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Stimulus injection for e-records gives strategic edge to UTHealth

Houston Business Journal - by [Christine Hall](#) Reporter

Armed with \$30 million of federal stimulus funds, The University of Texas Health Science Center will have a hand in the design of prototype electronic medical records to be used by the health care industry that proponents say could create as many as 10,000 jobs nationwide.

Half of the money will go to biomedical and health informatics researchers at the Houston facility to create the National Center for Cognitive Informatics and Decision Making in Healthcare. The other half will go to establish a Health Information Technology Regional Extension Center.

The program funding doled out through the American Recovery and Reinvestment Act of 2009 was allocated earlier this month with a specific goal: That every U.S. resident receiving medical treatment have an electronic record by 2014.

Although adoption has been slow, more physicians are moving toward adopting electronic medical records, or EMRs, according to survey figures released in February by the Texas Medical Association. It found that 43 percent of its members reported using such records now, up from 33 percent in 2007 and 27 percent in 2005.

The average cost of EMR systems implementation for physicians is about \$18,000 in their medical practices, down from \$25,000 in 2007.

However, survey respondents thought the data input part was “difficult and time-consuming.”

Jack Smith, dean of the UT School of Health Information Sciences, says the goal of the project is to make electronic health records easier to use.

He says each of the new UTHealth centers will take the records “to the next level,” and any improvements would be pushed out in the marketplace.

The National Center for Cognitive Informatics and Decision Making in Healthcare will be housed in the UTHealth Behavioral and Biomedical Sciences Building, which opened in February, the first building to be completed in The University of Texas Research Park complex near Fannin and Cambridge Street.

The center is a collaborative initiative that also involves Baylor College of Medicine, as well as the University of Washington, Arizona State University, the University of Maryland College Park, Intermountain Healthcare, and the U.S. Department of Veterans Affairs.

'Meaningful use'

The UT School of Health Information Sciences at Houston, a unit of UTHealth, is one of four schools sharing in stimulus funding for the Strategic Health IT Advanced Research Projects, or SHARP, Program, overseen by the U.S. Department of Health and Human Services office of the National Coordinator for Health Information Technology.

Faculty at the four schools will conduct research to advance the adoption and "meaningful use" of health information technology, focusing on specific areas of research to improve the eventual widespread implementation of electronic medical records.

Some experts suggest that interpretation of the term "meaningful use" may actually slow down adoption of the e-records (see box).

For its part, UTHealth will be working on the usability of the e-records at the newly formed Houston Health Information Technology Regional Extension Center; University of Illinois at Urbana-Champaign will focus on security; Harvard College will develop a way to capture and store the records as well as how to analyze data received; and the Mayo Clinic in Rochester, Minn., will study how to make use of the data.

The local Health Information Technology Regional Extension Center is led by Executive Director Dr. Kim Dunn, an assistant professor of health informatics at UTHealth. The centers will be staffed with people in positions from nurses to technicians to trainers who will support physicians with everything from vendor selection and group purchasing to implementation, project management and best practices in privacy and security.

There are 28 organizations across the country linked to the four regional extension centers, and they are also getting a slice of the stimulus action from a pot of more than \$267 million allocated for the RECs. In fact, four Texas entities have received funds, including Texas Tech Health Sciences Center, Texas A&M University and the Dallas-Fort Worth Hospital Council Education and Research Foundation. Collectively, the state RECs received \$35.7 million.

The stimulus funding through the four regional centers and their linked facilities is expected to generate as many as 10,000 new jobs related to the e-records initiative.

"It was fortunate that Texas received four of the centers," Smith says. "Now we will blanket the state."

Open the door

It is also fortunate that UTHealth has an electronic medical records expert in its own backyard: Jack Smyth, president and chief executive officer of Spring Medical Systems Inc.

The company, formed in 1997, offers its SpringCharts software suite to small and mid-sized medical offices. The company on average installs at 1,500 to 2,000 practices nationwide a month.

Smyth says UHealth talked with him when the organization was putting its proposal together to send to the federal government, and Spring Medical was listed as a partner.

“This is a valid concept and it is needed because a lot of the medical offices don’t have the resources,” he says.

There are about 200,000 small practices in the United States that have one to three doctors in them, he says, and less than 5 percent of those currently use electronic health records.

However, Smyth is unclear about what will happen over the next four years as the government works toward the 2014 goal. There are so many physicians who aren’t using the records, but need to make some decisions so they can qualify for stimulus funds in 2011, he says. And, he’s not sure how all of those practices would be serviced before 2014.

“The industry does not have the capacity to get everyone ready.” Smyth adds. “There is literally not enough time in the day to do it.”

Still, UHealth’s Smith says although there are no guarantees that the initiative will meet the government’s 2014 goal, he expects it will open the door wide to adoption of e-records.

“There are still barriers to the current adoption in terms of cost and expertise, but we will work hard to help physicians learn to adapt so they can take advantage,” Smith says.

Plugging into electronic medical records

The UT Health Science Center in Houston is on the leading edge of a new effort backed by federal government stimulus funding to quickly spread the nationwide adoption of electronic medical records. Two new centers will be established on the UHealth campus with links to other researchers around the country:

- \$15 million will fund a National Center for Cognitive Informatics and Decision Making in Healthcare
- \$15 million will fund a Health Information Technology Regional Extension Center

They have their work cut out for them, according to a study by the Texas Medical Association. Only 43 percent of TMA members have adopted e-records. The federal government has set a goal of 2014 to have electronic records on file for all U.S. residents who have received medical treatment.

Doctors offered cash incentives to adopt e-records

To be eligible for funds under a portion of the federal stimulus plan known as the Health Information Technology for Economic and Clinical Health Act, doctors who invest in electronic health records equipment between 2011-2016 — and show they are using them in a “meaningful way” — are eligible for incentives to defray the cost of purchasing related computers and software between 2011-2016. Early adopters who make purchases by 2013 could receive as much as \$44,000, while those who wait until 2014 would see those incentives drop to \$24,000.

Still, the government’s more than 500-page document that explains “meaningful use” may be a tough pill for doctors to swallow, according to Vinson Hudson, a spokesman for Jewson Enterprises, an Austin-based research firm.

“You will probably see a little slowing of the adoption as buyers are waiting to see what ‘meaningful use’ really means,” Hudson says. Jewson, which has monitored annual sales of records software for years, estimated back in 2006 that sales of records software would have more than tripled to \$4.9 billion by 2010.

However, today, he admits that is not a realistic number. Based on adoption, he now expects annual sales this year to be flat, coming in at the same level as 2009, at \$2.7 billion.

But with the government now squarely behind the advancement of health records technology, Hudson is projecting sales to ramp up quickly in 2011 to \$4.7 billion and nearly \$8 billion by 2013 when awareness among physicians increases.

Says Hudson: “Adoption will increase over the years, but only when people find out what it is all about.”

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