

Doctors Join to Promote Electronic Record Keeping



Stewart Cairns for The New York Times

Dr. Eugene Heslin receives computer training from Lori Jesman.

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He is a self-described techie, but that did not help Dr. Eugene P. Heslin harness the wonders of electronic medical records. The technology seemed too complicated and expensive for a small medical group like his six-doctor family practice in rural upstate New York.



"The large groups can afford the software," said Dr. Heslin, a family physician in Saugerties. "For the onesies and twosies, small groups like ours, there is no profit margin."

Now, though, in a collaboration with 500 like-minded doctors, as well as hospitals, insurers and employers in two Hudson Valley counties, Dr. Heslin and his partners are clearing barriers that have made modern information technology inaccessible to the hundreds of thousands of small doctors' offices around the nation.

The Hudson Valley effort is being watched as a potential model by federal and state government and industry officials, who say that up to 60 percent of Americans receive their primary care at small-scale physicians' offices.

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A. John Blair, a surgeon who leads a local medical consortium.

Unless those small medical practices can adopt the most modern and efficient information technology, millions of Americans may never know the benefits of the most advanced and safest care.

Electronic records, particularly ones that can be shared online by different doctors and hospitals, can improve the quality and safety of patient care by reducing errors that kill tens of thousands of patients each year. That is why, with considerable cheerleading but only modest financial help from Congress and the Bush administration, big organizations like Kaiser Permanente, the Mayo Clinic and many medical centers across the country are spending billions to convert to electronic records.

And last week, in the aftermath of Hurricane Katrina, government and private health care officials were rushing to build an electronic database of prescription drug records for hundreds of thousands of people who lost their records in the storm. Health and Human Services Secretary Mike Leavitt said the chaos wreaked by Katrina "powerfully demonstrated the need for electronic health records."

Also helping propel the electronic revolution are private insurers, Medicare and some employers, which are paying incentives to medical providers that can achieve better efficiency and patient care through improved information management.

But smaller medical practices have typically been ineligible for such bonuses because the doctors lack the computerized records that help them qualify. The hurdles typically include up-front costs as high as \$30,000 for each doctor, and the need for support and training.

As a result, fewer than 5 percent of physicians nationally are using a computerized system as part of patient care, said Dr. Thomas J. Handler, a research director at the Gartner market research group. For most doctors who work in groups of five or fewer, the portion is probably 3 percent or less, he said.

To overcome such obstacles, Dr. Heslin and his regional colleagues, who call their cooperative effort the Taconic Health Information Network and Community, are pooling their resources and knowledge.

A Web-based, central database approach means that doctors need little more than a few standard PC's, a high-speed Internet connection and the willingness to pay a monthly subscription fee of \$500 to \$600, eliminating the initial outlay of tens of thousands of dollars.

The Taconic group, operating in Dutchess and Ulster Counties, received a seed grant of \$100,000 from the eHealth Initiative, a national nonprofit organization that is intent on bringing the medical profession into the modern digital era. The organization's affiliated foundation cited the Taconic group in its annual progress report late last month. The Taconic network has also received \$1.5 million from the federal Agency for Healthcare Research and Quality, to pay for an evaluation of the system by an independent researcher.

Dr. David J. Brailer, the Bush administration's health information technology coordinator, said that programs like the Taconic network "are obviously out in front

"My mantra is to ask, How can we make electronic medical records cheaper and more valuable to the doctor?" Dr. Brailer said. "These are grass-roots efforts that are filling a hole that the federal and state governments cannot respond to."

Under the Taconic system, which is being introduced in phases, doctors can log onto a secure Web site to get prompt laboratory and X-ray and other imaging results for their patients from four local hospitals and two big lab companies. Later this year, the doctors will be able to send prescriptions electronically to participating local drugstores or online pharmacies. The biggest part of the push is to start next year: the introduction of electronic health records accessible online to the patient's doctor and, with the patient's permission, to any other medical provider on the network.

Mark Foster, a pediatrician in Wappingers Falls, in Dutchess County, has already seen the benefit of his electronic lab-results link. When a boy came in recently with a painful swollen knee, Dr. Foster suspected Lyme disease, which is endemic in the county.

"We tested him, and the next morning I looked online and called his mother and got him on antibiotics," Dr. Foster said. "Within 48 hours, his fever was gone. He's absolutely normal now."

Under the former system of communicating by fax with the laboratory and sorting through the piles of paper that arrive daily, he said, "the kid could have been suffering for two more days."

The Taconic network, along with two other medical alliances - one in Indianapolis, the other in Whatcom County, in Washington State - are "well ahead of the pack," said Janet Marchibroda, the chief executive of the eHealth Initiative.

The Taconic group is negotiating discounts with software and hardware vendors, according to Dr. A. John Blair III, a laparoscopic surgeon who is the organization's chief executive. Dr. Blair is paid by a separate regional doctors' organization that currently donates his time to the Taconic network. The day-to-day work of building and running the system, dealing with vendors and providing technical support to the doctors is performed by a rapidly growing paid staff, now numbering 15 and based in Wappingers Falls.

The key to the system is its secure shared database. "Instead of having dozens of systems in doctors' offices, it is hosted on one facility," Dr. Blair said.

All a participating doctor needs is at least one computer terminal with high-speed access to the Internet, he said, and a router computer for security protection and antivirus software. Some doctors have flat screens in each examining room. Some have wireless tablets or laptops they take from room to room. Most have separate terminals for themselves and their nurses and administrative staffs.

The Taconic network supplies the training for doctors and their staffs and maintains local support centers to troubleshoot the inevitable challenges posed by new software.

"That's what they need, that's why I like this model," said Dr. Handler at the Gartner research group. Without such technical support for small medical practices, "it's hard for them to get over the hurdles," he said.

Much of the Taconic doctors' costs for the system can be offset by payments from insurers and employers like [I.B.M.](#) and [Verizon](#) that offer bonuses to doctors in their networks who meet quality standards.

I.B.M., which has 60,000 employees in the mid-Hudson Valley region, is enthusiastic about the Taconic group's approach. "You can cut down dramatically on medical errors; you are less likely to be accidentally given a drug you are allergic to," said Dr. Paul Grundy, a medical director at I.B.M. The company will pay doctors who use the electronic prescription system an additional \$6 a year for each employee they treat.

MVP Health Care is an insurer in upstate New York that has 100,000 members who receive care from the Taconic physicians. It will pay an additional \$18 a year per member to doctors who meet patient satisfaction and service standards, prescribe generic drugs and log onto the Taconic system regularly, said Dr. Jerry Salkowe, an MVP vice president.

Verizon and other big local employers, like the Price Chopper and Hannaford Brothers supermarkets, are talking to MVP and the Taconic network about additional bonuses through the Bridges to Excellence program, a national employer-sponsored experiment in paying doctors for meeting quality goals.

Francois de Brantes, a [General Electric](#) health care official who is president of the e-Health Initiative Foundation, says early studies show that computerization can yield some savings for physicians, mainly in productivity, by freeing them to see more patients. "But the majority of savings go to someone else than the physician," he said. The issue is "how to redistribute a portion of those savings back to the physicians."

Bridges to Excellence pays doctors bonuses of \$50 a year per insured patient - money that can add up to tens of thousands of dollars for some large groups. The Taconic group intends to make smaller doctors eligible for such bonuses.

"Many health plans are prepared to pay for performance," said Dr. Blair. "The rub is that you have to have the technology in place to garner those incentives. You need to automate the reporting capability."