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BluePrint Partner Brief #1 –by Rod Piechowski, Independent consultant to executive leaders in healthcare

Eight Information Technology Essentials Every Hospital Board Must Know

Overview

The HITECH components of last year's American Recovery and Reinvestment Act (ARRA) have forced every hospital in the country to re-evaluate its use of Health Information Technology (HIT). The Act moves us closer to achieving the benefits of having better information throughout the care continuum: improved patient safety and a more efficient care delivery system. As the new standard of care, HIT will benefit individual patients, their communities, and the country; with better information, our technology can actually get better at what we want it to do, which adds increasing value over time.

While the CEO, CIO, COO, and CMO take on the task of identifying which technologies are required to support a hospital's mission, hospital boards have the responsibility to guide the organization, support its strategies, and ensure that the financial pieces are in place in order to remain a viable community asset. The timeframes for implementation allowed under HITECH and proposed rules don't provide much time to take a "wait and see" approach. Here are **eight information technology essentials for the board** to consider that will benefit the entire transformation to a digital healthcare world.

1) Information Technology is a tool, not an end unto itself.

Merely implementing IT will not magically change your organization, improve quality and efficiency or reduce risk. The more a hospital can do to prepare for cultural change, the more prepared it will be to implement IT in a way that will support the mission and strategies. First, develop a strategy; then develop an IT system that supports that strategy. If you invert this process, there will be disappointment all around.

2) Paper is tangible, electronic records are not.

People are used to holding paper in their hands, whether reading a book or a folder filled with medical records. Electronic records allow much greater capability to search and analyze data, but the way we interact with the information is different, and requires learning an entirely new process just to see it, save it and retrieve it. Anyone can learn to turn the pages of a book, but a computer adds a layer of obfuscation between the reader and the information. Paper medical records wait patiently for you to access them at your leisure. Electronic records require electricity, computer hardware, software, networks, and an IT department to maintain it all. Meanwhile, a book printed 400 years ago will never require a software upgrade in order to read it.

3) Information technology is a long-term commitment.

Not many people have invested in personal computers and then given up on them in order to revert to typewriters and paper. The next version of hardware or software always promises faster speeds, improved performance, easier use, etc. The initial cost of a personal computer is minimal compared to the additional investment we must make in software (and upgrades), educational materials, and time spent learning how to use these tools efficiently. Further, the data collected, whether it is in the form of email, spreadsheets, reports, etc., is now in electronic format, and it would be completely impractical to convert all of it back to a paper-based system. The same holds true for HIT: There is no going back.

4) Converting to EHR systems is a baby-step.

This is just an early phase in a much longer process of weaning the healthcare system away from paper and into a world in which the efficiencies of technology can truly enable a reformed healthcare system. Quality reporting, the reduction of administrative burden, the application of standards, more accurate billing, lower prices for coverage and services, computerized decision support, improved home care, and access to better care for all are just some of the goals that depend upon the thoughtful application of information technology. The day each hospital and every physician in the country starts using EHR systems will mark an early milestone in a transformative process that will continue for years. Remember, there is no going back...

5) Calculating Return on Investment (ROI) is hard.

Implementing an EHR system is not the same as investing in a new drill press for a machine shop, where the price per widget can be calculated using known formulas and each widget sold contributes to net profit or loss. Furthermore, classic ROI calculations assume a monetary payback for a given investment within a specified number of years. The kind of savings EHR systems bring to a hospital may not be apparent for a while. They may involve improvements in safety and efficiency that are more difficult to measure, or that may pay off in intangible ways such as greater patient satisfaction. From a safety standpoint, the return must be measured in terms of "mistakes not made." Just to complicate this a bit, consider the drive away from task-based pricing and it gets harder still.

6) Technology will enable individualized medicine.

Thanks to what we will learn from research done on anonymized data from populations and their subsets, physicians will be able to target care plans specific to the way an individual reacts to certain classes of drugs or other treatments. Information about what works and what doesn't work will be more readily available to physicians, providing huge value to both individuals and communities. Hospitals will have first access to this information, and the best ones will use it to assess their performance and perform research with an immediate benefit to both the business and the community.

7) Don't treat HIT as a competitive advantage.

It used to be that a hospital that invested in HIT could say it was more advanced, and had access to the latest technologies. Now that every hospital must make the investment, competitive advantage must come from somewhere else. How is the data used? What long-term vision and strategy does the hospital have that HIT can enable? If every hospital has HIT, how will yours differentiate itself in the marketplace? Start planning now.

8) HIT will be the new standard of care.

Again, there is no going back. A hospital without HIT will be considered a technological laggard and by extension, a safety and security risk to both patients and to the community. Hospitals that do not employ HIT will be easy targets for lawsuits claiming that they offer a substandard quality of care, which will lead to a downward spiral.

Conclusion

First create a great vision for your hospital. Then ask how IT enables that vision. Secure financing and support senior leadership through the challenging but rewarding times ahead. Most importantly, take ownership of the process, and you will in turn enable your executive leadership to accomplish the mission. Use the eight health information technology essentials to keep you on the right path.



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