

100% EMR Adoption

How a
Heterogeneous Physician Network
Achieved It

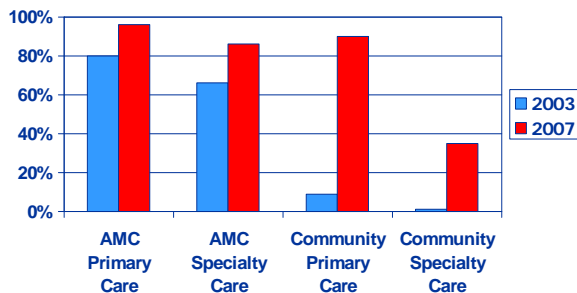


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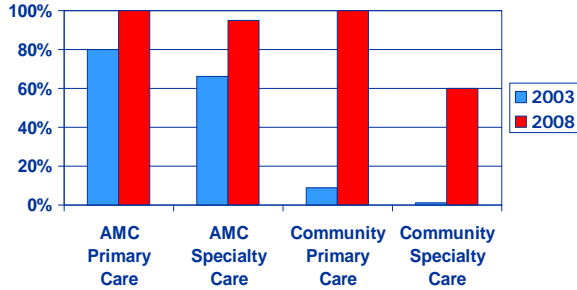
Partners Community Healthcare, Inc. (PCHI)

- Physician network of Partners Healthcare
- Founded in 1994
- By 2000, approximately 6,000 physicians
 - 3,800 physicians at founding hospitals
 - Brigham & Women's Hospital (BWH)
 - Massachusetts General Hospital (MGH)
 - 2,200 physicians in community practices
 - Primary care and multi-specialty group practices
 - Independent Practice Associations (IPAs)
 - Physician Hospital Organizations (PHOs)

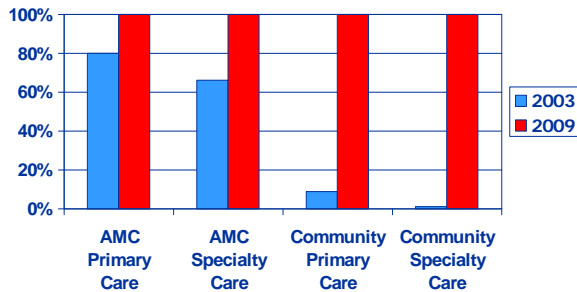
Rates of EMR Adoption 2003 - 2007



Rates of EMR Adoption 2003 - 2008



Rates of EMR Adoption 2003 - 2009

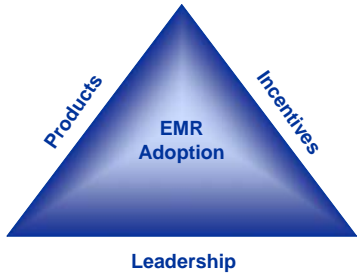


EMR Adoption as a PCHI Imperative

“Successful deployment of electronic medical records (EMR) software will be critical to differentiate the PCHI Network in terms of quality and efficiency.”

■ PCHI Board of Trustees
October 2002

Framework for EMR Strategy



Products

“Products must be feature rich”

- Partners' Longitudinal Medical Record (LMR)
 - Best opportunity for a Network-wide solution
 - Potential for higher levels of integration at lower cost
 - Lack of some important workflow features
 - Choice of one is not a choice
- Need for EMR alternatives
 - Address desire for autonomy
 - Not without limit

The Two-Product Strategy

- LMR will be one of the Network's EMR products
 - Additional funding for feature development
 - Improved privacy options
 - Enhanced for ASP deployment
- Evaluation and selection of a commercial EMR
 - Balancing act: choice vs. consistency and lower cost
- Grandfather Clause
 - EMRs implemented before 2004 were grandfathered
 - With conditions...

How is this working?

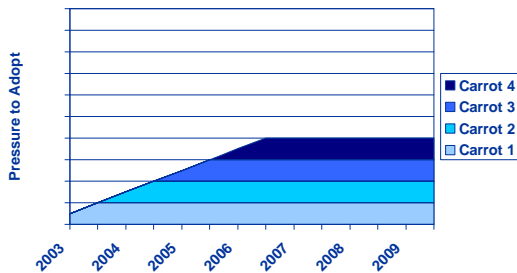
- Choice eliminated many barriers to decision-making
- Competition stimulated LMR development
- Persistent question: Were the gains of the two-product strategy worth the cost of integration and consistency?

