

HIT Trends

May 2010

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Surescripts announces its Gold-certified solution providers

Focus on E-prescribing



Companies and products that meet a high standard of certification for electronic prescribing.

Allscripts. Professional EHR Version 8.3 Update 1

CureMD. CureMD EHR Version 10

Doctations. Doctations Version 1

DrFirst. Rcopia Version 3.0

H2H. DigitalRx Version 2.1

NewCrop. NewCrop Core Version 10.1

OmniMD. OmniMD Version 8.2

RxNT. RxNT Version 6.1.4

RxNT. RxNT EMR Version 7.0



Editorial: Surescripts has been recognizing those companies that utilize its full suite of transactions for a few years. It's a mix of niche e-prescribing and EMR solutions.

Study documents “primary non-adherence” for electronic prescriptions

Focus on E-prescribing

Almost 200,000 e-scripts were studied.

Prescribers in MA used PocketScript by Zix.

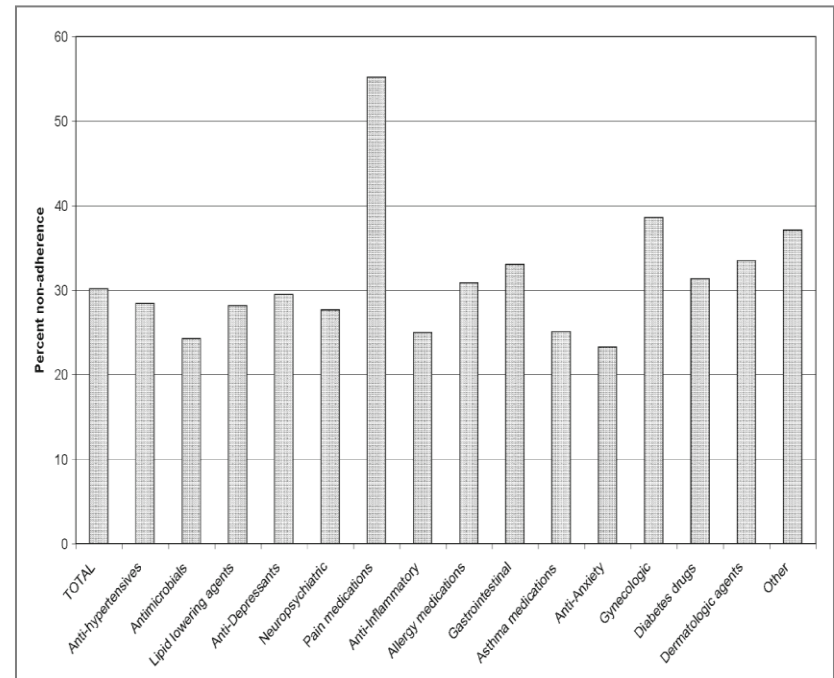
78% all e-scripts were filled.

87% of e-scripts for patients 18 and younger were filled.

72% of e-scripts for new medications were filled (*called primary adherence*).

Medication class was the largest predictor of adherence (see figure at right).

Primary Non-adherence to New Medications by Adults



Editorial: This is some more great research from Dr. Fischer utilizing the Zix data in MA. In this study the orders are mapped to the claims data to assess adherence.

Study shows physicians in family practice and their patients like e-prescribing

Focus on E-prescribing

28 providers used Allscripts ERx Now after mandated by the clinic (11/07-3/09)

22% decrease in after hours calls.

81% increase in medication-related calls.

93% provider and 91% patient satisfaction.

30% of prescribers and patients said they had trouble identifying the right pharmacy.

35% of prescribers had patients report that a prescription was sent to the wrong pharmacy.

35% report patients picking up too soon.



Society of
Teachers of
Family
Medicine



Editorial: The practice was one of the first in its community in Alabama to deploy e-prescribing so the pharmacies were still working out some bugs. Difficulty in identifying the pharmacy location may still present obstacles.

Health Access and AxSys (UK) create platform for accountable care organizations

Focus on EHR

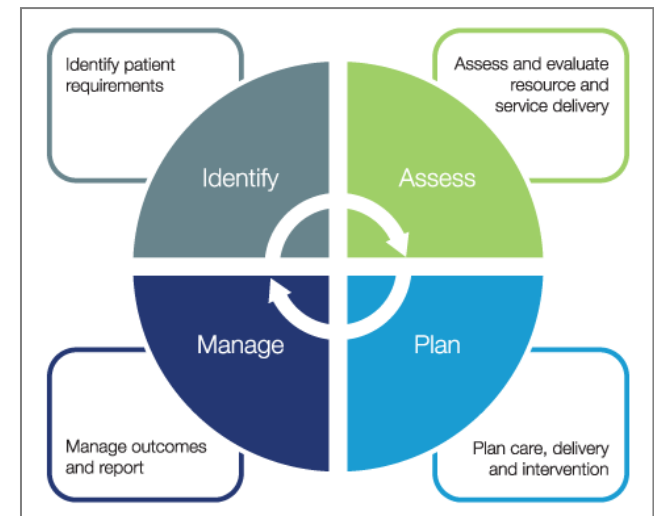
Alliance combines elements of an EMR, a PHR and a care management system into a solution for collaborative and accountable care

Functions. EHR, e-prescribing, PHR, care management, authorizations, pre-certifications, case management, utilization management, clinical care guidelines, disease management and analytics, continuity of care documents, referral management, secure messaging among patients and providers.

