



## Nicholas E. Davies Award of Excellence – Ambulatory Care Award EHR Benefits – Examples

Additional information: [www.himss.org/davies](http://www.himss.org/davies)

Condition	Possible Efficiency	Gain	Ambulatory Care Davies Recipients – Actual Examples
<b>Increased Staff efficiency – <i>Soft ROI</i></b>	IF providers receive timely messages more efficient response	Improved patient care	<b>The Diabetes Center ('10) – 1 ANP , 1 site, 3900 avg pt encounter/provider/yr</b> <ul style="list-style-type: none"> <li>• Phone messages are documented and sent to the nurse and nurse practitioner with attempted responses sent to the patient within 24 hours</li> <li>• The EHR offers remote access to patient information</li> </ul>
<b>Reduced Transcription Costs - <i>Hard ROI</i></b>	IF physicians have extra capacity & get “faster” with EMR	Return on Investment 71.68%	<b>Miramont Family Medicine ('10) – 6 MDs, 4 sites, 4695 avg pt encounters/provider/yr</b> <ul style="list-style-type: none"> <li>• Reduction in transcription costs: \$16,200</li> <li>• Percentage of “value added time” improved from 64.2% to 67.5% with avg appointment increased from 41 min to 51 min</li> </ul>
<b>Increase physician productivity – “<i>Soft Benefit</i>”</b>	IF physicians have extra capacity & get “faster” with EMR	0% - 15% revenue gain	<b>Virginia Women’s Center ('09) – 25 MDs, 5 sites, 5,629 avg pt encounters/provider/yr</b> <ul style="list-style-type: none"> <li>▪ Volume of patient throughput was increased. Pre EHR, average number of annual patient visits/provider 5,314. Post implementation, 11% increase to 5,629.</li> <li>▪ Average number of annual relative value units (RVUs)/provider jumped over 13% with EHR</li> <li>▪ Average profits per shareholder physician stayed level during implementation, and 19% increase in the year post implementation</li> </ul>

Condition	Possible Efficiency	Gain	Ambulatory Care Davies Recipients – Actual Examples
<b>Reduce transcription – “Hard benefit”</b>	IF dictating AND willing to change	\$5k - \$15k/yr costs cut	<b>Cardiology Consultants of Philadelphia (’08) – 79 MDs, 21 sites, 2,710 visits/year/physician</b> <ul style="list-style-type: none"> <li>88% reduction in transcription costs, pre-implementation cost of \$800,000, post-EHR reduced to &lt;\$100,000</li> </ul>
<b>Capture lost charges- “Hard Benefit”</b>	IF charges are now being lost	1%-5% revenue gain	<b>Valdez Family Clinic (’07) – 1 MD, 1 site, 9,600 visits/yr</b> <ul style="list-style-type: none"> <li>Increased the accuracy of coding -Pre-EHR: 948 patient visits, \$91,904 was billed Post-EHR (by 3-months): 772 visits, \$94,175 was billed</li> <li>Move billing in-house without adding to staff - Svgs: \$31k/yr - the avg of yrly cost 3rd-party billing company; Offset the cost of software</li> </ul>
<b>Staff efficiency – “Soft Benefit”</b>	IF overtime being paid, or IF staff ratio can be reduced	0%-15% cost reduction	<b>Alpenglow Medical, PLLC (’06) – 1 MD, 1 site, 10,000 visits/yr</b> <ul style="list-style-type: none"> <li>Post-EHR, only 1 MA needed for 2 clinicians (annual cost savings of \$30,000)</li> <li>Post-EHR no need for medical records staff or transcription (annual cost savings of \$20,000)</li> <li>Post-EHR ability to see more patients per time spent in the office with increased profitability (1 extra level 3 return per day adds \$10,000/yr in profit)</li> </ul>
<b>Increase physician productivity – “Soft benefit”</b>	IF physicians have extra capacity & get “faster” with EMR	0% - 15% revenue gain	<b>Wayne Obstetrics and Gynecology (’05) – 1 MD, 1 site, ~6,000 visits/yr</b> <ul style="list-style-type: none"> <li>Work hours devoted to documenting patient encounters decreased by 4 hours/week</li> <li>Number of patients clinicians able to see increased 225 %</li> </ul>
<b>Increase preventive &amp; management services – “Hard Benefit”</b>	IF new services are profitable AND capacity exists	5% revenue gain	<b>Southeast Texas Medical Associates (’05) – 24 MDs, 3 sites, 200,000+ visits/yr</b> <ul style="list-style-type: none"> <li>Improvements in E&amp;M service coding increased average billable charges for office visits 4.23%, adding more than \$150,000 in billable charges</li> </ul>
<b>Staff efficiency – “Soft Benefit”</b>	IF overtime being paid, or IF staff ratio can be reduced	0%-15% cost reduction	<b>Southeast Texas Medical Associates (’05) – 24 MDs, 3 sites, 200,000+ visits/yr</b> <ul style="list-style-type: none"> <li>Number of administrative staff required to handle patient charts decreased by 76.7% (from \$2.65 per visit down to \$0.62)</li> <li>Annual savings of more than \$120,000 in administrative costs</li> </ul>
<b>Reduced chart pulls – “Soft Benefit”</b>	IF practice charged for pulls	\$5/pull or \$6k/yr/MD	<b>Sports Medicine &amp; Orthopedic Specialists (’05) – 4 MDs, 1 site, 20,000 visits/yr</b> <ul style="list-style-type: none"> <li>Spends \$1,000 per month on the EMR, post-implementation, compared with the \$6,000 per month the practice used to spend pulling paper charts</li> <li>The systems freed up an estimated \$75,000 in staff time.</li> </ul>

