# Why Free Isn't FREE FREE Things You Won't Get From



#### TABLE OF CONTENTS

ABOUT THE AUTHOR • 3 EXECUTIVE SUMMARY • 4 INTRODUCTION • 5

#### TEN THINGS YOU WON'T GET FROM A FREEBIE EMR

- 1. Return On Investment 9
- 2. Service and Support 9
- 3. Integration 10
- 4. Efficiency and Increased Revenue 13
- 5. Training and Support 13
- 6. Security Standards 14
- 7. Scalability 14
- 8. Meaningful Use 14
- 9. Protection of Patient Privacy 14
- **10.** A Reliable EMR Company That is Here To Stay 17

CONCLUSION • 21 ABOUT WRS HEALTH • 22



#### **ABOUT THE AUTHOR**

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Gordon received his undergraduate degree at the University of Pennsylvania in biophysics where he graduated magna cum laude in 1985. He received his M.D. degree from the Columbia College of Physicians and Surgeons in 1989. He was trained in Head and Neck Surgery at the New York Eye and Ear Infirmary under other notable surgeons Dr. John Connely, Dr. Hyun Cho and Dr. Steven D. Schaefer. He has obtained board certification from the American Board of Otolaryngology.



#### **EXECUTIVE SUMMARY**

Selecting an EMR for your medical practice can be a daunting task because of the myriad of options available and the hefty price tags that many of these systems carry. When physicians begin their search, they often Google "EMR" and ask their colleagues for recommendations. It doesn't take long to discover that there are several EMR vendors who claim that they offer their systems for free. No, that's not a misprint.

Determined to keep a lid on spiraling overhead costs in the face of declining reimbursements, while eyeing Meaningful Use (MU) incentives, it is not surprising that physicians are easily enticed by these EMR companies who boast that their systems are free. After all, why pay for something when you can get it for free?

If you are ready to get an EMR for the first time, or thinking of switching your EMR in favor of one that is free, don't ignore the yellow flashing lights. Don't let the word "free" blind you to the more sobering facts. Before you are lured into signing an agreement, beware. Even free things carry a price tag, and for a medical practice that price can be quite hefty in terms of your practice's efficiency and even its future solvency. Don't let the euphoria over "free" obscure the downside about free EMR systems.



#### INTRODUCTION

The case of Google sheds light on one way in which we wind up paying for free things. Sure, Google offers us a no cost vehicle with which to send and receive emails. But, every time we log in, we're inundated with ads that reflect our Google history. Google, which derives its revenues from ads, is monitoring our browsing, and sharing that information with marketers who target and deliver advertising to us. In the end, our security and privacy are compromised.

The Health Insurance Portability Accountability Act (HIPAA) privacy regulations require health care providers and organizations, as well as their business associates, to develop and follow procedures that ensure the confidentiality and security of protected health information (PHI) when it is transferred, received, handled or shared. This applies to all forms of PHI, including paper, oral and electronic. Healthcare practitioners must protect patients' privacy and data. You simply cannot allow someone to access your database to glean patients' information. Selling patient data is tantamount to a breach of security. Yet, many firms that offer free EMRs are in the business of selling deidentified patient data to pharmaceutical and insurance companies, as well as other entities, thereby compromising patients' privacy.

More commonly dubbed data mining, this practice puts your patients' information at risk and your relationship with patients in serious jeopardy. This is just one of the many pitfalls of tapping free software. From charging fees to patients for access to additional services, to offering systems that lack the integration to seamlessly manage your entire practice, to lack of expert training and ongoing support, to the likelihood that the software company may eventually fold, physicians who are tempted to use these systems are

increasingly finding that free isn't really free at all.



This white paper will discuss why tapping free software can be a pricey endeavor. On the flip side, you will also learn how a completely integrated "paid" or "pay for play" system provides a comprehensive tool for physicians to manage their entire business. From providing a myriad of integrated services that help you run and manage your entire medical practice, to ensuring security and privacy to patients, to offering stellar service and top notch support, to getting a partner whose longevity is unquestionable, it's crucial not be lured into buying into a system that is touted as "free."