Experience. 31,000 providers, large physician organizations in CA (e.g., Hill Physicians Medical Group) and the UK (National Health Service). 3.5 million health plan members.

Key differentiators. Unique combination for collaborative care in provider organizations at risk. Web-based technology.

Editorial: This is an interesting combination, similar in concept to the acquisition of RMD by Alere. We're likely to continue to see these new approaches combining EMRs and care communications.



AHRQ study on EMR usability shows it's not an area of current vendor focus

Focus on EHR

Vendors expressed commitment to the market.

Most didn't have expertise in usability design.

Best practices in usability wasn't available and approaches toward customization varied.

Each vendor keeps bugs and errors as proprietary information.

Vendor contracts don't prevent customers from talking about safety incidents.

Vendors view usability as competitive advantage and resist certification as too complex.

Vendors favor an independent body and voluntary usability standards.



Company	Product(s)
athenahealth, Inc.	athenaClinicals 9.15.1
Cerner Corporation	Cerner Millennium Powerchart/PowerWorks EMR 2007.19
Criteria, LLC	Criteria 1.0.0
e-MDs	e-MDs Solution Series 6.3
EHS	CareRevolution 5.3
GE Healthcare	Centricity Electronic Medical Record 9.2
NextGen	NextGen EMR 5.5
Veterans Administration	VISTA

Editorial: This is a thoughtful report on usability and EMRs. Vendors participated under conditions of anonymity, so the findings are generic. Recommendations from the consultants include more of a focus on usability design, testing, standards development and best practices.

Screening for cardiovascular risk via EMRs is as effective as testing in the UK

Focus on EHR

UK study compared the effectiveness of different screening strategies to ID patients at high risk.

Government announced plans to screen all adults aged 40-74 to ID those at risk.

Study showed that targeting patients using EMR data and a simple cardiovascular risk score was just as effective at lower cost.

Targeting 20% highest risk can prevent 50% more CVD.

Targeting 40% highest risk can prevent 75% more CVD.

Targeting 60% highest risk can prevent all.

The logo for the British Medical Journal (BMJ), consisting of the letters 'BMJ' in a blue, serif font.

Editorial: Here's another angle on how EMR data can be used for care management.

70% of providers will use consultants to help get Meaningful Use incentives

Focus on EHR

Biggest demand is for consultants to help with provider utilization of clinical solutions.

13 firms compete in this market, up from 5 a few years ago. Consolidation paradoxically led to increased viability of smaller firms who could attract talent in the middle of pending mergers.

3 firms considered most. CSC (FCG) in 17% of the deals; Vitalize in 12% of deals; and Dell Perot in 9%.

Specialists in clinical transformation. CSC (FCG), Dearborn Advisors, Deloitte.

Specialists in Meditech. 1500 hospitals need to move to Version 6 to meet meaningful use criteria. Firms focused on this market include Navin, Haffty and Associates (NHA), Beacon Partners and Dell Perot.

Editorial: This is an interview with Mike Smith, who tracks this market for KLAS, by Anthony Guerra, a health industry analyst and blogger.

Health systems are finding new partners outside of healthcare for business analytics

Focus on EHR

Top ranked vendors in order.

Dimensional Insight

Information Builders

McKesson Corp.

Others (alphabetically).

