How to Wire the Paperless Office, Step By Step

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SAN FRANCISCO — There is a cost-effective way to go paperless and make a profit for your group practice, Jeffrey P. Friedman, M.D., said at the annual meeting of the American College of Physicians.

Dr. Friedman, an internist and founding partner of Murray Hill Medical Group in New York, increased office appointments—and saved $238,000 annually in staff pay and benefits—by installing an electronic medical record (EMR) system and integrating the new technology on a gradual basis, cutting down on staff and phone time.

Patient registrations grew rapidly (currently at 18,000), and salaries for the group's internists and subspecialists in 2004 were two to three times the national average, Dr. Friedman said.

Murray Hill started out in 1992 with just a few partners and associates, one exam room per physician, and no ancillary help, using a local, small electronic billing package. Over the years, the practice filled its space, adding more subspecialty partners, associates, and equipment, and in 1998 acquired an EMR system. The practice added online bill paying this year.

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The practice now has 35 doctors, an office lab, and a technician who oversees the fully automated practice. "Our employee/doctor ratio is very low," he said.

Installing an EMR system does cost money, "but a major thing physicians need to understand is that you have to spend money to make money," Dr. Friedman said. In his experience, "those bucks are not out of control" if invested in the right kind of system.

When considering software vendors, it's important to visit practice sites that are already using installed systems. He suggested that physicians look at big vendors that are likely to be in business at least 10 to 20 years down the road. "This is a big investment, because whatever one you buy you're going to live with for a long time," he noted. The problem with medical records is that if you decide to dump one, "you can't convert the data from one system to another."

In conducting research with vendors, Dr. Friedman got a general idea of what it would cost to install an EMR system, "including the whistles and bells." The per-doctor cost was $30,000-$50,000, including training.

"A lot of people spend that much on a car every few years," he observed.

Training should ideally take place during the slow season, from the end of June through early September. Murray Hill physicians went through 3 months of formal training during such a period. The practice hired college and medical students to preload diagnoses, medicines, and vaccines into the new EMR system. Physicians won't be able to get everything into the record, "but you'll find that over the years the important stuff's there," Dr. Friedman said.

Conversion to an EMR system should take place gradually, he cautioned. A staff of two physicians, for example, should take turns going online. "You should have cross coverage so physicians are not out seeing patients while they learn how to use the system," he advised.

It's crucial to practice with the software before going live with the system. Within 1 to 2 weeks, Murray Hill's physicians had learned the system and regained their usual level of efficiency. Many become even more efficient after going online, he noted.

In addition to handling appointment scheduling (see box), the system helps automate prescription refills. "The patient does it, the doctor signs it. When it's electronic, it's done," Dr. Friedman said. With a few clicks and a printout, a physician can quickly take care of a Medicare patient on 12 different prescriptions that need to be shipped to several locations.

Physicians using an EMR can check drug interactions when looking at their patients' prescriptions. In addition, online preventive notices can remind physicians of what needs to be done for each patient. "And any work you do provides income," he said.

An EMR also can point out errors in coding. "A lot of times we find out that the doctor has been undercoding. It's not fair to give back to carriers and the government. That's a lot of lost income," Dr. Friedman said.

"It continues to amaze me that 90% of physicians are not" paperless, he said. People traveling on planes "would never put up with a pilot navigating by the stars." ■

Going Online for Scheduling

Patients favor online systems that provide a 24/7 service for appointments. "By integrating with the Internet you get patients to do things for themselves without staff," Dr. Friedman said.

His practice, Murray Hill Medical Group, developed its own software so that patients could sign in online, make their own appointments, refills, or referrals, or pick a physician or location. Dr. Friedman is now marketing the software for use by physicians who use compatible electronic medical record systems.

Patients get a tracking number plus three e-mail reminders about their visits. For annual exams, the e-mail will remind them not to eat or drink for 8 hours prior to the visit.

If it's a Sunday night, a patient who has forgotten the time of a Monday appointment can look up the visit online instead of becoming a "no show," he said. The practice estimates that 35%-45% of all of its appointments are made online, and the no-show rate with Internet appointments is less than 1%.

Murray Hill Medical Group has open-access scheduling, so most appointments are scheduled within 24 hours. "We always add on more hours. Patients can always get in because that's how we make a living. We're not going to make them wait 3 weeks," he said. The electronic system makes it easy to fill up slots when patients drop out of appointments.

Physicians have long struggled with patients having online access to their practice, he said. "They have a problem with letting patients see their open schedule slots."