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## GETTING IN ON EMR SOLUTIONS

Your guide to new business  
with electronic medical  
record technology **Page 12**

EMR Group's Jeff Auerbach (pictured)  
says his medical IT firm took off when  
a doctor friend hired him and referred  
him to colleagues

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# GETTING IN ON EMR

Electronic medical records promise productivity benefits for doctors and new business for savvy resellers that investigate the market and act quickly.

By Megan Santosus • Photography by Joseph Hilliard

**T**HE AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA) provides hundreds of billions of dollars for infrastructure improvements, unemployment assistance, and energy and scientific initiatives, among other programs. For channel partners, ARRA also represents a very specific opportunity: Over the next five years, the legislation calls for providing more than \$17 billion in incentives to physicians and other healthcare providers who implement and use electronic medical record (EMR) systems. With literally billions on the table, channel partners are in a good position to give their own businesses a jump-start by helping doctors implement the appropriate technologies.

# Solutions



**“Having references in the profession is really important. Other physicians have credibility, and our referral business has been better than any marketing we’ve done.”**

**JEFF AUERBACH, CEO,  
EMR GROUP INC.**

The opportunity that ARRA represents is unprecedented, according to Michael Sappington, CEO of gloStream Inc., a provider of EMR and practice management software in Bloomfield Hills, Mich. "There is a trend in the industry to focus on a particular industry, and medical is the best one," he asserts. "We know who to sell to, we know how much money they have, and we know that this particular industry is a green-field opportunity—most medical practices are woefully behind in their IT infrastructure."

For a notoriously paper-intensive industry, a move to digital records promises to improve productivity significantly for small medical practices, making the business case for adopting EMRs compelling. "The right EMR may enable a medical practice to see 10 to 15 percent more patients after the initial ramp-up of a couple of months," says Leo Bleznitsky, president and CEO of Las Vegas Med I.T., a provider of business and medical technology solutions.

There is also a sense of urgency. Beginning

in 2011, for example, doctors who see Medicare patients and who implement a certified EMR system are eligible for incentive payments that total up to \$44,000 over five years. While doctors can use the funds to purchase an EMR, upgrade an existing system, train personnel, or improve the security of electronically exchanged health data, the amount of the incentives declines after 2016, when incentives are phased out.

## LOOK BEFORE YOU LEAP

The opportunity created by ARRA is clearly defined, but getting in on the action still requires significant legwork, particularly among those channel partners who have scant experience with EMRs. As a relatively nascent industry on the verge of a legislatively induced boom, the EMR market is a crowded one. "There are presently more than 400 companies selling electronic medical records," says Michael Colucci, president and CEO of Idilus LLC, a consulting company in Wheaton, Ill., that serves physicians and hospitals. "Many of them are poorly financed, and there will be a shaking out of those companies in the next two to three years."

Colucci expects that there will be about 100 vendors left standing when the dust settles, but now is the time to start investigating vendors and their products. In general, small medical practices are moving to adopt SaaS-based EMRs, while larger hospitals prefer traditional server-based systems. "Resellers need to determine what type of company they want to deal with, and how that company best meets their needs," Colucci says.

For the uninitiated, one place to start evaluating vendors is through the Certification Commission for Health Information Technology (CCHIT), an organization that certifies EMR technology (see "Certified EMRs Only"). Resellers also need to be familiar with incentive details. For example, physicians who e-prescribe or participate in physician quality reporting initiatives are eligible for higher Medicare reimbursements; resellers can help a doctor's bottom line by choosing a system that supports such functionality.

Distributors are another source of information and guidance. Eager to capitalize on the EMR market, distributors are venturing into partnerships with vendors. Synnex Corp., for example, recently teamed up with software vendor Allscripts to distribute the company's EMR and practice management solutions. As

## A Doctor's Perspective on EMRs

There is plenty of enthusiasm for EMRs among vendors and resellers, but it still may take a considerable effort to sell some doctors on the concept. "There is a lot of interest in EMRs as only about 17 percent of doctors have these systems," says Dr. Richard L. Reece, editor-in-chief of *Physician Practice Options*, a newsletter for primary care physicians. "But there are still a lot of obstacles."

Among the obstacles Reece cites: Some doctors may not perceive of a return on the investment, because initial rollout of the systems often will disrupt productivity in the office. And there's a cultural aspect. Some doctors don't like being tied to a computer, and some patients are put off if their doctor is inputting data into a computer during an examination. Resellers who are targeting physicians need to spend time understanding such issues up front if a sale and subsequent EMR implementation are to be successful.

Despite the obstacles, Reece, who also is the author of *Obama, Doctors, and Health Reform: A Doctor Assesses the Odds for Success* (iUniverse, 2009), expects that widespread EMR adoption will happen eventually. "There is a lot of skepticism out there," he says. "But there is also an opportunity for low-cost, user-friendly systems that increase productivity."



## Certified EMRs Only

For doctors to be reimbursed through the American Recovery and Reinvestment Act, they must implement certified electronic health record (EHR) technology. The Certification Commission for Health Information Technology (CCHIT) is a nonprofit independent organization in Chicago that has been certifying EMRs since 2006.

The CCHIT certifies EHR products on two levels. "One category certifies software against proposed federal minimum requirements," as recommended by the Office of the National Coordinator's Advisory Committees, says Sue Reber, CCHIT's marketing director. "We also have a branded CCHIT certification program that certifies against a more comprehensive set of functionality, interoperability, and security requirements that were developed by a volunteer working group." The latter certification program includes federal minimum requirements, verifies that the products have been implemented in actual physician sites, and provides usability ratings.