# HOW DO THE FREE SOFTWARE EMR COMPANIES DERIVE THEIR INCOME?

Free EMR software vendors usually employ the following business models to earn revenue:

Charge patients to use certain applications One company reportedly offers physicians the free EMR, but charges patients annual fees ranging from \$36 to \$120 to avail themselves of services such as scheduling appointments online, looking at lab results and visit notes, and communicating via video chats with their physicians. Physicians may retain part of the revenue. **What's wrong with this model?** If patients don't like the idea of paying a fee for the patient portal and other services, they may leave your practice. In addition, if patients don't use these services, it affects your practice's efficiency. When patients don't use these services, you also risk not being able to qualify for MU incentive funds as well as incurring penalties in the future for noncompliance with government rules.

In an article in Healthcare Technology Online, entitled, "*The Truth Behind Free EHRs*," while the author does not take sides on the issue of free versus paid, he does raise questions about physicians charging patients for services. "Patients who support Hello Health have access to premium services such as virtual visits. A virtual visit is basically a video conference between the physician and a patient using the Hello Health interface. These events are scheduled as needed, and patients are charged an additional \$50 to \$60 per 15-minute session to use this service. While the patient-supported model makes sense, one should still question its long-term viability. Many of the concierge services offered by Hello Health may be cutting-edge enough for patients to pay for today, but they will likely become more commonplace as the industry evolves. Online scheduling and email correspondence capabilities are included in many other patient portal platforms that physicians are beginning to implement and offer their patients free of charge.

Will patients be comfortable paying for the same services others may receive for free from competing physicians in the future? Will physician loyalty be enough to keep the recurring revenue flowing?"



# Sell anonymized patient data

Source: http://healthblawg. sharedby.co/share/8FlA0n Free software vendors sell anonymized patient data to medical research firms, pharmaceutical and insurance companies, as well as to other entities. Data are supposed to be stripped of direct identifiers, which are names, Social Security numbers and dates of birth, in accordance with HIPAA requirements. However, with sophisticated technology, this practice may result in identifying that data with a patient and the release of sensitive patient information. Companies that violate physicians' trust place physicians in jeopardy of losing loyal patients. Responding to on an online article entitled, "Use of Free EHRs may violate new HIPAA Rule," a reader warns,

"As a patient, I think the more ominous aspect of "free EHR" is the selling of deidentified patient data. Experts have proven that it is possible to reidentify individual data, such as with Netflix. Also what happens if someone with the EHR company accidentally fails to properly deidentify the data, or the EHR company goes belly-up and



someone acquires the company? Most providers are not reading the software licenses and understanding that if something bad happens, the free EHR vendor is not going to take the liability. And **patients have no idea that their doctor is selling their patient data** (which is what is really going on) **in exchange for a "free" EHR**.



Hefty fees for additional services or applications

Ad-supported software

#### model

Source: http://www. healthleadersmedia.com/ content/TEC-249477/Free-EMRs-Too-Good-to-be-True.html## The free EMR is only an enticement to charge practices hefty fees for additional services or applications. One free EMR charges almost \$300 per month per provider for its practice management software and between 4 and 8 percent of collections for use of its billing services solutions (RCM). These charges, as well as fees for any updates to the system, can diminish your bottom line.

Ad-supported software model. Free software vendors sell advertisements to make money. An online article entitled, "Free EMRs: Too Good to be True?" which appears in HealthLeaders Media, explains how the advertising is used. "The company is funded by advertising so that when a physician uses the EMR, the system recognizes keywords and sends condition-specific ads from insurers, medical equipment suppliers, and pharmaceutical companies to the EMR page."

In *"The Truth Behind 'Free' EHRs,"* article in **Healthcare Technology**, the author says, "The advertising-supported model has been effective for other web-based software applications (e.g. Skype, Pandora, etc...), but many question whether this approach alone is viable for an application as critical to business operations and patient care as an EHR. Advertising is a fickle business that can be greatly influenced by ebbs and flows in the economy. Do you really want the stability of your EHR to be determined by ad revenue?"

Source: http://www.healthcaretechnologyonline.com/doc/the-truth-behind-free-ehrs-0001

Software that relies solely on advertising to fund development, support and service is prone to failure. Ultimately, the consumer either grows weary of the ads and abandons the application, or the advertisers stop buying space, or both scenarios occur. In the end, physicians pay for the services they really need.





