



HEALTH

BRIEFING

## Rethinking EHR Value:

### *How to Define, Influence and Drive EHR Value to Support your Organization's Strategic Objectives*

The substantial investments in time, resources and organizational energy in EHRs were fueled by Meaningful Use incentives and justified by their vast potential benefits. Benefits include enabling adoption of evidence-based medicine, increasing adherence to clinical standards and protocols, improving the efficiency of ambulatory visits, and enhancing physician and staff satisfaction, among numerous others.

While the EHR presents tremendous value potential, the opportunities are not always seized. Many leaders find themselves asking:

- Why has our revenue only returned to baseline? Could we have higher returns?
- Wasn't care supposed to be streamlined to increase capacity?
- Why can't we better identify and manage our sickest patients?
- With MACRA on the horizon, is our system able to capture and send the required data?
- Our physicians are frustrated. Why is it taking longer for them to see patients?

It is imperative that organizations recognize and tackle what is preventing their ability to leverage the EHR to its fullest extent: that it is not defined or managed as an organizational asset. Once fully leveraged, the EHR is integral to achieving organizational strategic and

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operating goals. Now, leading organizations are rethinking EHR value realization and building an agenda to reinvest and cultivate the EHR as a strategic asset.

## An Underperforming Organizational Asset

Across the healthcare industry, organizations have plateaued without enabling fundamentally different and enhanced approaches to delivering care. This is despite significant investments in concentrated performance improvement and EHR optimization efforts. Though value is realized in some areas of the organization, it is not enough to advance the entire organization beyond the plateau of the value curve (see Figure 1).

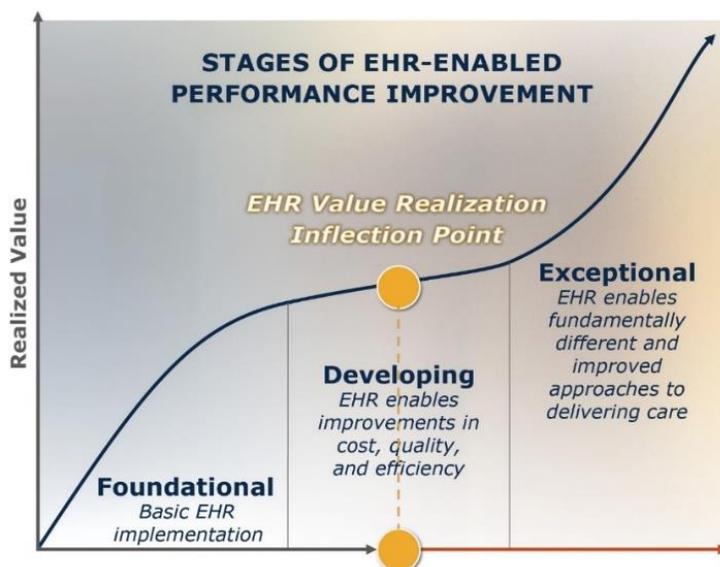


Figure 1

The underlying challenge is that the EHR is not recognized as an organizational asset that requires both leadership commitment and accountability to drive value. Just as operational and clinical leadership assume accountability to drive value from other organizational investments, the same should be done for the EHR where the cost (even the implementation alone) is often much higher.

Unlike fixed assets that increase volume, improve quality and reduce capacity constraints, EHR

technology as a value-generating investment is not always easy to track. Quantified benefits should be identified, built into processes and the system design, and monitored. Delivering value from technology significantly depends on operational ownership and a planned approach.

## A Different Approach

To drive year-over-year returns, leading organizations are creating an EHR value realization agenda (see Figure 2) — a strategic and balanced portfolio of qualified projects producing tangible economic benefit. The agenda should:

- Be comprehensive, long-term and renewable;
- Align with organizational strategies;
- Target qualified and measurable clinical and financial outcomes;
- Balance short- and long-term returns with the total portfolio value calculated and tracked;

- Fund functional operating and capital costs year-after-year;
- Fund growth and renewal year-after-year; and
- Ensure ownership and oversight by multi-disciplinary clinical, financial and operational leadership.

A sample agenda is pictured below:



Figure 2

## Define, Influence and Drive EHR Value

Defining the EHR as an organizational asset will help move the needle to catalyze improvements in organizational performance. Steps can be taken to define, influence and drive EHR value to support an organization's strategic objectives:

1. Assess strategic priorities and identify how to leverage the EHR to support them;
2. Develop a value realization agenda, a portfolio of projects that are approved, quantified, monitored and operationally led;

3. Use a holistic approach that integrates clinical, operational and technology performance improvements and an integrated team of physicians, informaticists, performance improvement experts and EHR specialists;
4. Ensure the underlying core competencies are in place for governance, clinical and operational leadership, change management, informatics and continuous improvement, IT services, and reporting and analytics;
5. Deliver on those opportunities, earmarking returns for ongoing EHR investment; and
6. Tell the story and showcase successes in initial paybacks and the year-over-year value realization agenda.

EHR value realization must be defined broadly as both qualitative and quantitative outcomes tied to organizational strategies. Revenue generation, cost avoidance and risk mitigation are all achievable key results. Once an organization recognizes the EHR as an organizational asset with leadership commitment and accountability, it can be fully leveraged to achieve strategic and operational goals.

#### **FOR MORE INFORMATION**



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