

## ***So You Want To Buy an EMR?***

There is almost a “feeding frenzy” lately among physician practices purchasing EMRs, with many reasons being given: save money, reduce staff, improve quality, improved regulatory compliance, etc. This journal and popular newspapers and magazines have been flooded with all the reasons why practices should be automating their paper charts. However, the EMR search/selection process is a more difficult question rarely addressed, and this article will delve into techniques found to be effective in scores of physician practices.

First and foremost, we do not recommend issuing a Request For Proposal (RFP), with a lengthy checklist of thousands of features you want. Such documents are really “Requests For Prevarication,” as vendors will try every trick in the book to answer “yes” to your questions, by using tools like report writers, or by dodges such as “will be available in release ‘X’” or “needs further discussion.” Salesmen loathe the answer “no” to RFP questions since it might eliminate specific EMR features, thus reducing the retail price of the software. A plausible solution is to replace the RFP with a series of other techniques that can help your practice select the best system for your needs and budget.

### ***A bewildering array of choices***

The EMR market for physician’s offices is huge with several hundred vendors claiming to have EMRs, and choosing one can be a daunting task for a busy practice. The Commission for Certification of Health Information Technology (CCHIT) was formed in 2004 and to date has certified over 100 ambulatory EMR systems. EMRs must undergo testing to meet CCHIT specs, which include functionality, standards compliance and interoperability. So, it is a safe bet to start with this list of vendors so you can be assured that the product meets standard requirements for a state of the art EMR. CCHIT certification is just a start, since so many products

have been certified. Some of the products certified as early as 2006 have been sunset or acquired by another vendor, and face an uncertain future. CCHIT certification then is nice, but by itself, only the beginning.

### ***Request For Information (RFI)***

The next step is to issue a RFI to gather basic data from vendors which should include: their company size (are they big enough to last), financial stability (annual revenue and profit margin), ball-park prices (can you afford them?), number of clients in your state (for regulatory requirements), and major applications you are looking for (billing & scheduling, or just an EMR?), etc. Ask your peers in similar-sized practices what vendors they considered in their search to cull the hundred plus vendors with CCHIT certification down to 5-10 to issue an RFI. Another source is consultants: call several, tell them your size and rough needs, and ask them what vendors they would recommend. Another source might be to attend an EMR convention, hear testimonials from “happy” practices, visit booths and take a quick look at the systems themselves.

### ***RFI Results***

Based on vendor responses to your RFI, you should have a good idea of which you might be able to afford, a major step in a wise purchasing decision. One of the worst mistakes we have seen practices make is to either over-buy (a 2-physician practice over-buying a system meant for 50+ physicians), or under-buy (a 25-physician practice buying a “cheap” system meant for a small office of 1-2 physicians). Analyzing RFI responses lets you avoid these mistakes up front before you get your practice excited to where they “have” to have system ‘X’ no matter what it costs! Spreading the results of your RFI across a spreadsheet makes it easy to compare:

- Capital costs - for hardware, software and implementation

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- Operating costs - for ongoing hardware and software maintenance
- Company size - how many employees, clients, years in business, revenue, etc.
- Applications - do they offer scheduling & billing as well as an EMR?

## Demos

Once you have narrowed your RFI responses to 4-5 vendors who seem promising, invite them to demonstrate their products at your practice. Demonstrations may be via the internet (e.g.: WebEx), or preferably, live at your site, so your staff can ask questions and point to areas of interest. Plan ahead for the demonstration so that you, not the presenter, control the agenda. It may be useful to craft two or three patient case scenarios that are common at your practice to use as framework for the vendor to show their system. A good “canned” demo by a skilled salesperson can make a less functional system look good - leading to the “lipstick on a pig” effect, so the use of scenarios you provide should allow you to see how this software would operate in your environment. Scenarios should include features of the system such as vital signs entry, history of present illness, medical history, medication lists, problem lists, consult letters, and e-prescribing. Send the scenarios to the vendor before the demo - springing the scripts on the vendors on demo day to see how nimble they are may be tempting, but don't do it. You risk wasting valuable time and seeing a good system at its worst.

We use a simple, one page score sheet for demo viewers to record their impression of the product. Ask questions related to ease of: creating a note, prescribing a medication, ordering a lab test, entering vital signs, modifying a template, creating a consult letter. In addition, if your practice has special requirements, such as growth charts for a pediatric group, rate these as well. A one to five scale can be used for scoring. Leave space on the evaluation sheet for reviewers to list the things they most and least liked about the system.

Collect the sheets after each demo, and when all the demos are completed you can analyze the data and see how the products fared.

