

Grants to help clinics go digital with patient records

by Peter Neurath

With a view to improving the safety and quality of health care, **First Choice Health** and the state Health Care Authority have pooled \$1 million for grants to small hospitals and physician practices to invest in electronic medical record systems. Grants of up to \$20,000 each are available this year to qualifying doctors and hospitals.

Electronic medical record systems convert paper treatment and prescription information into computer records, which doctors, hospitals and other health-care providers can transmit easily to one another.

"The use of electronic medical record systems and other information technology has great potential for improving patient safety and the quality of care for patients," said Ze'ev Young, chief medical officer at First Choice, the Seattle-based firm that runs the state's largest preferred provider network. The problem, said Young, is that the cost of these systems is too high for some health-care providers.

Bob Perna, health-care economics director at the Washington State Hospital Association, said electronic medical record systems can cost between \$40,000 and \$50,000 per doctor. Only larger hospitals and physician groups can afford such investments. Perna said the association estimates that only 15 percent to 20 percent of local physician groups have invested in electronic records. Besides the investment outlay in the systems, he said, physicians also must bear the expense of system maintenance, upgrades and staff to manage the records. Smaller physician groups are "less able to absorb these costs," he said.

Another problem, said Perna, is that stand-alone electronic systems, which record information only within a physician practice, are incapable of transmitting and receiving electronic records to and from other providers and labs. Perna said an alternative to buying electronic records systems is for doctors to lease them from application service providers, which manage and maintain them.

Adoption of health information technology in physician clinics and hospitals would trim costs by reducing inefficiency and duplication, most experts say.

"Information technology is used to improve quality and cost-effectiveness in nearly every industry, and it is time for health care to catch up," said Steve Hill, administrator of the Washington Health Care Authority, which arranges health insurance for state employees and administers the state's Basic Health Program.

Why has First Choice decided to subsidize investment in electronic records?

"Enhancing the effectiveness of our region's health-care system not only serves the community's interest, but First Choice Health's as well," Young said. The awards, he said, will enable physicians contracting the company's preferred provider organization "to improve their access to health information technology, leading to enhanced care for First Choice enrollees, as well as for other patients."

To assist grant winners with electronic systems, **Qualis Health**, a Seattle-based health-care quality improvement organization, will provide technology and quality consultation and other technical support. First Choice on its own began making grants last year, with an initial contribution of \$200,000. This year, the company has kicked in another \$500,000 and been matched by \$500,000 from the Health Care Authority.

"We are hopeful," said Young, "that our collaborative example will catalyze additional funding from more sources, contributing to a significant improvement in our community's information technology infrastructure."

More information about this grant program is available online at www.WAHealthInfoCollaborative.org.