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Medical Controversies: the great divides

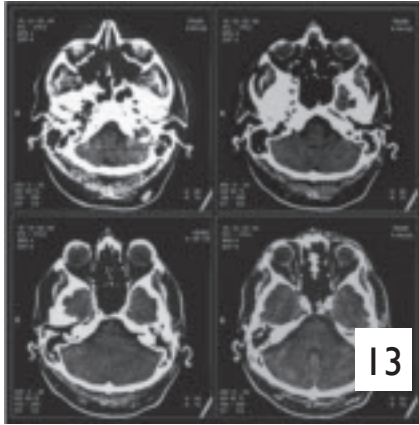


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Meaningful Use: The Glass Half Full

Dan Kazzaz

Automation in the Clinical Setting

Physicians are keenly aware of the antiquated billing practices prevalent in both the governmental and private sectors. In this era of applications for every purpose, the health care insurance industry lags behind, remaining stubbornly reliant on using the telephone for treatment pre-approvals, mailing proofs of treatment, and asking physicians to perform a myriad of other (easily automated) manual tasks, rather than making necessary improvements to software and creating procedures for the insurance industry. Recent legislation relies on the popular misconception that the clinical community has under-invested in software and hardware. The perception is that patient care will be improved and costs lowered through an asymmetric, physician-only software upgrade. In order to truly improve care and efficiency, all clinical information about patients should be centralized. Theories about cost savings may be true at the macro-economic level, but they can only be realized if practices can leverage the current legislation to reduce overhead expenses.

Two pieces of legislation affect the clinical community. One is the Health Information Technology for Economic and Clinical Health Act (HITECH), which is part of American Recovery and Reinvestment Act of 2009 (the "Stimulus Bill"). The other is the American Affordable Health Choices Act of 2009, the "Health Care Reform Bill." HITECH contains incentives, including payments of up to \$44,000 per physician, for acquiring software adhering to certain "meaningful use" requirements. That same legislation contains disincentives for failure to conform to these requirements, resulting in a reduction of Medicare and Medicaid reimbursement. Health Care Reform, on the other hand, calls for insurance companies to reimburse practices electronically, ideally with payment at the time of service. By refining the internal and external systems, taking advantage of both pieces of legislation, it may be possible to reduce expenses and improve cash flow.

State of Affairs

Since the advent of computers, and especially since the adoption of the Internet, there has been a constant push to connect physicians' offices. There have been successes, such as at Kaiser Permanente facilities, hospitals, and clinics; the Veterans Administration hospitals; and major clinics in Boston. However, even in the most advanced settings, connections outside of these groups have proven to be elusive. There is no infrastructure to enable a transfer of electronic medical records for a

As part of its mission to help inform and educate its members, MedChi will be offering several health information technology conferences around the state during 2011. Check the MedChi website at www.medchi.org for more information.

Health Information Technology, within the Department of Health and Human Services, which is responsible for providing leadership in the development and

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patient discharged from the armed forces who now subscribes to a Kaiser health insurance plan.

One of many solutions proposed is to develop large centralized web sites in which to store all patient medical information. Of course, no one web site can possibly handle all of the requirements, or the sheer volume of messages. The HITECH legislation promotes regional or statewide health information exchanges to facilitate the process. Even this is proving to be difficult. Implementing electronic medical records (EMRs) in individual practices is complicated, and the complexities of regional EMR systems are unimaginable. This is compounded by the fact that certain areas (such as Montgomery County, Maryland) border other states (in this case, Washington, D.C., and Virginia) that are not likely to be included within the same regional system. Determining which health information exchange houses each patient's data will be a challenge.

All of this was discouraging until a few months ago, when the Office of the National Coordinator (ONC) for

implementation of health care standards, realized that there might be easier alternatives. ONC decided that alternatives needed to be made available—new standards that would help physicians connect directly with other physicians (and patients) through secure email. Unlike standard email (which can be easily intercepted and is therefore not HIPAA-compliant), secure email will encrypt the data, thus ensuring patient privacy. Pilot programs using these standard approaches are already underway with coordination and monitoring by the Direct Project, a workgroup under the ONC National Health Information Network (NHIN) initiative. Direct Project refers to the workgroup, the pilot implementations, and the (standard) method of confidentially exchanging information. It is the products associated with this project (Direct) that, I believe, will enable physician offices to meet many of the meaningful use requirements while also reducing office staff efforts and costs.