Incentives

“Lower Cost and Increase Revenue”

- Identify opportunities to reduce the cost of EMRs
- Explore incentives through payer contracting
 - Pay-for-Performance (P4P) contracts
 - Incentive distribution to reward EMR adopters
- Time the introduction of incentives to build an increasing sense of urgency

Create a Sequence of ‘Carrots’



A Focus on P4P Contracts

- Limited success in identifying cost reductions
- Focus on P4P contracts
 - Consistent with then-current federal restrictions
 - Consistent with payers goals
 - Introduced distribution of incentive to reward individual
- Contract timing built sense of urgency
 - Three P4P contracts with technology incentives
 - Each separated from the next by six months

How is this working?

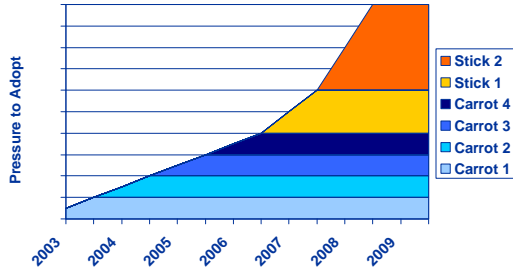
- P4P approach generated attention on EMR
 - Adoption at first
 - Migrating to effective EMR use and application of clinical decision support
- P4P provided sufficient stimulation
 - No change once fraud-and-abuse regulations relaxed
- Mounting pressure to adopt effective

Leadership

“Leadership and support at all levels”

- Secure strong, visible executive sponsorship
 - Partners and PCHI CEOs
 - Commitments to complete LMR development
 - Regional and local leaders
- Community-based EMR support organization
- EMR resistance met with changes in reward structures
 - Incentives directed to those who adopt
 - Potential future penalties for failure to adopt

Possibility of Sticks



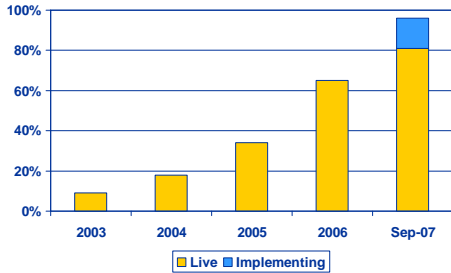
“Set an aggressive pace for EMR”

- “...significant majority of PCPs will need to adopt EMR systems within the next 2-3 years”
 - *By February 2006 most PCPs adopt*
- “...competitive advantage for early EMR adopters – and thus financial incentives – will diminish after 4-5 years”
 - *By February 2008 near completion*

Leadership Implementation

- CEOs advocated for EMR adoption
- Community support organization established
 - Coordinate communications with practices
 - Introduce EMR products and business case
 - Secure commitment and transition to implementation
- Initial focus on large, community PCP groups
 - EMR products better fit for primary care
 - EMR cost per MD more manageable

EMR Adoption Trend 700 Community PCPs



Data as of 9/30/07

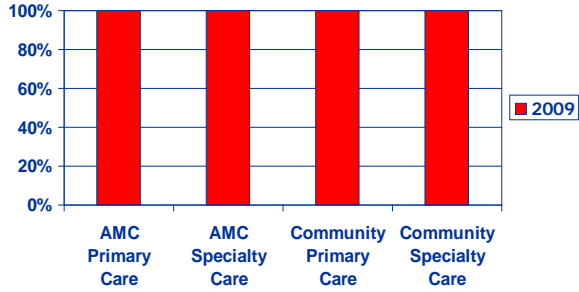
What Drives Adoption?

- Factors in PCP decision-making
 - TCO analysis
 - Network integration
 - Comfort with Partners relationship
 - Skilled facilitation
- PCPs are greatest influence on specialists' decision-making

Leadership Takes the Next Step

- In 2006, PCHI Board made use of preferred EMR a requirement for all new PCHI physicians
- In 2007, PCHI Board made use of preferred EMR a requirement for existing PCHI physicians
 - PCPs must sign by 12/31/07, implement by 12/31/08
 - Specialists' deadlines one year later

Rates of EMR Adoption 2003 - 2009



Questions?