According to Reber, products that meet the first level of certification are ideal for customers seeking flexibility. "If you want to put a few products together to build your own system, you might want to go with the minimally certified products," she says. The comprehensive certification, on the other hand, "offers maximum assurance that the product works and has all the features a customer is going to need."



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part of the deal, Synnex will recruit, train, and provide support to resellers.

## WORD OF MOUTH IS KEY

While partnering with a good vendor is undoubtedly important, much of the challenge in getting into the EMR business has to do with the nature of the medical community. More than in other industries, doctors tend to network heavily among themselves and rely on the word of other doctors for technology recommendations. Therefore, having EMR accounts that can be referenced is critical.

Finding potential EMR candidates may not be overly difficult. "A lot of VARs may have one medical practice client that they have done infrastructure of general IT for," says Bleitnitsky. "Start a conversation with them about EMRs now."

Such a conversation can lay the foundation for both winning an EMR customer and identifying an appropriate EMR vendor. "When you talk to doctors, you can see what they like, what their business processes are, and what questions they are asking," Bleitnitsky says. That can help turn that general IT customer into an EMR customer and point the way to selecting the EMR that best meets the needs of a targeted medical community.

But how to break into the EMR business with no medical clients? The key is to gain trust among the medical community, whose members, ideally, will then pass your name on to others in their network. "You should learn as much as you can about the business of healthcare," says Jeff Auerbach, CEO of EMR Group Inc., an IT service provider in Tucson, Ariz. "Physicians want to know that you know about their busi-

ness." One way to get up to speed quickly is to hire someone with a clinical background who has an interest in IT, Auerbach adds.

Such a person will ideally understand the unique ways that doctors like to do business. As Colucci and others point out, selling IT to doctors requires a different approach than other professions. "Advertising doesn't really work," he says. Nor does cold calling or direct mail. "The best kind of marketing is done at the point of sale," he adds. Pharmaceutical reps typically drop in to doctors' offices unannounced, and Colucci recommends the same approach. "Show up with cookies, buy lunch for the office, and develop a relationship with the staff," he says, adding that these are all accepted ways to market yourself to a medical practice. "Then you can sometimes get face time with the doctor."

Once a relationship with a doctor is forged, understand that it can provide the linchpin for growing your business. For Auerbach, the foray into medical IT began when a doctor friend took a chance and hired EMR Group. That client then recommended the company to other doctors, and the referrals took off from there. "Having references in the profession is really important," Auerbach says. "Other physicians have credibility, and our referral business has been better than any marketing we've done."

## HOW TO NURTURE REFERRALS

Nurturing referrals again comes down to establishing trust and forging relationships. Those who have experience selling EMR solutions to medical practices suggest that channel partners take a page from physicians—that is, network relentlessly and get in front of as many doctors as possible. Bleitnitsky conducts

webinars, participates in seminars, chairs the IT committee for a nonprofit organization working to create a health information exchange in his area, and is involved in local medical industry associations. (The Medical Group Management Association is particularly relevant.) "It's a lot more powerful to be in front of 50 physicians as a presenter because you are the subject matter expert," Bleitnitsky says.

When presenting seminars, Colucci advises against promoting a specific technology. "Putting together a seminar on some key topics that a physician may be interested in is an effective way to deliver your message," he says. For example, rather than offering a presentation about the merits of a particular EMR system, Colucci recommends speaking about the typical information systems found in a medical practice and how an EMR is one part of the IT landscape.

When speaking with doctors, whether as a seminar presenter or in a face-to-face meeting, mute the sales pitch. "Doctors are looking for assistance in finding something that works for their practice," Auerbach says. "Think of yourself as an adviser who is there to help them run their business."

This approach can garner the particular trust needed to sell to doctors as well as position your company for future opportunities that go beyond EMRs. "There are three opportunities for resellers," says gloStream's Sappington. "Initially, you can help sell the infrastructure that medical practices need, then you can provide ongoing support and maintenance, and finally, you can expand into managed services," he says. "This is really a compelling business opportunity."

**MEGAN SANTOSUS** is a freelance writer.

## KEY TAKEAWAYS

- **CHANNEL PARTNERS NEED TO BEGIN TARGETING** medical practices now, even though doctors will not be reimbursed for EMRs until 2011.
- **PHYSICIANS RESPOND TO REFERENCES** from other medical professionals more so than marketing.
- **SELLING TO PHYSICIANS** requires establishing trust and becoming a subject matter expert.

## FOR MORE INFORMATION

- **CERTIFICATION COMMISSION FOR HEALTH INFORMATION TECHNOLOGY** Info about EMR products that have been certified. [www.cchit.org](http://www.cchit.org)
- **HEALTH INFORMATION TECHNOLOGY** A government site with information about IT in healthcare. <http://healthit.hhs.gov/portal/server.pt>
- **MEDICAL GROUP MANAGEMENT ASSOCIATION** A professional association for physicians and others involved in medical practices. [www.mgma.com](http://www.mgma.com)
- **U.S. GOVERNMENT PRINTING OFFICE** A link to the entire ARRA legislation. [www.gpo.gov/fdsys/pkg/PLAW-111pub15/content-detail.html](http://www.gpo.gov/fdsys/pkg/PLAW-111pub15/content-detail.html)