

Overcoming the Cost Barrier

It is often difficult to calculate the return on investment from the purchase of an EHR. Here are a few potential incentives and benefits of EHR adoption.

BCBSRI's two-tiered reimbursement system

Blue Cross and Blue Shield Rhode Island has a two-tiered reimbursement system with a higher fee schedule for primary care physicians who implement EHR systems.

BCBSRI Fee Schedule for PCPs as a Percent of Medicare Payments

	Mar-04	Apr-06	Aug-07	Apr-08	Jul-08	Apr-09	Jul-09
No EHR	86%	106%	110%	114%	114%	119%	119%
With EHR					119%	125%	134%
BCBSMA				129%			134%

Information provided by BCBSRI, 4/2009

...and Pay for Performance "Quality Counts" program

Pay for Performance programs like BCBSRI's Quality Counts will begin monitoring ten quality performance measures in 2009. Although the enrollment period is now closed, the program will continue for three years. It includes 80 primary care physicians and provides support for EHR purchase, installation, and training as well as quality initiatives.

For questions regarding the fee schedule, please contact the Physician and Provider Service Center at 401.274.4848 or 800.230.9050.

United Healthcare's "HIT Rewards" program

United Healthcare has recently released the details of their new "HIT Rewards" program. Solo physicians and practice groups are eligible for "HIT Rewards" program if they: a) concentrate in primary care b) contract with UHC c) use a CCHIT certificated EHR by 9/09 and d) use the population management tool to track at least 10 UHC enrollees. Incentive payment is \$2000 per physician up to maximum of \$6000 per practice group. Enrollment is now closed, but a new incentive program is to be launched in 2010.

Call 401.752.2490 for more information.

More accurate billing charge captures

Many providers believe their EHR helps them create more detailed and accurate documentation during exams because it allows them to organize records by medical problem. Additionally, all EHRs provide decision support modules and templates to assist in coding. Providers who use EHRs have found that they code more appropriately and capture charges more accurately, which can result in increased revenue.

An EHR helps providers create more detailed and accurate documentation during exams.

Transcription cost savings

Providers can achieve significant annual savings in transcription costs by using an EHR and/or voice recognition software (such as Dragon). Providers have reported savings from \$10,000 in a small office to \$65,000 in a larger facility or hospital.



Take note....

- Talk to other EHR users about ROI. Our research has found that a return on investment as well as benefits to patient safety and care can be realized in 1.5 to 3 years.
- Ask vendors if they provide any reimbursement towards the purchase. Some offer special promotions.
- Larger offices commonly report that they could reduce staff (a large overhead expense) because of increased office efficiency.
- Larger organizations can spread the cost across the whole group, using economies of scale to lessen the individual burden.
- For the heavier upfront costs, banks will offer low interest loans and special packages created for clinicians who adopt an EHR. In Rhode Island Webster Bank, Sovereign Bank, and Washington Trust have unique financial programs for physicians interested in purchasing an EHR.

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