Cerner

Oracle

Epic

Percision.BI

IBM

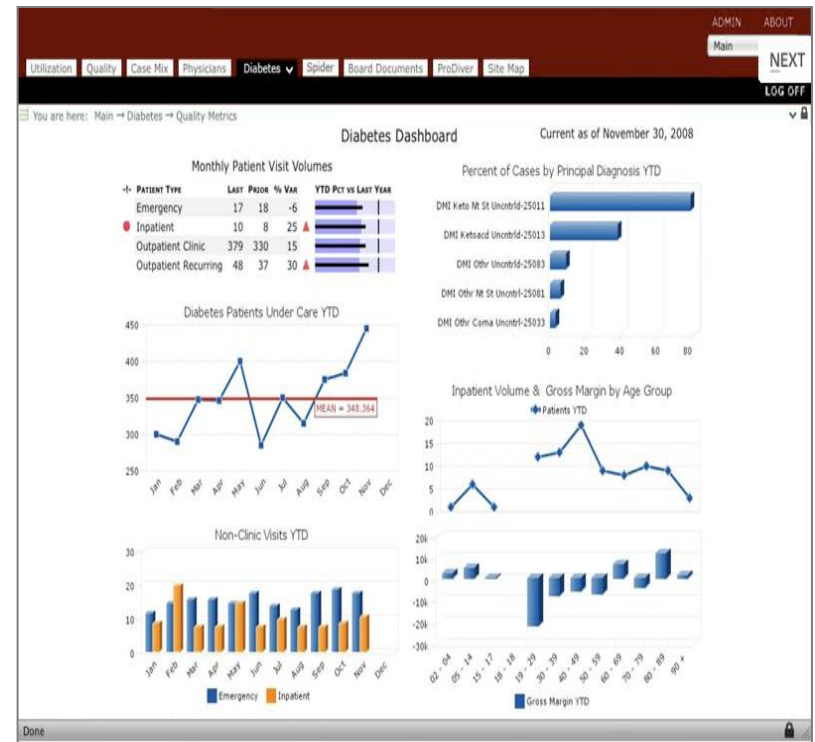
SAP

Lawson

SAS

Microsoft

Siemens



Diabetes dashboard from Dimensional Insight.

Editorial: 69% of provider execs think analytics are important to achieving meaningful use of EMRs. IBM clients that used consultants were more satisfied than those that didn't. The report is for sale by KLAS.

\$220M awarded to Beacon Communities

Tracking HITECH



15 Beacon Communities awarded \$11M-\$16M each; most will address using HIT to support chronic care management.

Community Services Council of Tulsa, Tulsa, OK

Delta Health Alliance, Inc., Stoneville, MS

Eastern Maine Healthcare Systems, Brewer ME

Geisinger Clinic, Danville, PA

HealthInsight, Salt Lake City, UT

Indiana Health Information Exchange, INC.,
Indianapolis, IN

Inland Northwest Health Services, Spokane, WA

Louisiana Public Health Institute, New Orleans, LA

Mayo Clinic Rochester, Rochester, MN

Rhode Island Quality Institute, Providence, RI

Rocky Mountain Health Maintenance
Organization, Grand Junction, CO

Southern Piedmont Community Care Plan, Inc.,
Concord, NC

The Regents of the University of California, San
Diego, San Diego, CA

University of Hawaii at Hilo, Hilo, HI

Western New York Clinical Information
Exchange, Inc., Buffalo, NY

**\$30.5M additional also announced for
two new Beacon Communities.**

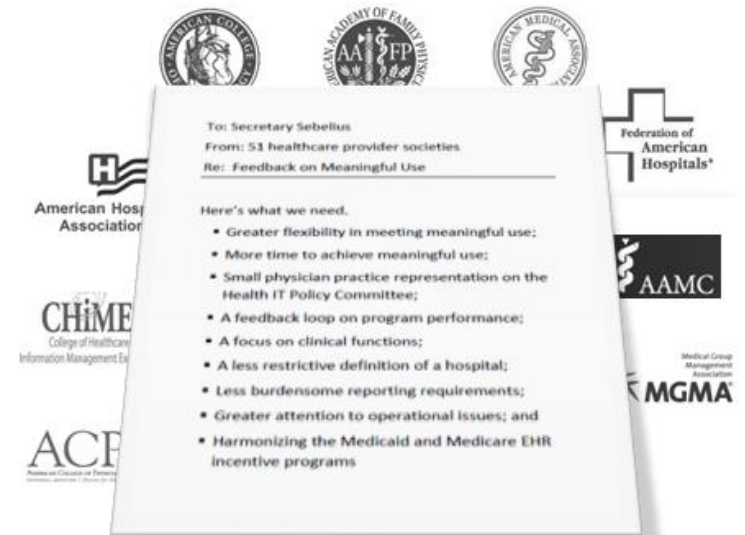
Editorial: Beacon Communities are also tasked with working with other Federal programs like the state HIEs and Regional Extension Centers to find best practices to use HIT to improve quality and efficiency.

51 healthcare societies weigh in on Meaningful Use

Tracking HITECH

Health Information Technology *and*
For the Future of Health Care

1. Greater flexibility in meeting meaningful use.
2. More time to achieve meaningful use.
3. Small physician practice representation on the Health IT Policy Committee.
4. A feedback loop on program performance.
5. A focus on clinical functions.
6. A less restrictive definition of a hospital.
7. Less burdensome reporting requirements.
8. Greater attention to operational issues.
9. Harmonizing the Medicaid and Medicare EHR incentive programs.



Editorial: Consistent feedback for more flexibility and more time to meet meaningful use targets.

HHS top strategic priorities are linked to HIT

Tracking HITECH



Transform health care.

Reduce health care costs while promoting high-value, effective care. HHS will encourage widespread adoption and meaningful use of health information technology while ensuring the privacy and security of electronic health records.

Emphasize primary care, prevention and wellness. HHS will establish Medicare and Medicaid payment and delivery system policies that value primary care and promote prevention and wellness

Improve health care quality and patient safety. HHS will institute delivery system reforms that encourage care coordination and improved patient outcomes.

Implement the Recovery Act.

