not every provider needs an electronic health record at this precise moment, the time to invest has never been better. The impressive array of available EHR options combines with the comprehensive support network to provide tangible benefits for practices. Instead of thinking about near-term penalties, decide whether to adopt an EHR on the basis of the long-term benefits that modern health software offers.

Although any practice change comes with drawbacks, the benefits of health software now dramatically outweigh the costs and providers should no longer think of health software as a liability. EHRs have become a valuable asset that reduce error, improve efficiency, increase profitability and make patients happier. Electronic Health Record software has entered its prime and that, not fear or coercion, is the reason that now is a great time to invest in your clinic today for your future.

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