



Physicians have yet to embrace charge capture systems. Could the technology's newest enhancements change their minds? Michael Sharkey reports.

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There's an interesting juxtaposition found in the lab coats of today's physicians: in one pocket, you'll find a high-tech handheld with all the bells and whistles of a small computer; in the other, you'll find a bundle of paper index cards used to record patient charges.

According to a recent survey by Forrester Research, 57% of 1,331 physicians queried nationwide reported using some sort of handheld device such as a PDA or tablet PC. However, only about 6% of PDA users said they use their handhelds to capture patient charges electronically. Similar nationwide studies support Forrester's findings: physicians love the functionality of their PDAs, but when it comes to charge capture, they choose old-fashioned pen and paper.

"Hardware improvements in battery life, screen resolution, and connectivity won't be enough to convince handheld-enabled physicians to view their devices as critical clinical tools—especially if they must wrestle with clunky EMR applications that make data input and extraction a complex, time consuming process of clicking through multiple screens," the Forrester report concludes.

But proponents of electronic charge capture say there has never been a better time for physicians to toss their index cards once and for all. The latest technology is easy to use and integrate, they say, and ROI is significant and nearly immediate. Further, the medical expense index continues to balloon faster than inflation, and Congress is looking to take a 5% to 7% chunk out of Medicare reimbursement in 2007. Now more than ever, physicians need to be paid appropriately for the services they provide.

"Physicians can't afford not to make the switch," said University of Virginia Health System's Dr. Scott Strayer, a long time user of

electronic charge capture and founder and CEO of PocketMed. "In today's environment, you have to be able to accurately track everything you're doing and bill for it. It's not only important from a reimbursement standpoint, it's important from a medical care standpoint as well. Having a record of what you've done on your handheld, wherever you are, makes a big difference in providing timely, quality patient care."

Money on the table

In 2000, Dr. David Delaney held a director-level position in the IS department at Beth Israel Deaconess Medical Center in Boston. He oversaw the hospital's clinical systems and helped create and implement an electronic charge capture system—one of the first such systems in the nation.

In 2004, MedAptus, a leading charge capture provider, recruited Delaney to become its chief medical officer and vice president of business development. Having seen the evolution of charge capture and experienced it from both sides of the table, Delaney said the benefits cannot be overstated, particularly in today's healthcare environment. "It's one of those things that initially sounds too good to be true. But, in a nutshell, by using electronic charge capture systems, physicians can get paid more for the exact same work they're doing today."

According to Delaney, physicians nationwide leave an estimated \$100 billion a year on the table due to undercoding and failure to capture charges. When physicians do make the switch to a paperless system, each doctor typically sees an annual net increase of \$20,000 to \$50,000. "That's a tremendous amount," Delaney said, adding every dollar spent on a system typically returns \$5 to \$7 in billed charges. "It can mean the difference between making the numbers or being at a loss."

So what's keeping physicians from jumping on board? Early charge capture systems were difficult to navigate and lacked the coding customization doctors and hospitals required. Interoperability proved difficult, particularly for physicians that needed to link with different hospital information systems. Data loss and security became genuine concerns, and the cost for equipment, software, and service kept many small- to mid-sized physician practices from dropping their index cards in the waste basket.

As the software has evolved, the majority of charge capture's early issues have been addressed. Coding can be customized for each user, and vendors have created software that works seamlessly across multiple systems. Device manufacturers have addressed data loss and security issues, and with software provider PocketMed, healthcare agencies can spend as little \$100 per physician—a one-time charge.

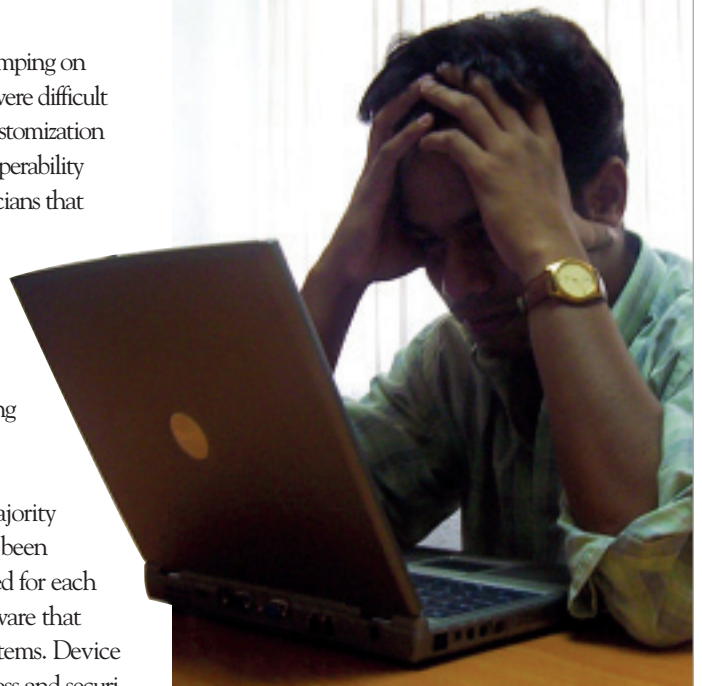
"If you put a doctor in a position where it's difficult to complete a charge, they simply won't complete that charge," Delaney said. "If that happens frequently enough, they'll simply put the system down and go back to their index

cards. The industry experienced that when electronic charge capture was first developed. Now, it's evolved to the point where it's easy to use and integrate, and the ROI is very compelling."

Off the island

The latest stage in charge capture's evolution could prove to be just what the doctor ordered. Charge capture vendors like MedAptus and PocketMed are partnering with cellular providers to take advantage of nationwide high-speed networks, allowing physicians to move off Wi-Fi islands and access systems anywhere they have a cell signal.

"The idea of wireless capabilities via wide area networks is the biggest advance for charge capture," PocketMed's Strayer said. "Being able to access and transfer



data on the go is something that's good for the physician and good for the patient."

Strayer said PocketMed is currently building an infrastructure that will allow clients to wirelessly integrate with back-end databases at any physician practice or hospital. It's a feature that could introduce charge capture to a whole new audience—small physician practices without the capital to invest in their own IT infrastructure. "That's something we're excited to be able to offer some of the smaller groups of physicians we're targeting," he said. "Two or three man practices that scrape along need a low cost, intuitive, robust solution, and that's what we're going to give them."

For companies such as MedAptus that target larger hospital groups and physician practices, offering access to the system via high-speed cellular networks means faster rollout, a critical ingredient to a high physician adoption rate. Delaney and Strayer agreed that nationwide access via cellular networks could be the ingredient that spurs physician PDA users to discard their index cards once and for all and get paid for much of the work they're already doing.

"You can capture service at the point of care, wherever that may be, put it into a digital, readable format before you lose your index cards, and access a comprehensive list of codes that are easily picked," Strayer said. "It's as simple as that, and it increases your revenue. The bottom line is, it's an economic argument you can't win." ■