Meeting the Requirements

The HITECH reimbursements are phased over four years and achieved by using software that performs certain functions. This has been termed “meaningful use requirements” of EMR software. Many of the Stage 1 meaningful use requirements, targeted for 2011, are easily accomplished in almost any electronic charting tool. These tools already store patient demographics, diagnostic codes and medication lists. Automating should be neither costly nor cumbersome. For physician offices, it will not likely provide a significant improvement over paper charts.

It is the later years’ requirements, Stages 2 and 3, which could prove to be beneficial to the physician. Meeting meaningful use requirements means that physicians must exchange key clinical information with one another as well as with their patients, providing an electronic copy of health records. These connectivity requirements necessitate secure message exchange. This electronic exchange of information will save time and money currently spent on faxes, couriers, and postage.

The HITECH legislation does **not** require that practices purchase a completely integrated EMR system to comply with meaningful use. Physician compliance can be achieved through upgraded versions of existing software. It is likely that practices will need to add a module or two to take advantage of the benefits. The modules acquired must support the NHIN Direct Project standard to provide the best path forward.

How Does this Save Money?

Today’s method of sending information from one physician’s medical tracking system to another is accomplished by printing, mailing, and filing or re-entry. In many cases, offices are spending over \$100 per day to mail information to physicians and patients. If a connection is paperless, it is only because the information is being moved from one fax server to another. Faxing works fairly well for a large percentage of the information flow; however, faxing blocks out shaded entries and the fax resolution is suboptimal for information such as highlighted abnormal labs and EKGs.

Groups requiring daily physician communication include other physicians, radiologists, laboratories, hospitals, patients,

and insurance companies (payers). Using the same technology for all of these groups will significantly reduce expenses for any practice.

Meaningful use requirements only pertain to medical records and follow-up visit reminders, but there is no reason to limit secure messaging to these two actions. Further diversification of secure data transfer can alleviate staff time and expenses now expended on scheduling patients, billing patients, or conducting any other electronic communication (to any party) that contains sensitive data.

While secure electronic clinical connectivity (physician-to-physician) and physician-patient communication will reduce costs, the bulk of the savings are to be found in doctor-payer connectivity. Simple secure email can solve some problems almost immediately. For example, in order to process a claim, payers frequently request additional information from doctors. The current method using paper communications can delay payments by months. One beneficial outcome of secure electronic messaging is that it greatly increases the accountability placed on the health care insurance companies to respond and pay in a more efficient manner.

In addition to the physician-insurance financial cost savings, there can be significant savings by improving the collections from patient billings. Reducing the length of time for payer-based claim adjudication and subsequently emailing the patient bill will facilitate the patient’s ability to pay faster and more accurately.

The Health Care Reform Bill contains language that can positively affect physician implementations. The specific provision in this act is “ELECTRONIC FUNDS TRANSFER: The Secretary shall promulgate a final rule to establish a standard for electronic funds transfers (as described in section 1173(a)(2)(J) of the Social Security Act, as added by subsection (b)(2)(A)).” This means that in two short years, all physician reimbursements from insurers should become electronic.

The ability for insurance companies to pay electronically could be extended to include insurance companies reimbursing patients and patients paying their medical bills. Most large companies can electronically receive electronic payments originated by consumers. This capability could be provided to doctors. Although this may

not increase income, it will increase cash flow and should reduce the length of time it takes for doctors to get paid.

Summary

Although there is only limited evidence that EMRs and centralized patient repositories will truly save money for the overall system, it is abundantly clear that electronic exchange of clinical and financial information will reduce doctor expenses and improve cash flow. Physicians who are interested in improving their practices’ operations now have a new paradigm they can leverage to their advantage.

Dan Kazzaz is the immediate past chair of ASC X12 (The Accredited Standards Committee). He is currently a principal of Secure Exchange Solutions, a new company dedicated to helping companies leverage standard communications, semantic encoding, and encryption technology to reduce costs. He can be reached at dan.kazzaz@SecureExSolutions.com.