MANAGING EHR CONVERSION RISKS

May 17, 2018
Agenda

• Introduction to EHR conversions
• Identify common key risks in EHR conversions
• Evaluate risks for your health care organization
• Define specific risk monitoring and mitigation strategies to improve the overall EHR conversion
• Questions
INTRODUCTION TO EHR CONVERSIONS
Introduction to EHR Systems

• An electronic health record (EHR) is a digital version of a patient’s paper chart.

• Real-time, patient-centered records that make information available instantly and securely to authorized users.

• **EHR systems** can:
  • Contain a patient’s medical history, diagnoses, medications, treatment plans, immunization dates, allergies, radiology images, and laboratory and test results
  • Allow access to evidence-based tools that providers can use to make decisions about a patient’s care
  • Automate and streamline provider workflow

• Built to share information with other health care providers and organizations
Benefits of EHRs

EHRs and the ability to exchange health information electronically can help you provide higher quality and safer care for patients while creating tangible enhancements for your organization. EHRs help providers better manage care for patients and provide better health care by:

- Providing accurate, up-to-date, and complete information about patients at the point of care
- Enabling quick access to patient records for more coordinated, efficient care
- Securely sharing electronic information with patients and other clinicians
- Helping providers more effectively diagnose patients, reduce medical errors, and provide safer care
- Improving patient and provider interaction and communication, as well as health care convenience
- Enabling safer, more reliable prescribing
- Helping promote legible, complete documentation and accurate, streamlined coding and billing
- Enhancing privacy and security of patient data
- Helping providers improve productivity
- Enabling providers to improve efficiency and meet their business goals
- Reducing costs through decreased paperwork, improved safety, reduced duplication of testing, and improved health.

©2017 RSM US LLP. All Rights Reserved.
Trends in EHR Adoption

Acute Care Hospital EHR System Adoption: 2008-2015


Basic w/o Clinician Notes  Basic with Clinician Notes  Comprehensive
COMMON RISKS IN EHR CONVERSIONS
Common risks in EHR implementations

- Implementing new electronic health record (EMR) systems carries tremendous financial risk and hospitals run the risk of incurring:
  - Patient care disruptions
  - Operating losses,
  - Lower patient volumes
  - Receivables write-offs
EHR implementations vs conversions

• Most of these hospitals and health systems, with annual revenues ranging from $170 million to $3.8 billion, completed their HER installation all at once, commonly referred to as the “big bang” approach, rather than staged over a number of months or years.

• EHR conversions and upgrades can have a significant impact on hospital operations, but they are usually limited to a one-year decline in cash flow and liquidity. The periods immediately preceding and following an EHR conversion typically create the greatest amount credit stress, the magnitude and discreetness of which will factor into any credit deterioration.
Risks in EHR conversions
Why so many conversions?

- Provider dissatisfaction
- Mergers and acquisitions
- Legacy systems
- Advancements in technology
EHR Conversion Risks

- Stakeholder Engagement
- Financial Exposure and Delayed ROI
- Redesigning while Maintaining the Status Quo
- Data Conversions
EVALUATE RISKS FOR YOUR HEALTH CARE ORGANIZATION
Is our conversion at risk?

- **Stakeholder engagement**
  - Clinicians
    - Physicians
    - Nursing
    - Technicians
  - Information Technology
    - Internal
    - External Vendors
  - Revenue Cycle
  - Materials Management
  - Finance
Is our conversion at risk?

- Financial considerations
  - Oversight committee?
  - Estimate receivable write-downs?
  - Estimate declines in liquidity?
Is our conversion at risk?

- Redesigning the status quo
  - Project team leadership
  - Organizational support for change
  - Clinical workflow modifications
  - Downstream impacts
Is our conversion at risk?

• Data Conversions
  • Discovery
  • Processes
  • Planning
  • Outside vendor assistance
RISK MONITORING AND MITIGATION
Risk monitoring and mitigation

- Don’t shortchange the planning process
  - Clinical impacts
  - Financial
  - IT
Risk monitoring and mitigation

• Establish well rounded governance
Risk monitoring and mitigation

• Secure funding and credit lines early
Risk monitoring and mitigation

• Objectively evaluate leadership teams competencies in conversions
Risk monitoring and mitigation

• Secure 3rd Party assistance if needed
• Don’t take short-cuts with project management methodology fundamentals
Risk monitoring and mitigation

• Regularly monitor and discuss stakeholder engagement