Award funds expeditiously to States and local communities. Overall the Recovery Act enables HHS to award \$141 billion. (much in HIT)

Secretary's Strategic Initiatives

1. Transform health care
2. Implement the Recovery Act
3. Promote early childhood health and development
4. Help Americans achieve and maintain healthy weight
5. Prevent and reduce tobacco use
6. Protect the health and safety of Americans in Public Health Emergencies
7. Accelerate the process of scientific discovery to improve patient care
8. Implement a 21st century food safety system
9. Ensure program integrity and responsible stewardship

Editorial: HIT, primary care, prevention and collaborative care management are consistent themes.

Intuit buys Medfusion, a physician-patient solution, for \$91M

Focus on Care Communications

Intuit's Quicken Health has services that help patients manage medical expenses and help providers collect patient payments.

The Intuit logo consists of the word "intuit" in a lowercase, blue, sans-serif font.

Medfusion is a patient-provider portal with comprehensive administrative and clinical functions. Schedule appointments, pay bills, request prescription refills, complete medical forms, review lab results and clinical summaries, receive reminders and exchange secure messages for related care and administrative issues.

The Quicken Health logo features the word "Quicken" in white text on a red rectangular background, followed by the word "Health" in a blue, cursive-style font.

Goals of the merger include more online patient transactions and tracking/settling health expenses.

The Medfusion logo features the word "Med" in a white, outlined font and "fusion" in a solid blue, sans-serif font.

Medfusion will lead Intuit's healthcare business from NC.

Editorial: Brilliant acquisition by Intuit. The provider-patient communications space is one of the most important given its prominence in Meaningful Use criteria, medical home models and accountable care organizations. Medfusion has been enjoying a strategic relationship with Allscripts through its acquisition of Medem last year.

Alere announces acquisition of RMD Networks as part of new collaborative care service

Focus on Care Communications

Alere is combining:

RMD collaborative clinical care software.

Alere wellness and DM programs.

Inverness Medical Innovations diagnostics.

It's a web-based platform for medical homes and accountable care organizations.

Solutions focus.

Adherence to evidence-based treatment plans.

Encourage healthy behaviors and decisions that lead to better outcomes.

Highlighted functions. Secure messaging, remote care monitoring, condition registries, quality reporting and e-prescribing.

It is positioning as complementary with EMRs.



Editorial: RMD has been leading the charge of clinical groupware and its consortium. It's acquisition by a major DM company is in line with the convergence trends we are tracking.

Cell phone app helps consumers interact with personal health data in new ways

Focus on Care Communications

Mental Health Apps: Like A 'Therapist In Your Pocket' (NPR)

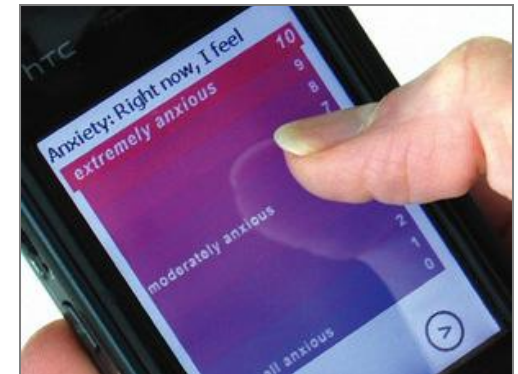
Periodically during the day a “mood map” pops onto a cell phone screen.

People drag a red dot around or click a number indicating their mood.

Based on the data, the app presents stress reduction exercises and displays historical data for analysis.

The app designer is a clinical psychologist working at Intel.

Editorial: This simple idea of prompting for health data in real-time has important implications. These type of data haven't been available before. Understanding moods, pangs, pain and documenting side effects of treatment have broad application. The NPR podcast covers a few other mental health applications.



Home monitoring of blood pressure demonstrates better control

Focus on Care Communications

Patients using home monitoring were 50% more likely to have BP under control.

Patients upload BPs from a home monitor to Microsoft HealthVault.

Patients opt to also make BPs available to Kaiser's electronic disease registry.

Kaiser pharmacists monitor the registry and consult with patients.

Patients use Heart360, an online tool from the American Heart Association, to manage their data.



Editorial: Although not specifically mentioned in this Kaiser study, it seems to be Kaiser's plan to make these data available to primary care physicians as well.

Study shows acne is treatable through virtual visits

Focus on Care Communications

151 patients with acne.

Four follow-up visits, either an e-visit or conventional office care.

Every six weeks e-visit subjects sent skin images via a secure web-site with comments.

Dermatologists responded with advice and e-prescriptions.

The results showed no difference in outcomes.

Editorial: The e-visits were time neutral for the physicians, but time-saving for the patients. Both subjects and physicians expressed comparable satisfaction with care irrespective of visit type.

ARCHIVES OF DERMATOLOGY

A Randomized Trial to Evaluate the Efficacy of Online Follow-up Visits in the Management of Acne

Alice J. Watson, MChB, MRCP, MPH; Hagit Bergman, MD, MPH; Christy M. Williams, MD; Joseph C. Kvedar, MD

Arch Dermatol. 2010;146(4):406-411.

Objective To evaluate whether delivering acne follow-up care via an asynchronous, remote online visit (e-visit) platform produces equivalent clinical outcomes to office care.