# Things You Won't Get From a Free EMR

#### RETURN ON INVESTMENT

01

Many physicians focus on the initial price of their investment when choosing an EMR, instead of looking at the long term return on investment (ROI). You most certainly want to have a system that will enable you to obtain MU financial incentives and avoid future penalties. But at the end of the day, if you choose a free system based solely on achieving MU, your system may be sorely lacking in providing your practice with a smooth workflow that will enhance your practice's efficiency. You will inevitably spend more time performing administrative work with a free system that lacks the depth and integration necessary to run and manage the entire business of your medical practice. Inefficiency translates into seeing fewer patients and lost revenue.

Additional hidden costs of a free system include costs for hardware and setting up the system.

#### SERVICE AND SUPPORT

When you implement an EMR, it is essential to receive the highest level of service and ongoing support from an experienced and dedicated support team comprised of clinical and billing experts. Without the necessary support and top-notch customer service that a good partnership affords, things can get acrimonious. Corey Sexton, who is in charge of IT for Janice L. Birney, MD PC, in Colorado, recently experienced the benefits of dealing with a paid EMR company that provides stellar support. "We like having a single point of contact at our EMR company. Knowing one person who is the chain of communication with the rest of the company is fantastic. We really like that a lot. Our account representative is great. Her responses to our questions are so thorough. We were not used to that, so that's a real plus. We had to get everything up and running in three weeks. We had all of our data pulled from an old EMR and transferred to this new one. We went live August 20, 2012. It was really fast. The whole process was handled really well, so we were really happy with that," says Sexton.



Dr. Nicole Pinkerton of Colorado-based Specialists in Women's Care is also very pleased with the exemplary support she receives from her EMR company. "There's several ways you can contact them-- you can call, email, and you can contact them within the system. I've used all of those options. Whenever I call the company, I actually get a person and oftentimes it is someone who I already know from another interaction," says Dr. Pinkerton.

#### INTEGRATION

In an online article in **Healthcare IT News**, entitled: "*Docs Flock To Cloud To Save Bottom Line*," the author points to a new Black Book study, which surveyed more than 8,000 CFOs, CIOs, administrators and support staff for hospitals and medical practices. The survey found that 87 percent of all medical practices agree that their billing and collections systems need to be upgraded. The author says, "The majority of those physicians are in favor of moving to an integrated practice management, EMR and medical software product. Forty-two percent of doctors surveyed said that



Source: http://www.healthcareitnews. com/news/study-docs-flock-cloudbased-systems-save-bottom-line

they're thinking about upgrading their RCM software within the next six to 12 months. And 92 percent of those seeking an RCM practice management upgrade are only planning to consider an app that includes an EMR."

Furthermore, the study found that 72 percent of practices reported that they anticipate declining to negative profitability in 2014 due to inefficient billing and records technology as well as diminishing reimbursements. The article quotes Doug Brown, managing partner of Black Book Market Research, who states, "As evidenced by the growing number of Meaningful Use failures and immature EHR systems dropping off the competitive market, far too many EHRs falsely claimed to integrate seamlessly into practice and revenue cycle management systems. Fewer systems had evidence of seamless integration across revenue cycle management, clinical communications and analytics solutions."

A post on emrandhippa.com by Chandresh Shah warns physicians that free systems lack integration. "Beware. All that glitters is not gold! As a provider, and a business owner, I would be extremely skeptical. You must look for the following: Speed – not just of a clinical encounter, but for the entire practice. Providers tend to look at the speed of doing their part. Focus on business enterprise. What about the entire business: front desk, check-in check-out, patient wait times in the clinic, claims processing, reporting, collections and so on? Is the enterprise system a truly integrated platform with a single database? Does that matter? Perhaps not on the surface, but as any experienced healthcare technologist will tell you, interfaced is not the same as integrated. Only integrated systems preserve data integrity."



Shah goes on to say, "With free systems, each island of automation has its own database connected with the bridge. It can break. It's costly. It is better to have a single database, from which different applications are built, such as billing, front desk, practice management and EMR."

