Executive Briefing
Why Do We Want the Health Information Network?
By David Moise, Decide Consulting

Summary
Health Information Networks are on their way. When both sides in a presidential debate are advocating their use, it is a good bet we will see more of them. Even with everyone talking about HINs, the current ROI on them is yet to be seen and is quite a ways off from being seen. Once HINs become established, the benefits are plentiful

During the second 2008 presidential debate between John McCain and Barack Obama, the candidates made the following statements regarding healthcare:

McCain: "*And we need to do all of the things that are necessary to make it more efficient. Let's put health records online, that will reduce medical errors, as they call them. Let's have community health centers. Let's have walk-in clinics. Let's do a lot of things to impose efficiencies.*"

Obama: "*And we're going to do it by investing in prevention. We're going to do it by making sure that we use information technology so that medical records are actually on computers instead of you filling forms out in triplicate when you go to the hospital. That will reduce medical errors and reduce costs.*"

Regardless of who wins, it is a good bet to say we are going to have greater investment in our electronic health records being put online. The messages are similar for whoever comes out on top.

There are plenty of Health Information Networks (HINs) out there now. Usage of them is still very low. Putting our data into them will eventually become commonplace. The question is whose network will win out and how do you motivate everyone to come on board.

The Players

The big four candidates in the HIN market-space are:

> GoogleHealth
> Microsoft HealthVault
> Dossia
> Nationwide Health Information Network

There are plenty of other HINs out there. Most are specific to a region, vertical niche or funded by an organization making sure their needs are included in the HIN evolution.

There are currently so little patient data out there in any one HIN. While certain hospitals and insurance companies are populating data to some HINS, it is very sparse and only paints a few pieces of the entire patient record. There is little attention paid to retrieving the patient history or combining a patient's history from multiple sources.

Anything funded and supported by Google, Microsoft or federal dollars has the backing and deep pockets to see it through for some time. As the HINs continue to evolve and gather data, the sharing between the HINs might be restrictive. There will be intense competition for the data. The investment to get said data will be heavy. Once the record is in their system, we do not expect the owner to be so quick to release it to a competitor. Each player may introduce different standards to force data originators to pick and choose who they work with.

Where is My ROI?

As is, there is no ROI available to a healthcare group to publish this data. Even if we count the non-dollar utility of a provider being able to see a patient's information online and make a better diagnosis and treatment plan, not many providers are going to trust this data.

It is well known any HIN has a spotty picture at best about the patient's history. The groups on the leading edge only have data available on the HIN from a certain point moving forward and that data probably only comes from their location. No provider is really going to rely on this and will still use traditional chart tracking methods to get the information they need. The benefit of better patient care because of the HIN is not there yet.

From a systems efficiency viewpoint, there is no return yet. It would be convenient for the data entry person to not have to re-key a new patient in to the clinics Practice Management (PM) or Electronic Medical Records (EMR) application. This would be nice, but the salaries of data entry personnel are not the cause of rising healthcare cost.

Connecting to a HIN from a PM or EMR system is nothing more than an additional expense right now. Someone has to program this interface, test it, install it, make the bandwidth available and make server space available. These are events that are often trivialized or overlooked, but they are expenses that add up and passed downstream to the providers. These expenses will make themselves shown in the provider's maintenance fees and license expense.

There are a fair number of practices that have made the decision to not have an EMR, much less an EMR or PM that interfaces to a HIN. A stand-alone EMR can run a practice anywhere from $15,000 to $20,000 per provider. The same application connecting to a HIN is even more.

Exactly Why Are We Doing This?

More and more providers are giving up on Medicare patients because the margins are low and getting lower. Providers are booked as is and are pressured to squeeze in more patients. There is no shortage of patients waiting to be squeezed in. Based on the provider's activity, they are giving plenty of care. But they still need to watch every dollar spent and track claims closely to stay profitable.

The last thing a practice needs to see is their software license fees go up. If they go up and there is an immediate benefit to the practice, the fees can be justified. But the HIN provides no immediate benefit. That information the provider just put into the HIN was already available in their existing applications. It only helps the next provider down the line and that next provider is not going to trust it because they know it is still an incomplete picture. The cycle continues.

With no immediate benefit to the provider in terms of utility or efficiency, and knowing the cost will rise, the question has to be raised – Why do this and what are the eventual benefits?

This is Why…

Today the information is spotty at best. It will not always continue to be so. Every day new pieces of the patient record puzzle are added. There are kids born today that will grow up with every piece of medical history put online. The rest of us will have to wait for the conversion routine.

Having all the health records online and the ability to move it to every PM, EMR, lab system, radiology system and every other application does give us efficiencies. But this efficiency really just replaces some low-paid data entry people and some chart-tracking applications.

The real benefit comes with the next evolution in healthcare applications that can make use of all this data. Imagine the pharmacy application that knows your drug prescription history and alerts the pharmacist about certain combinations or allergies. Imagine the lab technician entering the test results and the doctor's office is alerted and provides potential diagnosis. Imagine a new study is completed about the effects of certain combinations of drugs and the providers can be notified which of their patients are at risk. The possibilities healthcare can come up with will be near endless. Each possibility increases patient care and decreases cost.

None of these possibilities can exist without the patient data being available online.

There was a time when the mantra in the computer industry was "a PC on every desk". We have essentially arrived at that point and are now beyond it. Before we got there, there were visionaries that spoke of an "information superhighway" that would connect all of these PCs together and if that happened, wonderful things would ensue. While only speculation at the time, those wonderful things turned out to be Google, eBay, Facebook, iTunes and a plethora of other technologies that were disruptive to conventional standards, created new markets, new benefits and changed the way we work and process information.

Online patient data is the equivalent standard of having a PC on every desk. We need that before more wonderful things can happen.

About the Author

David Moise is the founder and president of Decide Consulting. Started in 2002, Decide Consulting has been servicing multiple healthcare companies since then. Healthcare has continued pressing needs to expand access and care and still control costs. Decide Consulting understands that increased efficiency is the answer. For more information on Decide Consulting, please visit http://www.decideconsulting.com