Design A prospective, randomized controlled study.

Setting Two teaching hospitals in Boston between September 2005 and May 2007.

Participants A total of 151 patients with mild to moderate facial acne.

Interventions Subjects were asked to carry out 4 follow-up visits using either an e-visit platform or conventional office care. At 6-week intervals, subjects in the e-visit group were prompted to send images of their skin and an update, via a secure Web site, to their dermatologist. Dermatologists responded with advice and electronic prescriptions.

Main Outcome Measures The primary outcome measure was change in total inflammatory lesion count between the first and last visit. The major secondary outcomes were subject and dermatologist satisfaction with care and length of time to complete visits.

Results The mean age of subjects was 28 years; most were female (78%), white (65%), and college educated (69%). One hundred twenty-one of the initial 151 subjects completed the study. The decrease in total inflammatory lesion count was similar in the e-visit and office visit groups (6.67 and 9.39, respectively) ($P = .49$). Both subjects and dermatologists reported comparable satisfaction with care regardless of visit type ($P = .06$ and $P = .16$, respectively). Compared with office visits, e-visits were time saving for subjects and time neutral for dermatologists (4 minutes, 8 seconds vs 4 minutes, 42 seconds) ($P = .57$).

Conclusion Delivering follow-up care to acne patients via an e-visit platform produced clinical outcomes equivalent to those of conventional office visits.

Trial Registration clinicaltrials.gov Identifier: [NCT00617456](https://clinicaltrials.gov/ct2/show/study/NCT00617456)

Author Affiliations: Center for Connected Health, Boston, Massachusetts; Department of Dermatology, Massachusetts General Hospital, Boston; and Harvard Medical School, Boston.

National survey of parents show most want more connectivity with pediatricians

Focus on Care Communications

n=1,612

Current and Desired Functions	Currently Can Do	Would Be Very Helpful
Electronic Administrative Action		
Schedule an appointment	9%	40%
Obtain child's immunization record	9%	55%
Complete checklist / screening form prior to well-child visit	6%	46%
Electronic Clinical Action		
Request a prescription refill	11%	55%
Get advice regarding a minor illness or injury	14%	47%
Obtain lab results	6%	53%

Child Health Evaluation
and Research Unit



University of Michigan



University of Michigan
C.S. Mott Children's Hospital

Editorial: This study is consistent with other research showing consumers want electronic access. The current email-capable segment of 14% is double PHR use nationally of 7%.

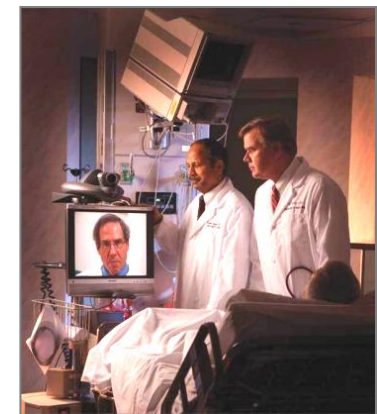
InformationWeek reports on two new uses for telemedicine in pediatrics

Focus on Care Communications

Cincinnati Children's Hospital. Links patients in ambulances with remote medical specialists to get a head start on care. Uses hi-res video and digital stethoscopes in transit to the hospital.

Mass General Pediatric ICU. Connects physicians at home to pediatric staff using video and robotics. Units can be rolled to the patient bedside. Uses off the shelf products. Used mostly at night and weekends when on-call pediatricians are at home.

Editorial: The off-the-shelf technology for hi-res video is really good. See www.oovoo.com.



Smart pill in very early testing shows promise for adherence

Focus on Care Communications

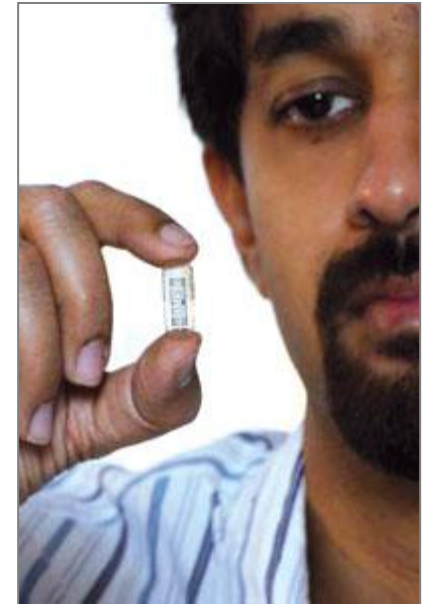
The system attaches a microchip and digestible antenna to a standard-size capsule.

When the pill is swallowed, it communicates with a small electronic device carried by the patient.

That device in turn signals a cell phone or laptop, informing doctors or family members.

The pill leaves a small byproduct of silver, less than what is present in tap water, researchers say.

The solution has yet to test on human subjects and requires FDA approval.



Editorial: The co-inventor teaches engineering at the University of Florida.