When Denton Combs, CNP started his solo ENT and allergy practice in SD, he used a free system for the first seven months. "I hated it. We were having major trouble with billing and getting everything through. I hated that the business aspect and patient control aspect were not on the same side as the EMR. All of our billing was separate. Nothing was tied together. We were waiting to make an error and then having to redo that error," said Combs.

#### Combs, who evaluated 10 EMR systems before selecting his current EMR, adds,

Gour system already has everything integrated into the system, including a Billing Module and a clearinghouse, so it's tied together better than other EMRs. My nurse and I liked the whole package the best, including the modules. Everything about the EMR system interacts wonderfully so you don't have to exit out of one program to go to another. With all of the other EMRs, there's a billing side, a check-in side and an EMR side. They were all tied together, but you couldn't be in them simultaneously without having to close one down in order to open the other up. **Our current EMR is so convenient**."

Having prematurely met his seven-year practice goal in just 18 months, Combs has attracted about 1,100 new patients. With 65 new patients added in just one month, it's easy to see how having chosen a system with an integrated patient portal is helping Combs and his staff work more efficiently. "I'm running everything. I'm doing the accounting and billing. My nurse and Medical Assistant talk to patients about them having access to their records and getting all the documents online. Patients are entering the information on the patient portal before they come in."

Syed M. Rizvi, MD, of S.M. Hammad Rizvi MD Inc. of California couldn't agree more about the benefits of a completely integrated EMR system. "The EMR should have a good EMR and it should also have management and billing built into it. A lot of electronic health records have either just the EHR where you just do health records, but you cannot do billing, management, or scheduling, etc... through them, and that was my criteria. We like that the billing system is integrated with the EMR. Once I see the patient and do the coding, it automatically goes to the billing person to populate in the system, without having to put it in a separate system. The integration is very important to make sure we capture all charges at the same time we see the patient."



Dr. Rizvi added, "Since I have been using an integrated EMR for billing, it is working great. The ERA and auto posting that we are using now are both very useful. I can definitely say that our revenue has increased. Firstly, we are capturing more charges. Secondly, because the billing is integrated with the clinical EMR, a super bill is created, which then goes to the clearinghouse. Once it comes back, we know if there is a meaningful change or correction needed for the claim. We are getting paid faster and capturing more revenue than we were before."

The author of the article, "Is Free EMR Software Right For Your Practice?" agrees that integration is crucial. "Many paid EMR systems can integrate with external medical billing, scheduling and CRM software. Free solutions usually have integration limitations. And integration typically requires services work to build custom connections and mappings between systems. That, of course, can't be free....What safeguards does the vendor have against downtime? What recourse will you have if the records you need are suddenly unavailable? Will you be able to retrieve your records if you switch vendors?



Source: http://profitable-practice.softwareadvice.com/ is-free-emr-software-right-for-your-practice-0913/

Jin Lim, M.D. of Virginia-based Ear Nose & Throat Associates considered a free EMR, but he says it didn't have the capability to assist his two locations with his scheduling needs.

**C** The interface for my front desk staff to schedule patients in multiple offices wasn't good. There was no way to color code one office versus the other. The free EMR was not meant for a two office location practice. It didn't have what I needed. I could have worked around it and said 'my Manassas location' and 'my Gainesville location' and had them schedule it for that. I even talked to someone at the company. Their support staff said, 'This free EMR platform wasn't meant for a two office location.' I said, 'That's not for me then,''' states Dr. Lim.

Dr. Joseph Flint of Delavan Pediatrics of Illinois, who also considered a free EMR, had this to say, "Our current EMR is priced very reasonably. When starting up a new practice that's important. Our system was not the least expensive, but its rich features are worth the price. It was the best system. The other system was a free web-based EMR so you can't get much cheaper than that.



They had a separate billing company they contracted with to do their billing module. The print output wasn't ideal. The set up and the flow of the charting was not what I wanted, and you can't overlook that. Things that are free are not always a good deal. The other system didn't have an integrated billing module, so it really came down to an easy choice. I liked that the system I choose had everything I needed and that I could change things if need be. It was more flexible and robust than other EMR systems."

