



Davies Community Health Organization Award A Snapshot of Return on Investment

In 2008, for the first time, the Nicholas E. Davies Award of Excellence was awarded to four Community Health Organizations (CHOs), which are characterized by the following criteria:

1. Provide primary medical care and preventive health services for the population served
2. Maintain an open-door policy
3. Accept patients regardless of their ability to pay

The Davies CHO recipients were recognized for demonstrating improvement through the integration of healthcare technology, specifically, electronic health record systems (EHRs).

Demonstrated improvements include:

- Workflow efficiencies
- Improved patient outcomes
- Financial sustainability

Each of the four Davies CHO recipients was able to provide evidence for return on investment (ROI) that occurred as a direct result of the successful adoption of an EHR system. Their stories of success clearly validate health information technology (IT) initiatives included in the American Recovery and Reinvestment Act of 2009*, and offer lessons learned for those who wish to emulate their success.

2008 Davies Community Health Organization recipients:

- **Columbia Basin Health Association, Othello, WA**
- **White River Rural Health Center, Inc., Augusta, AR**
- **Community Health Access Network (CHAN), New Market, NH**
- **New York Children's Health Project (NYCHP), New York, NY**

** The American Recovery and Reinvestment Act of 2009 will change the delivery of care in the United States. Designed to stimulate the economy via job creation, the law's proponents expect widespread adoption and use of IT in healthcare, and make interconnected healthcare a reality. Since the implementation of technology is not a guarantee for success, Davies awardees offer model approaches and proof that integrating technology into healthcare can yield quantifiable return on investment.*

<i>Award Recipient Name and Description</i>	<i>Type of ROI</i>	<i>ROI Example</i>
<p>Columbia Basin Health Association <i>Othello, WA</i></p> <ul style="list-style-type: none"> Comprised of four clinics in central Washington Services include medical, dental, pharmacy, vision, lab, maternity and behavioral health Majority of CBHA’s patients are migrant/seasonal workers, uninsured and well below the federal poverty level Implementing an EHR has supported CBHA’s philosophy “If you can measure it, you can manage it.” 	Productivity	<ul style="list-style-type: none"> Average Total Encounters (1998-2007) increased: <ul style="list-style-type: none"> Encounters/physician <u>↑21%</u> Encounters/ mid-level provider <u>↑25%</u> Encounters increased at a higher rate than increases in staff Since implementing EHR, CBHA has consistently ranked above the 95% nationally in total medical team productivity as reported in the Bureau of Primary Health Care Uniform Data System (UDS)
	Aggregated Data Analysis	<ul style="list-style-type: none"> Balanced scorecards produced with EHR data are used to track productivity, reward staff incentives, clinical peer reviews, and coding compliance audits
	Patient Flow Quality of Care	<ul style="list-style-type: none"> Greater access to care, decreased wait times, higher quality 17% reduction in dental no-show rate in 2008 Easy data entry and HIPAA-compliant chart access across multiple users and sites
	Quality of Care	<ul style="list-style-type: none"> 98% of all children consistently receive all recommended immunizations Improved PQRI scores attributed to pre-loaded PQRI protocols within the EHR system
<p>White River Rural Health, Inc. – <i>Augusta, AR</i></p> <ul style="list-style-type: none"> Comprised of 24 sites over 6000 square miles Services include primary care, dental, pharmacy, wellness, education and prevention programs “Total Care System” via its EHR Patient information now integrated across all 24 sites, allowing greater continuity of care 	Human Resource Allocation/ Lean Workforce	<ul style="list-style-type: none"> 20% workforce reduction over 4 years (via attrition and reallocation) enabled new sites and services to be developed Opened five new non-federally funded facilities, including two wellness centers and a dialysis center Able to reallocate workforce resources into areas where needed across the organization
	Financial and Billing Improvements	<ul style="list-style-type: none"> Claims denials rates decreased by more than 10 fold Average claim payment turnaround days decreased from 287 to 45 Financial savings related to workforce improvements are sufficient to pay for annual EHR software support

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<p>Community Health Access Network (CHAN) <i>New Market, NH</i></p> <ul style="list-style-type: none"> Health Center Controlled Network (HCCN) Clinical infrastructure implemented in 1996 to support expansion of medical care capacity in the state of New Hampshire Five out of 8 Community Health Center (CHC) members included in the application 	Financial and Billing Improvements	<ul style="list-style-type: none"> Medical records storage space requirements decreased by 90% after 5 years Reduction in transcription costs yielded \$1.00 savings per medical visit Billing turnaround time improved 60% while billing staff decreased by 35%
	Value-Based Results	<ul style="list-style-type: none"> The return on Federal investment dollars increased from 3:1 (2005) to 9:1 (2007)
	Access to Care	<ul style="list-style-type: none"> 80% of patient visits were accommodated during two state-wide flooding emergencies, due in part to the ease of access to the electronic records
	Quality of Care	<ul style="list-style-type: none"> Number of diabetes indicators tracked more than doubled in 5 years, from 12 to 29 Diabetic HgA1c values average 7-7.5 consistently throughout the network
<p>New York Children's Health Project – Montefiore Medical Center <i>New York, NY</i></p> <ul style="list-style-type: none"> FQHC/Health Care for the Homeless program; affiliated with Children's Health Fund (flagship program of CHF National Network) Operates under the auspices of the Community Pediatric Programs of Montefiore Medical Center. 14 sites with 11,953 patient encounters in 2007 Delivers primary health care services to homeless, medically underserved and severely disadvantaged children and families, via custom-designed mobile medical units (doctor's office on wheels) or on-site shelter clinics on a regular weekly or twice weekly schedule Complete medical home model 	Access to Care	<ul style="list-style-type: none"> 100% of multidisciplinary staff utilize the EHR onboard mobile medical units and at on-site clinics across New York City The EHR provides a stable medical home for a highly-transient, medically underserved population Successful data replication ensures that each of NYCHP's 13 service sites has complete and updated electronic records
	Quality of Care	<ul style="list-style-type: none"> 96% of asthmatics had documented severity or control scores 98% of persistent asthmatics were prescribed controller medications, markedly better than the national average of 87% (2007 Medicaid HEDIS data) 92% of smokers were assessed for stage of readiness to quit and received at least brief counseling (2007 national Medicaid HEDIS average was 68%)

Return on investment (ROI): A calculation used to determine whether a proposed investment is wise, and how well it will repay the investor. It is calculated as the ratio of the amount gained (taken as positive), or lost (taken as negative), relative to the basis.

Hard ROI: Quantifiable returns that can be demonstrated in financial terms and process improvements that would suggest cost savings that may fit an identifiable—or measurable—metric. Major categories include patient flow, materials and staffing reductions, and billing improvements.

Soft ROI: Soft ROI carries just as much—and possibly more—importance to healthcare institutions, because many soft-return factors are transformative.

- Medication error reduction via decision support systems saves lives
- Access to a patient's entire healthcare history helps improve care
- Aggregated data analysis assists in focusing providers on performance enhancements