Venture firm report highlights top investment areas with many including HIT

Focus on Care Communications

Chronic care. Value-based health plans; consumer engagement tools; Accountable Care Organizations; enablers of “pay-for-performance” models; telemedicine and remote monitoring.

Error reduction. Transportable PHRs; evidence-based clinical search engines; secure systems to transmit patient information among stakeholders.

Diabetes. Low cost, highly sensitive and specific tests for early detection of diabetes and identification of at-risk patients; consumer-focused prevention and wellness programs ; new health plans focused on prevention and wellness, along with monitoring and stabilization of patient health.

High cost / high morbidity. Improve sensitivity and specificity over current diagnostic imaging modalities at a lower cost; technologies that enable *in vivo/in situ* diagnosis and real-time intervention; *in vitro* molecular diagnostic tests.

Medical device. More predictable and reliable minimally invasive interventions for cardiac, peripheral vascular, neurological and orthopedic conditions; surgical visualization technologies; convergence of device, diagnostics, HIT, telecommunications and remote monitoring.



Editorial: Leading healthcare investor shares its roadmap to fundable innovation.

Telehealth growth to 2M consumer devices in three years, worldwide

Focus on Care Communications

1.6M digital glucose meters, BP monitors, weight scales, pulse oximeters and peak flow meters.

Includes 500K BP monitors (50K in 2009).

Includes 300K glucose monitors.

400K health hubs.

Largest implementation to date is the VA with 30,000 telehealth subscribers.

Consumer telehealth will be an extension of the current home-use medical device market. May include additional internet-based services such as simple analysis of readings and some level of generalized feedback that may include dietary and nutritional advice



Editorial: Market analysts continue to predict rapid growth of remote patient monitoring worldwide. The InMedica analyst predicts convergence in the B2C and B2B markets. He thinks consumer-led telehealth services could prove to be the disruptive influence required for professional care managers to drive telehealth forward.

What's keeping us so busy in primary care?

Special Report: Reinventing Primary Care

Five Physician primary care practice documents activities with its EMR

Telephone calls for physicians. 35.7% advise patient for acute illness. 26.0% handle paperwork for patient. 17.5% interpret results.

Prescription refills. Included some level of chart review. 12.1 per physician per day.

Emails. 59.3% interpret results. 21.7% response to patient questions.

Lab reports. 19.5 reports per physician per day. Many require review of medications.

Imaging reports. 11.1 reports per physician per day. Many require review with patient and updating problem lists.

Consultation reports. 13.9 reports per physician per day. Many require review with patient.

Table 1. Volume and Types of Services for an Active Caseload of 8440 Patients at Greenhouse Internists in 2008.*

Type of Service	Total No.	No. per Visit	No. per Physician per Day†	No. per Patient per Yr
Visit	16,640	NA	18.1	2.0
Telephone call	21,796	1.31	23.7	2.6
Prescription refill	11,145	0.67	12.1	1.3
E-mail message	15,499	0.93	16.8	1.8
Laboratory report	17,974	1.08	19.5	2.1
Imaging report	10,229	0.61	11.1	1.2
Consultation report	12,822	0.77	13.9	1.5

* Patients were included in the active caseload if they had any interaction with the practice in the listed categories of activities during calendar year 2008. NA denotes not applicable.

† The values are based on the work of four full-time-equivalent physicians who each worked 50 to 60 hours per week for 230 workdays per year.

Editorial: Staffing ratio is 3.5 staff per physician. Great resource for planning solutions for primary care.

Five building blocks to transform primary care

Special Report: Reinventing Primary Care

1. **Paradigm shift.** Focus on the needs of the patient panel and build a team to care for them, oftentimes outside the practice.
2. **End 15 minute visit.** Team cares for 100 patients a day, maybe only 10 in the office with the physician, some via email and phone, some with other team members.
3. **Stratify patient population.** Preventive, acute and chronic. Physicians, nurses, pharmacists and coaches each handle different tasks.
4. **Physician of the future.** Physicians will need to focus on those tasks that require their medical training and delegate other tasks to team members.
5. **Payment reform.** No transformation without paying for virtual visits, care coordination and chronic care management. Focus on the sickest patients.

HISTORY & BACKGROUND

By David Margolius and Thomas Bodenheimer

Transforming Primary Care: From Past Practice To The Practice Of The Future

ABSTRACT The gap between the supply of primary care physicians and the demand for primary care continues to grow. Primary care practices must find a way to increase their patient capacity without sacrificing quality of care or adding more work to already overburdened physicians. A transformed primary care practice addressing these issues must redefine the physician role such that the physician no longer sees all patients assigned to the practice but acts as a leader for a well-trained, highly functioning primary care team. The team's overall goal would be to advance the health of an entire patient panel. New payment models are among changes that will be central to this transformation.

P rimary care needs dramatic change. A critical shortage of U.S. primary care physicians is inevitable. Already, many patients report difficulty obtaining a timely primary care appointment. Enthusiasm for expanded Starfield's four time-honored pillars of primary care—first-contact care, continuity over time, comprehensiveness, and coordination with other parts of the health system³—underlie the practice of the future. More specifically, we focus on three goals.