#### EFFICIENCY AND INCREASED REVENUE

No doubt about it. Inefficiency is costly. You want to spend time seeing as many patients as you can. With a free system, physicians have to spend an exorbitant amount of time setting up templates to meet their practice needs. On the other hand, a paid system, which offers customized templates that are tailored to individual specialties, offers unparalled efficiency when it comes to charting, coding and billing. Do the math: If you spend 50 hours of your time setting up templates and your potential worth is \$150 an hour, you are losing quite a bit of revenue.

#### TRAINING AND SUPPORT

Saine Training Res A "free" system usually offers basic training. A paid system offers the support you need during and post implementation, with several options, including on-site training, phone calls, webinars, emails and messaging. An outstanding paid system should provide you with the ability to access a complete library of online training videos and oneon-one training conducted by clinical experts and billing specialists. Limited training results in inefficiency as well as having to hire costly consultants versus having a dedicated team of experts and a choice of pre and post implementation training tools and support.

Dissatisfied with the training from his previous EMR company, Dr. Sundar signed up with his new EMR company for individual training sessions in charting, billing, and e-prescribing and MU. "The training definitely helped me a lot and then the webinars were very helpful. The Team is so friendly. In fact, I know all of them by name. Even though I used the previous system for three or four years I never knew any of the people I was taking to," said Dr. Sundar.

When it comes to the support a physician can count on from an EMR company after he signs on the dotted line, first impressions are usually a harbinger of things to come. When Dr. Raymond Fernandez, a cardiologist in AL started his EMR search he made many phone calls. "Anybody who couldn't even answer the phone, was out. If I called once and got an answering machine, that company was out. I didn't need to follow up with them. At the EMR company he chose, he says,



'People actually answered.' There were some systems which were actually free, but you get what you pay for."'

Dr. Patrick Hennessey of Florida-based Orlando Concierge MD, who used a free EMR system for over a year says, "the free EMR system was just too limited and they were not really responsive to our needs."

### SECURITY STANDARDS

The vendor may not have the credentials to meet HIPAA privacy regulations. For example, the free software vendor may not have passed the Certification Commission for Health Information Technology's privacy and security standards.

#### SCALABILITY

Consider how many staff members will use the EMR system every day. Some free EMR software solutions limit the number of IT administrators and the number of end users who can use the system without tacking on additional fees. Paid systems offer unlimited access by any number of users at more than one location at no additional charge.

#### **MEANINGFUL USE**

The free vendor may not have the certifications necessary to help physicians to meet the MU requirements for EMRs as outlined in the HITECH portion of the American Recovery and Reinvestment Act of 2009. The vendor may not have a solid business plan to see you through all stages of Meaningful Use, while continuing to meet the needs of your practice. Furthermore, practices that do not implement an EMR will start having to pay penalties in 2015.

In a recent blog post on emrandhippa.com, John Lynn states that "a large driver of EMR switching is when an EMR vendor isn't or won't be ready for Meaningful Use. The EHR incentive money and EHR penalties are a powerful incentive for many healthcare organizations. If an organization's current EHR system isn't ready for Meaningful Use, many have no choice but to switch EMR," he states.

#### 29

06

#### PROTECTION OF PATIENT PRIVACY

One of the tenets of healthcare is preserving patient privacy and the security of their data. Lynn, a vocal critic of free EMRs posted this comment on emrandhippa.com, "The problem with free EMR is that while it may be free from a financial perspective there are always other costs associated with free EMR. ... Turns out, a leading free EMR vendor uses the same model as



Google Apps. Their promotional literature says: 'We generate revenue by embedding advertising, including pharmaceutical products, into our physician tools. We also incur revenue through the sale of anonymized patient data to research groups, pharmaceuticals, and health plans.' Basically, they're planning on selling ads around people's patient information. People are still freaking out about Gmail and Google apps placing targeted ads around their email. Why? Because in order to target the ads properly, that means Google has to search all of your "private" emails... My guess is that most patients would feel very uncomfortable going to a doctor that is using a service like this. I think they'll feel like their doctor was selling their information to save a buck. It might be one thing if the patient saved some money too, but that's not going to happen. Certainly a doctor using this free EMR didn't have to tell their patients that it was paid for by advertising and getting their information sold. However, could you imagine the backlash that would occur if they didn't tell their patients and then someone found out? I'm honestly not sure how many doctors would want to take that risk."