<b>Condition</b>	<b>Possible Efficiency</b>	<b>Gain</b>	<b>Ambulatory Care Davies Recipients – Actual Examples</b>
<b>Reduce claims denials and delays – “Hard Benefit”</b>	IF denials or delays are common	15-30 day A/R speedup	<b>Riverpoint Pediatrics (’04) – 1 MD, 1 site, 6,800 visits/yr</b> <ul style="list-style-type: none"> <li>▪ Increased collection rates from 52% to 88% in 4 years</li> <li>▪ Eliminated claims denied due to coding errors</li> <li>▪ Insurance-payment turnaround time fell from between 30 and 60 days, to approximately 15 days</li> </ul>
<b>Reduce transcription – “Hard Benefit”</b>	IF dictating AND willing to change	\$5k - \$15k/yr costs cut	<b>North Fulton Family Medicine (’04) – 7 MDs, 2 sites, 51,000 visits/yr</b> <ul style="list-style-type: none"> <li>▪ Elimination of transcription, recouped costs since implementation total ~\$775,000</li> <li>▪ Transcription processing time/day reduced from 705 mins to zero</li> </ul>
<b>Reduce costs of chart storage and archiving – “Soft Benefit”</b>	IF office goes paperless and chart room eliminated	\$1k/yr per physician	<b>Pediatrics @ the Basin (’04) – 2 MDs (1FTE), 1 site, 4200 visits/yr</b> <ul style="list-style-type: none"> <li>▪ As a result of paper charts no longer being pulled in the office, \$4 per chart request saved, totaling approximately \$16,800 per year</li> <li>▪ Not having to conduct written data entry saved another \$1,400/yr while eliminating transcriptions added \$10,000 to the bottom line</li> <li>▪ \$5,000 annually by eliminating storage costs</li> </ul>
<b>Capture lost charges- “Hard Benefit”</b>	IF charges are now being lost	1%-5% revenue gain	<b>Roswell Pediatrics (’03) – 9 MDs, 3 sites, 82,000 visits/yr</b> <ul style="list-style-type: none"> <li>▪ Before go-live, 18.3% of procedures performed escaped documentation, therefore not billable</li> <li>▪ 1-year post implementation, billing for procedures (e.g. venipuncture), increased from 353 to 8,324, the number of handling fees jumped from 968 to 1,734 and medical management charges jumped from one to 34</li> </ul>