

COMPUTERIZING YOUR OFFICE: EXPERT TIPS ON HOW TO SELECT THE RIGHT VENDOR

By Orly Avitzur, MD, MBA

Like many neurologists, you may be thinking about investing in a computer system or purchasing a new electronic health system this year. Never has there been greater interest in improving practice efficiency, increasing productivity, addressing safety, or reducing costs. But as most of us in practice have learned, finding the right vendor – one that will deliver what was promised, provide good support, supply timely upgrades, and be around for the long run – is seldom an easy task.

We have all heard about (or personally experienced) practice management systems that have gone out of business, forcing us to reinvest in new software. So, how do we avoid wasting our time and capital on a product that may not last or be the right fit?

QUESTIONS FOR VENDORS

Mark R. Anderson, who evaluates trends in health care technology for the AC Group – which releases extensive functional evaluations ranking the top EMR applications every year – offered

these suggestions for assessing a vendor's financial health:

- If you are evaluating niche EMR vendors, look for those with successful marketing deals. These will be the companies that partner with other

larger vendors to reach more clients. Small companies with niche products enhance their chances of survival if they do not compete with the big guys and have marketing deals to take ad-

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"No matter how good the product is, how nice the interface, or how elegant the clinical solution, if the company goes out of business, then the product will no longer be available," warns Barbara Kelly, Research Director at the Gartner Group, which conducts research and analysis of the health care technology provider market.

"There are approximately 800 vendors in this cottage industry – both practice management – billing and scheduling systems, for example – and electronic medical records (EMR) – and many of these are small regional companies and start-ups, which may offer discounted prices to attract small office practices," she added. She recommends that physicians carefully examine the financial viability of their vendor choices as part of the due diligence process in selecting a technology purchase.

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vantage of the distribution channels of bigger partners.

- Watch your vendor's acquisitions. Those that buy businesses outside their core competency may struggle to merge their disparate software.
- Beware of gadgetry. If unique software is combined with unique hardware, then it may quickly become obsolete.
- Beware of side letters. If you are offered an easy way out, ask yourself how much of the vendor's stated revenue is being risked in other contracts like this.

"Because the financial resources of small groups are more limited, many providers cannot support a full paperless office and decide to address one aspect of automation such as a prescription writing program, clinical messaging, or clinical documentation," said Ms. Kelly. She suggests that physicians establish their most important priorities for the next few years and evaluate vendors that offer a complete package and allow the purchase of modules over time. She also stresses the importance of visiting existing sites and asking users how easy it was to integrate applications.

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STICK WITH YOUR ASP

"You also need to consider what automation is already in place," suggested Ms. Kelly. "If you are a satisfied customer of a company that is already providing practice management or scheduling software to your practice, your current vendor may be a good place to start.

"For very small practices of one to ten physicians, sometimes the application service provider (ASP) model may be the best option because the practice does not have internal tech support – there is no one to perform database maintenance or system back-up – and they can rely on the vendor to take care of these functions," she explained.

Since the data resides at the vendor's server, it is important to contractually clarify who owns the data and how data will be migrated in the event of termination. Similarly, she advises that providers ask for explicit information regarding information security standards. "Reputable vendors are happy to share this informa-

tion with potential clients," she observed.

Many physicians are interested in EMRs, a market that is likely to grow over the next few years as government incentives develop to attract physician buy-in. Mr. Anderson estimates that fewer than 3 percent of physicians have full-fledged EMRs and that 8 to 10 percent have some kind of charting system.

"Although 260 vendors say that they sell an EMR, only eight meet the definition of a full-fledged product, using SNOMED nomenclature, the medical definitions the government has decreed to be standard," he said, "including built-in clinical alerts and E&M coding capability." His 2004 EMR survey segregates vendors by practice size and product functionality. The summary is available online: www.acgroup.org/images/2004_EMR_Study_-_Summary_Results.pdf. The full report can be ordered on CD for \$129.95.

HOW TO INTEGRATE SYSTEMS

"When physicians in our area became serious about purchasing a system, we decided that the best approach to integrate the medical community was to align with our physician hospital association, the Piedmont Health Alliance,

www.phainc.com," said Robert A. Yarpundich, MD, a neurologist in group practice in Hickory, NC. The PHA created a multispecialty IT committee and began creating an extensive needs analysis. The members wanted a vendor that had a well developed practice management system, a robust electronic medical record, the ability to accommodate multiple practices, flexibility to appeal to any specialty, and standards that were not proprietary. They subsequently hired a consultant who recommended products based on the features they had compiled.

They invited the contenders to a "vendor fair" at which physicians and their staff tested the products. Their Chief Medical Information Officer, Ira S. Bloomfield, MD, then traveled around the country to visit a variety of sites to see the products in action and to speak to users about their experiences. When they chose their vendor, they hired local experts to adapt the products to an ASP

model so that the upkeep, maintenance, and IT support would be shared – yet would be handled by local experts.

"When selecting a computer system, take the time to go through a due diligence process yourself; do not delegate this important task to office staff," Dr. Bloomfield advised. "It's a good idea to hire a consultant to help narrow the field and to find out what current users say about your potential vendors – before you make an expensive purchase."

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AVOID COMMON ERRORS

"There are several other mistakes which physicians repeatedly make when making IT purchases," noted Jeffery Daigrepont, Manager at the Coker Group, who warns that de-installation can be devastating to a practice. He cited these among other common errors:

- Hiring a consultant who is actually a reseller. To find out whether a consultant is truly an independent agent, ask for a long list of clients and see if one vendor is being used frequently; no one product fits all practices.

- Buying more than is needed. Phase in the infrastructure to avoid over-buying and then not utilizing an expensive product.
- Not asking key users to help in selecting the product. Include personnel who will be using the product in the selection process – they will be more invested in making it work later on.
- Not defining needs in advance. Your proposal does not need to be hundreds of questions long, but it should include

consideration of your practice workflow, processes, and basic requirements.

- Confusing the salesperson with the product. It is not an accident that sales representatives are likable people and make physicians feel good. However, it is important to remember that they drop out of the picture after the sale. ★

Dr. Orly Avitzur will provide more information on how to select the right vendor for your office computer system at the AAN Electronic Office Program, to be held in New York City November 6, 2004.

WEB SITES FOR TECHNOLOGY MANAGEMENT

- www.elmr-electronic-medical-records-emr.com, Free discussion board
- www.mshug.org, Microsoft Healthcare Users Group; requires membership in the Healthcare Information and Management Systems Society (HIMSS)
- www.medrecinst.com, The Medical Record Institute
- www.aafp.org/x24906.xml, The American Academy of Family Practice Center for Health Information Technology Partners for Patients Program
- www.acgroup.org, The Anderson Consulting Group Services and Solutions for Physician Practices
- www.cokergroup.com, The Coker Group health care consulting firm