#### People are still freaking out about Gmail and Google apps placing targeted ads around their email.



**WHY?** Because in order to target the ads properly, that means Google has to search all of your "private" emails.

In another post, Lynn discusses recent controversy over the same free EMR vendor turning on a feature that emailed patients whenever a progress note was created in the EMR. Lynn explains, "The email came addressed as being sent from the doctor and asked the patient to rate and review their provider. In the 17 months since they started sending these emails, 1,844,718 reviews have been submitted across 29,630 providers according to this free EMR vendor's website. If we're really generous and assume a 20 percent response rate from the emails, then over the last year this free EMR vendor has sent out over 9 million emails to patients."

Lynn continues, "I couldn't find a single doctor using this free EMR who knew that every patient they charted would receive these rating and review emails. What I did find was a doctor who only discovered these emails were being sent to his patients when his brother visited his office and later asked him why the information in the email was incorrect. The doctor no doubt asked his brother "What email?" Other doctors only knew about the emails after hearing about the emails from their patients. One doctor confused a few of his patients' comments about the ratings emails thinking that they were talking about some other rating service like Yelp, Health Grades or ZocDoc. He was later surprised to learn that this particular free EMR vendor had been sending these ratings emails for months to all his patients and he knew nothing about them.



magine being a doctor who discovered your EHR vendor was sending emails to your patients in your name and you knew nothing about it. The physician response once they found out these emails were being sent isn't surprising. **Here are a few of their responses:** 

"We find this a MAJOR violation of our trust..."

"It demonstrates to me that PF has LOST TOUCH with how difficult it is to run a doctor's office."

"I just think of all the times I assured people that we would never email them with solicitations or spam, but only would use their private email addresses for emergency purposes or if they emailed us first."

"Why were we not told? Why can't we use the emails we enter [into] the system but you can?"

"You should NOT have to opt out of spam! This is an outrage." "It's deception! Unsolicited emails to our patients from PF should never be signed off as the doctor. Where is the trust?"

"PF obviously thought of doctor's offices more like a restaurant or retail store than the rather unique provider of personal health care and protector of personal data."

"No physician signed up onto PF thinking they would be treated like HealthGrades or Vitals."

"The main point of contention has been the fact that we were not aware of the surveys being sent out IN OUR NAMES!"

"As a doctor, I don't like this one bit. I'm in pilot country and the FAA takes medication use VERY seriously. What if a doctor mistakenly prescribed a medicine that was on the FAA "not allowed" list or sees a psychiatrist and then PF sends an email that the patient was seen at a psychiatrist's office to their work email. Their work could be scanning their email for violations like this and BAM! Someone loses their job because of a PF HIPAA violation that reveals the private information that this person had just been to a psychiatrist's office and is possibly on psychiatric medications."

Source: lynnhttp://www.emrandhipaa.com/emr-and-hipaa/2013/08/21/practice-fusion-violates-some-physicians-trust-in-sending-millions-of-emails-to-their-patients/?utm\_source=feedburner&utm\_medium=feed&utm\_campaign=Feed%3A+EmrAndHipaa+%28EMR+and+HIPAA%29 Aug 22



On webbasedemr.com, Chandresh Shah offers this view about the controversy: "I don't mind repeating again and again. It is about making money from your data docs, be aware. My problem is not with Free EMR per se – you can use any web-based EMR system or any client server EMR software. As long as the EMR company and EMR vendor treats you with respect and dignity, protects your data, I have absolutely no issues. Patient data is yours, and you decide what you can do with it; no one else. This particular free EMR vendor may just have sent out innocent emails, asking your patients to grade you (by the way, it is not that innocent). The next step is more dangerous. They know what you have diagnosed and what meds you have prescribed to patients.