Editorial: Good introduction to the emerging vision of a modern primary care practice of the future. Study is part of this month's Health Affairs focus on reinventing primary care.

Group Health medical home demonstrates cost, quality and satisfaction improvements

Special Report: Reinventing Primary Care

29% fewer emergency visits.

6% fewer hospitalizations.

\$10.3 per patient month savings.

Primary care component was higher than control groups.

Better patient experiences reported in most aspects measured.

Significant reduction in staff burnout reported.

Quality gains of 20%-30% over control group in most measures.

Editorial: In the Health Affairs issue focused on reinventing primary care, this study shows benefits to the medical home model. Practice changes are strongly linked to HIT.

Practice changes require EMR and care communications

Care Delivery Changes	
Virtual medicine	Secure email and telephone encounters; use EMR to promote patient engagement; after visit summaries
Chronic care mgmt.	Registries, reminders, alerts; motivational interviewing; collaborative care plans; self-mgmt. support resources
Visit preparation	Patients contacted in advance; review record; review gaps-in-care; prepare physician with ed. materials
Patient outreach	Follow-up for all urgent care; outreach to address care gaps, medication monitoring and abnormal results; new patient outreach
Practice Mgmt. Changes	
Telephone call mgmt.	Connect patients directly to care teams
Care-team huddles	Short all-team meetings for planning and task mgmt.
Std. mgmt. practices	Use visual display systems to track team performance

Medical Loss Ratio, Health Reform and HIT

Focus on Payer HIT

Medical loss ratio (MLR) is the percent of insurer premiums spent on direct patient care.

Health reform has set minimums.

Larger insurers on average spend less on patient care than smaller firms.

Insurers spend less on patient care in individual and small group markets than in large group accounts.

It's not clear how HIT expenses should be categorized, particularly costs of a personal health record or ICD-10 conversions.

EHR meaningful use criteria might play a role in this debate.

Large insurers MLR by group size

	Individual		Small Group		Large Group	
	2009	2008	2009	2008	2009	2008
Aetna	75.7%	73.9%	84.2%	82.0%	87.2%	82.0%
CIGNA	88.1%	86.9%	92.1%	---	85.2%	37.2%
Coventry	71.9%	65.8%	78.2%	79.1%	86.0%	82.7%
Humana	68.1%	71.9%	80.0%	77.2%	88.2%	82.4%
UnitedHealth	70.5%	70.3%	81.1%	78.7%	83.3%	83.5%
WellPoint	74.9%	73.1%	81.2%	79.0%	84.9%	85.2%
TOTAL	73.6%	72.5%	81.2%	79.7%	85.1%	83.9%

From the Senate Committee Staff Report

Editorial: Some insurers have been booking e-prescribing expenses as administrative and some as patient care. Historically, DM expenses have been largely accounted as administrative. This is an important debate. We need insurers to be able to invest in patient-related technologies. The Senate Commerce Committee report is a great intro (lower right).

New HHS panel will advise on HIT standards for eligibility and enrollment

Focus on Payer HIT

Aneesh Chopra, Whitehouse CTO and Sam Karp, VP at CHCF, lead the panel. Other members include regulars from the HIT Policy Committee from ONC.

How can technology help determine program eligibility and speed applicant enrollment? Electronic matching across state and federal databases; connecting uninsured with access to new programs through Head Start programs, DMVs or schools; find potential applicants through where they go today and triage for eligibility.

Recommendations are planned for September.

Editorial: This is the first of the issues from reform legislation to get addressed with the HIT policy infrastructure.

HealthReform.GOV

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IMPLEMENTING the NEW HEALTH REFORM LAW

Secretary Sebelius and top HHS officials talk about the first steps we've taken to implement the new law - filling gaps in our insurance system and providing immediate relief from rising health costs for families and small businesses.

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Insurance Reform Updates

Your Questions Answered

Q: I understand that there are tax benefits related to the extension of dependent coverage. Can you explain these benefits?

A: Under a change in tax law included in the Affordable Care Act, the value of any employer-provided health coverage for an employee's child is excluded from the employee's income through the end of the taxable year in which the child turns 26. This tax benefit applies regardless of whether the plan or the insurer is required by law to extend health care coverage to the adult child or the plan or insurer voluntarily extends the coverage. To read IRS Guidance, go [here](#).

More Q & A's
ASK A QUESTION

Learn About the Affordable Care Act & HHS's Role in Implementing It

Learn what is in the new law and what HHS is charged with doing and what we are responsible for.

The new health reform law includes a series of [authorities and responsibilities for the Department of Health and Human Services](#).

The Department of Health and Human Services is working with the [Office of Consumer Information and Insurance Oversight](#), and other Operating Divisions to issue regulations and implement many of the provisions of the Affordable Care Act.

