



Nicholas E. Davies Award of Excellence

Additional information, www.himss.org/davies

---Myth Busters – Overcoming Barriers to HIT Adoption---

A Case Study: Valdez Family Clinic, 2007 Davies Ambulatory Award, San Antonio, Texas

Myth #1:

- **Initial cost of adoption is too high**
 - The total cost of implementation, including hardware and training, was \$56,810.
 - The return on investment has been better than anticipated. Average billing increase of \$21.93 per patient visit. Based on 9,600 yearly visits, this will increase 2007 billing by \$210,528. Further, cost avoidance of \$33,400 will bring total financial improvement to \$243,928.
 - Anticipates a net revenue increase in the first year of \$187,118.

Myth #2:

- **Return on investment will be too slow, and may not exceed the initial outlay**
“Billing has been moved in-house, netting a savings of \$31,000 a year, which was the average yearly cost of the third-party billing company. This savings alone offset the cost of software.”
 - Average increase per visit, multiplied by annual visits: $21.93 \times 9600 = \$210,528$
 - Cost avoidance: \$31,000 Outside billing company
 - \$ 2,400 Decreased overtime
 - Total Year 1 increase in billing (estimated): \$210,528
 - Total Year 1 cost avoidance: \$33,400
 - **Summary**
 - Total improvement: \$ 243,928.00
 - Total costs: \$56,810.00
 - **Net ROI after Year 1: \$187,118.00, for a return of more than 325%**



Myth #3:

- **Loss of productivity transitioning from paper to digital will be too high**
 - **At no time during the web-based or on-site training was it necessary to close the office**, or for Dr. Valdez or any of her staff to leave.
 - MedcomSoft's training protocol was to schedule one patient per hour, per provider, on the first day of go-live, and increase the patient load as the week of training proceeded. On the second day of on-site training, the clinic went to two patients an hour, per provider. By the last day of training, the clinic was already approaching its usual patient capacity.
 - As a result of this scaling, the week of training was not particularly hectic. Patient reaction was very positive, and many expressed excitement at being part of the training process.
 - General process efficiency has been improved by the EHR. Prior to implementation, the clinic operated 10 hours a day Monday to Thursday, and a half-day on Fridays. That half-day was paid at time-and-a-half for the hourly staff. After implementation, the clinic has gone to a 4-day work week, with Fridays reserved for Dr. Valdez's various administrative, business, or continuing education tasks. The clinic sees patients during the same 10 hours Monday to Thursday, and the number of patients has increased, all while cutting back overtime. The staff enjoys a long weekend every week, and that's good for morale.

--- History of The Davies Award ---

The HIMSS Nicholas E. Davies Award of Excellence recognizes excellence in the implementation and use of health information technology, specifically electronic health records (EHRs), for healthcare organizations, private practices, public health systems, and community health organizations. Since its inception in 1994, the following number of awards have been received across the four award categories:

- **Organizational Davies Award** www.himss.org/ASP/davies_organizational.asp
 - Initiated in 1994, 29 healthcare organizations recognized
- **Ambulatory Care Davies Award** www.himss.org/ASP/davies_primarycare.asp
 - Initiated in 2003, 21 practices recognized
- **Public Health Davies Award** www.himss.org/ASP/davies_publichealth.asp
 - Initiated in 2004, 14 public health entities recognized
- **Community Health Organization Davies Award**
http://www.himss.org/davies/pastRecipients_CHO.asp
 - Initiated in 2008, 7 community health organizations recognized