So, the next move will be including directly targeted Ads and blurbs from Pharma companies promoting and pushing their drugs. Pharmas have been waiting just for this opportunity, to market directly to your patients. They have tried DTC (Direct to Consumer) ads in TV and print media, with reasonable success, but FDA is cracking down on them. So, this free EMR vendor provides an

This particular free EMR vendor may just have sent out innocent emails, asking your patients to grade you (*by the way, it is not that innocent*). **The next step is more dangerous**. They know what you have diagnosed and what meds you have prescribed to patients.

elegant avenue to market directly to the people that need those drugs. Wake up guys, please, for heaven's sake, don't sell your vital trust with patients. I personally will never go to a physician that uses this free EMR. Pharmas have been waiting just for this opportunity, to market directly to your patients.

http://webbasedemr.com/category/blog/

#### A RELIABLE EMR COMPANY THAT IS HERE TO STAY

It's imperative that you partner with a reliable EMR company that has viability.

When Mitochon announced that it would be exiting the EHR market in mid June 2013, the company's announcement stated, "We are sensitive that our providers' medical practices will be affected by this. However this difficult decision has been driven by the need to focus on other lines of business, and the increasing liabilities we are incurring while supporting our free EHR service. We will keep our active subscribers updated in the coming days as to how we will address the important issue of clinical data retrieval as well as possible alternate systems and solutions we are in discussion with."

Prior to Mitochon's departure from the EHR market, Chandresh Shah was skeptical of their model. "I just don't see the business model. I've run EMR companies. I know the costs of maintaining a good product, but more importantly, good customer service. Customer service is perhaps the last mile that distinguishes one company from another.



#### Reading between the lines, I see that the company plans to make money from:

## 1 2.85 percent for billing services?

You have to do it offshore. It cannot be done in the USA. Also, you will probably sign up solos and more of family practice type of clinics where the total claims volume is high but per claim revenue is low. Which means more work per claim. I do not see high value specialists like cardiologists, orthopedic surgeons going to 'freeware', where billing requires specialty knowledge.

Perhaps they are banking on 'In-Office Dispensing Solutions'.

This has been around for years. I have seriously evaluated not just the business model (which by the way, looks fantastic on paper), but execution is tough and the cost of marketing and sales is prohibitive. Companies that specialize in this have not done well.

3

Maybe there are some addon services that they are banking on. But I don't see it. Practices are going to the free stuff because they can't or don't want to pay in the first place. Why would they pay for any addon service? If you think about it from a global perspective, \$400-\$500 per month is not a big deal for any practice. The biggest barrier and resistance is the concern about workflow slow down, and loss of productivity for the physician. Free or Paid does not solve that problem. Paid vendors are in a better position to serve providers to help them get over the hump and use technology to their advantage."



#### Will more free EMR companies go the way of Mitochon?

That's the way James Biggerstaff M.D. reads the tea leaves. He posted this comment about Mitochon on May 21, 2013, "More to come, bet on it! EMR companies shutting down with doctors left in the lurch and having to suffer great expense to switch or get someone else to support their system."



Yes, it's important to consider the costs you would incur if your free EMR company goes out of business. Pointing out that there is a link on a major free EMR vendor's website that "talks about how they are more reliable than an in house system," Lynn says. The thing that isn't addressed by is what happens if this company disappears. Sure, it would be nice to think that the company will be around forever and it's great for them to have that confidence, but it's just not realistic. What if the company is sold? What if the company goes under? What if the free EMR model doesn't work and the free EMR vendor decides to start charging?

The author of the article, "*The Truth Behind Free EHRs*" which appears on **Healthcare Technology Online** insists that he does not favor paid vs. free, but he does issue a warning, "Some physicians feel they have less to lose with a free EHR platform. Since they don't have any money tied up in the system, it's not catastrophic if the EHR doesn't pan out. This is flawed thinking. No provider wants to be in a position where it has to rip and replace its EHR system — regardless of whether the platform it was using was purchased or free. The consequences of this action can be far reaching and include wasted labor, decreased productivity, EHR downtime, missed incentive payments, and reimbursement penalties."

A comment posted to this article by John Brewer noted, "Patient supported EHR -Quite laughable actually. What patient feels sorry enough for the doc to help support something that is a standard business tool? How will this go over: "Hi, welcome. So that I can keep making the payments on my BMW, I'd like you to sign up to help pay for the EHR I'm using. What's that? You are aware that I just got my first \$18,000 check for Meaningful Use? Well...why would I put that toward this EHR? I used that as a down payment on my plane. It is my opinion that a free EHR is a no go...eventually." Source: www.healthcaretechnologyonline.com/doc/the-truth-behind-free-ehrs-0001

Joshua also believes free EMRs have shortcomings. His post reads, "None of the current free EMRs has sufficient functionality to support the practice of a psychiatrist, psychologist, or social worker.