Health Reform Blog

Changes are Coming for Young Adults
by Meena Sesaharan, Deputy Director, Office of Health Reform | Posted May 28, 2010

Year after year, more and more young adults go without health insurance. Many lose coverage when they graduate from high school or college and are no longer eligible for the Children's Health Insurance Program, or are dropped from their parents' plans. [Read more...](#)

New Report Includes Good News for Early Retirees
by Stephanie Cutler, Assistant to the President for Special Projects | Posted May 25, 2010

Earlier this month, the Department of Health and Human Services announced [good information](#) regarding a program in the Affordable Care Act that will make it easier for large employers to provide health benefits to early retirees who aren't eligible for Medicare.

Computerworld review of e-health highlights health plan leadership

Focus on Payer HIT

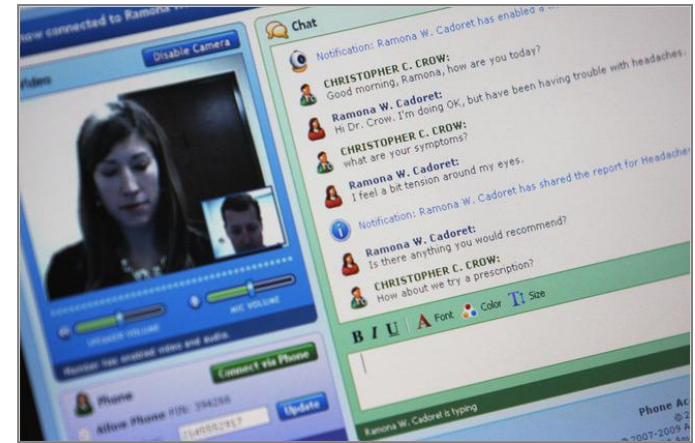
BlueCross and Blue Shield of Minnesota. 36 ER docs from U of MN Med Center are using American Well web services connected to Microsoft HealthVault PHR to provide online services to employees of selected employer customers for \$10-\$20 co-pay for a \$50 non-member session.

BlueCross and Blue Shield in Upstate NY. Offers a similar service to all members.

Hawaii Medical Service Association. Local ER physicians can review patient's PHR and prescribe online.

UnitedHealth Group. OptumHealth offers NowClinic, a virtual physician service in Texas.

Other E-Health Services. Authors highlighted limited medical use of social networking at Facebook and Twitter; patient-physician portals, such a one by Kryptiq; SaaS EMR/PHR like Practice Fusion or NoMoreClipboard and physician social networks, Sermo and Webicina.



Screen shot from American Well.

Editorial: Customer convenience and a more satisfying patient healthcare experience are driving innovation.

Healthcare reform: what's next?

Focus on Healthcare Reform

Near term provisions for reducing barriers to health insurance and improving the availability of information in the health care marketplace

Temporary access to insurance for people with preexisting conditions. 6/21/10. Available if no insurance for last six months. Creates national high risk pool. Expires 1/1/14.

No preexisting condition restrictions for children. 9/23/10. Some plans beginning to honor, now.

Restrictions on certain insurance practices. 9/23/10. AHIP commits to stop rescissions except for fraud. WellPoint and UnitedHealthcare will stop rescissions, now. No lifetime limits and new regulations TBD for annual limits.

Reporting requirements. 1/1/11. Transparent medical loss ratios and minimums at 85% for large groups and 80% for small groups and individuals.

A small-business tax credit. 2010-2013. For purchasing health insurance for employees. Based on firm size and total payroll.

Expanded dependent coverage. 9/23/10. Adults up to age 26 covered under parents plan. WellPoint, Humana and UnitedHealthcare will cover college students on parent plans now.

Coverage and access provisions. 9/23/10. Cover preventive services and immunizations without co-pays; appeals process; no prior auth for ER and ObGyn; access to all primary care providers on network open to patients.

Expanding access to information on health insurance. 7/1/10. HHS website on insurance options; 3/23/11. HHS standards on coverage and cost sharing info.; employers include value of insurance on W-2's.

Retirees' access to health insurance.
Temporary reinsurance program to subsidize employers.

Access to long-term care insurance. 1/1/11.
Voluntary program funded by premiums.

Commentary

Endnote

The market is consolidating with the big getting bigger, but also encouraging innovation beneath as exciting new combinations emerge. Like the lollipops at right, there's lots to like.

Notable combos this month include Intuit/Medfusion, Alere/RMD and Access Health/AxSys. Clarian Health, an IN health system, invested in MedVentive for clinical integration. Accountable care is driving interest.

There's an important report from NPR about clinicians using the iPhone to ping patients who enter mood data as part of their therapy.

Health Affairs reminded us this month that we also have to change the way primary care works to transform global healthcare. It's more collaborative and utilizes HIT to connect outside the physician visit.

And healthcare payers get some focus as health reform legislation has us looking at eligibility/enrollment and medical loss ratios.

Public EMRs like Allscripts, NextGen, Athena and Cerner continue to grow and outperform the stock market. Private gems like Epic and Greenway continue to compete and often lead on client satisfaction.

Venture firms and other innovators continue to keep us optimistic.



Seven Suckers, Wayne Thiebaud, 1970

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