## Request For Price Quotation (RPQ)

Demos should narrow the field down to 2-3 vendors who seem to best meet your needs. Now comes the detail on costs and contract terms, in essence, the business end of the transaction. RPQs may have up to 10 pages of cost details. Cost details should include:

- Software license and implementation fees for every module
- The number of days someone will be on site for the (high) implementation fees
- Out-of-pocket cost estimates for their trainers to travel to your site
- File conversion fees, to transfer demographic and receivable data from your old system to the new
- Interface details to any external systems (such as a lab), medical devices like EKG monitors, as well as to other standalone systems in your practice

We have learned to also issue a list of contract terms we expect, such as:

- Regulatory compliance - will they support ICD-10 for free and by 2011?
- Payment terms - only a little down (10%), the rest when steps are accomplished
- Trainer experience - the right of refusal of all “rookie” employees assigned
- Response times - will they guarantee sub-1-second, and additional hardware if needed?

## Phone References

Ask the vendors to provide a list of clients of your size (# of physicians), your state (regulatory requirement vary), conversions from your current vendor (did their AR “spike?”), interfaces you require, etc., so you get a list of 10 to 20 practices

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to call. Then have your staff make 2-3 calls each to their peers, not just the vendors “contact” person (who they buy lunches for). When your registrars talk to their registrars, they talk “shop” and get the details of how the system works in the real world. Physicians talking to peers can get the net of the use of an EMR in minutes: would you go back to paper charts, yes or no? We employ a questionnaire for these phone calls that enable a numeric scoring of responses to questions like:

- Has the vendor been a good business partner?
- What would they do differently if they had to do it over?
- Has the product actually worked as promised?
- Has using the EMR system saved time or money?
- Do they think it has improved patient care?

Asking consistent questions of all the references you speak with and scoring the answers will help make numeric comparisons between the vendors. Don’t rely only on the references supplied by the vendor; use your network of peers to provide you with the real story. This “guerilla” reference checking can be extremely illuminating, and you will find most practices will be happy to share their war stories with you.

## User Documentation

Since an RFP is so vacuous, how do you insure the system has all the functions you want? Easy answer: ask the vendors for a copy of their user manuals, usually provided on CD-ROM. Unlike an RFP response, user manuals are written by the vendor’s technical experts, not salesmen, and tell you exactly what you are and are not getting! We employ a questionnaire for these documentation reviews that enable a numeric scoring of:

- How current is the documentation (copyright date)
- Is it well illustrated (a picture is worth 10,000 words)
- Can you find all the features you want (using the

“search” function)

- Is it understandable, that is, written in English, versus “computer-eze?”

## Contract Negotiations

Some of the biggest mistakes practices make are:

- Announcing a “vendor of choice,” which means vendors don’t have to negotiate because you already picked them! Instead, announce two “winners” and conduct concurrent negotiations between them.
- Signing the boilerplate contract supplied by the vendor. Review the contract carefully, and get expert assistance to revise it. The boilerplate terms and conditions are always in the vendors favor. Request changes and if the vendor says “we can’t change the contract” you can reply “the other vendor is willing to...” thus using the power of competition to get concessions.
- Paying “list” price, or anything near it! With the recent economic turn-down, this is a buyer’s market! Make price and term negotiations the final decision point between your 2 finalists, and they will discount handsomely.

We have learned that even how and where you negotiate can be critical. Never travel to the vendors’ impressive “Taj Mahal” headquarters but have them come to your location (investing their money in the deal). Schedule one vendor in the AM and one in the PM, and be sure they cross each other in the lobby and introduce them to get their competitive juices flowing. Just think of how many patients you would have to see to pay their high license and implementation fees, and you should be properly motivated to negotiate!

## Conclusions

Selecting an EMR can make or break your practice, both clinically and financially. Don't bother with an old-fashioned RFP - modern systems allow vendors to answer "yes" to almost every question you ask. Start with vendors you can afford and are suited for your size through a RFI. Subsequent steps in the selection process should be evidence-based, that is, use hard numbers (scores of demos and reference calls) rather than soft opinion from your staff (I like system "X" better). Dig into cost details: out-of-pocket costs, remote hosting fees, file conversions, interfaces, etc. Make price and term negotiations an integral part of your final decision, and you will not only pay less, but will get reasonable contract terms to protect you in the future. Remember, you buy an EMR once every 10 years, the vendors are selling one every 10 days - be thorough and careful in your selection process and you might actually see some of the ROI all the industry pundits are promising.

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## About the Authors

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**HIS Professionals** has been in business for 20 years, providing consulting assistance to more than 300 hospitals and physician practices.