A comment by George states, "Free is good but buyer beware! The companies you mentioned in the article make it easy for doctors to implement EHR with one click of a button. And it is like Facebook but have you ever tried to unsubscribe from Facebook? The 2 things that concern me most about these companies are data security and ownership of patient data...Read your Terms & Conditions carefully and you will be able to answer that question yourself."

Steve posted, "Ask your patients if they want their medical records stored in a "free" EHR that sells their deidentified data. If you were the patient, would your want your medical records in a free product?"

Brett blogs, "There is a wave of free EHRs coming, and we all need to understand how to navigate through it. Yet another version of free EHR is attached to a paid PM portion, like Kareo. Kareo offers the EHR for free, with hopes that you will purchase their software or billing services."



#### CONCLUSION

At the end of the day, physicians want to provide quality care and satisfy patients. Having a completely integrated system is the key to achieving these goals. The advantages of a paid system are numerous and they far outweigh free systems' offerings and business models. From offering training and support provided by highly skilled personnel, to receiving impeccable and fast service when you encounter a problem, to increasing your efficiency while charting and billing from one integrated platform, to ensuring patient privacy and security, to achieving Meaningful Use and avoiding future penalties, paid systems more than pay for themselves. The scalability and the ROI from these paid systems cannot be matched by systems whose vendors advertise as free.

Free versus paid? Of course, the decision is yours to make. While deciding, remember that the models of business that free systems are based on include charging extra fees for patients to use services, selling advertising and/or anonymized data, and charging physicians for additional services and applications after they sign on the dotted line.

Lynn advises, "Be careful when evaluating free EMR software....don't be blown away by the free tag and make sure you know the challenges of free..."

Shah adds, "I have been trying for a long time to really understand the dynamics of a free EMR, both from a business perspective as well as provider point of view. I understand that almost all companies offering free EMR are web-based EMR software. Therefore, the assumption is that they are in a much better position to offer cloud-based EMR where the costs and maintenance of deploying EMR is minimal. What I don't understand is that EMR is not just a piece of technology or software; it is a change in how medical practices are run and managed. It is a paradigm shift. In order to provide the level of support, there must be a tremendous amount of support and infrastructure investment. I don't know how the traditional business revenue model of advertising can work. Unless, of course, this advertisement model has an underlying data mining involved of deidentified patient data. This is the only way a company can hope to make any significant revenue. From a provider's perspective, I have come to the conclusion that free does not work. Where there is no commitment or skin in the game, the desired results just do not happen. Sure, there will be some trail blazing provider and younger providers who can find their own way, but not the majority of providers out there. So, I predict the free EMR model will not work," states Shah.

Finally, in an article on www.emrandehr.com, entitled, "Will We See More Free EMRs?" the author explains why he believes that free EMRs are on their way to becoming obsolete. "Five years ago or so, free EMRs were just one of the neat new EMR business models emerging as vendors went after Meaningful Use money. I think the industry has concluded that at best, pay-for-play EMRs are more viable over the long run than most free EMR models floating around the vendorsphere."



#### **ABOUT WRS HEALTH**

Headquartered in Goshen, N.Y., WRS Health provides a complete, affordable integrated web-based EMR and Practice Management Solution for healthcare providers. Through the years, the WRS system and company was built from the perspective of practicing doctors, and has grown with the continuous feedback from hundreds of clinicians. Waiting Room Solutions has over 4000 users in all 50 states. The rapid growth of the company is based on the affordable delivery of an Enterprise solution through the web to medical practices of all sizes. WRS Health seamlessly integrates all of the clinical and business functions required for healthcare providers, including: Electronic Medical Records, Revenue Cycle Management, Personal Health Records, electronic prescribing (eRx), scheduling, website creation and content management, messaging, fax, order tracking, and billing — all at an affordable price.

