Fueled by the Meaningful Use (MU) program, healthcare organizations have invested in EHR deployments, spurring multi-million-dollar healthcare IT investments. Yet, the critical transformation intended by the MU program to materially improve healthcare delivery has yet to occur. To date, industry pinnacles of success such as HIMSS EMRAM and Most Wired, have focused on health systems’ progress in acquiring and implementing technological functionality with milestones assessed on use and adoption — stopping short of assessing whether IT investments are truly creating commensurate value.

It is time for expectations to be set higher. In this next curve of IT value, success should be measured by how effectively informatics and technology helps organizations win in their markets, address growing financial pressures, create the underpinning of the next generation care model, and improve operational performance and effectiveness.

To advance market position, bend the cost curve, and improve care quality, outcomes and experience, health systems must create new competencies within their IT programs to be more strategic, take advantage of innovative technologies and achieve operational performance consistent with running a digital delivery health system.

**Setting our Sights Towards New Ambitions**

The implementation of foundational clinical systems such as the EHR are critical pre-requisites for the new health ecosystem, and this focus has fueled an unprecedented pace of adoption. But organizations are realizing that adoption is required, yet insufficient to drive value without more meaningful strategic and operational transformation.

Now that the foundational components are in place, the industry must further transform the underlying clinical and operational processes, care models and capabilities that drive value from these investments as originally intended by MU. It must also continue to identify and adopt incremental solutions to enable population health, accelerate patient engagement, advance the mission-critical digital platform and harness the potential of analytics.
To survive and thrive in this new health ecosystem, leading health systems are setting a new bar for informatics and technology success. As they move beyond key performance measures centered on use and adoption, they are elevating IT to a next-generation model, where success is measured not only by how efficiently and effectively technology is adopted and operated — but also by how effectively the organization harnesses technology to advance new care models and measurable value across the healthcare ecosystem. This includes differentiated market position, higher quality performance, improved health and clinical outcomes, better consumer value and provider experience, operational excellence, and improved financial performance, as illustrated in the graphic below.

The Expectations for Next-Generation IT

Achieving these new measures and expectations for success requires a substantive change in the role and responsibilities that IT plays within an organization. The graphic below contrasts the characteristics of next-generation IT with the traditional role of IT. While traditional IT competencies will still be required, moving to next-generation capabilities is critical in this new healthcare ecosystem:
Rethinking the Role of IT: The Second Curve of Health IT Value

Traditional IT

Success measured by how efficiently and effectively technology is adopted and operated

- Technology Strategy and Adoption: Respond to technology and business evolution trends
- Technology Selection: Select technologies to be included in the portfolio
- Technology Service Delivery and Support Services: Develop, operate and secure technology assets and associated capabilities
- Portfolio and Program Management: Deliver large IT enabled programs and manage the portfolio of solutions to effectively support the organization
- IT Activity Management and Coordination: Coordinate IT decision-making process across a variety of stakeholders

Next-Generation IT

Success measured by how effectively the organization harnesses technology to advance new care models and value across the health ecosystem

- Strategic Differentiation: Harness the power of digital health to create enduring strategic advantage and enable the transition to new care delivery models
- Technology Architecture: Design and implement complex, integrated cloud-based solutions, and part of an ecosystem where each stakeholder controls their own solutions
- Innovation Management: Monitor, identify and invest in the new technologies enabling the transition to next-generation care models, better provider experience and consumer/patient engagement
- Transformation and Sustainability: Drive comprehensive efforts, continuous improvement and change management programs to lower the cost of care
- Risk Management and Value Realization: Proactively manage operational and cyber-security risks and assure value realization of investments
Launching the Transition: From Technology Deployment and Use to Driving Measurable Value

To advance to next-generation informatics and technology, there are eight critical areas on which to focus in the near-term:

**Strategic Alignment** – Understand the market, clinical, operational and economic model and priorities, and frame how the technology programs can advance all dimensions; driving the digital transformation of care delivery and care management in a way which aligns with the pace and priorities of the organization. Deciding how much to invest in IT and what to invest in can be a strategic differentiator.

**IT Decision-Making and Management Structure that Supports Agility, Growth and Transformation** – Adopt frameworks and processes that will welcome all stakeholders in the creation of clinical and operational value using IT. Start by refining IT governance and decision-making structures from a standalone IT governance function to one integrated with executive decision making. Set a governance process that allows agility, flexibility and scalability while ensuring commitment and value realization from core programs. Consider a flatter IT organizational structure to accelerate outcomes.

**Clinical Informatics** – Develop the next generation of informatics capabilities to take advantage of technologies, present and future. Move beyond the traditional work of improving EHR adoption, unit-specific workflow efficiencies and responding to often-disconnected requests for system enhancements. Instead, create a unified informatics program with nursing, physician and pharmacy informatics resources together focused on driving system-wide consistency in care delivery, elevating the provider experience, reducing the cost of care delivery, and making patient engagement, population health, care quality and efficiency improvements. Ensure the necessary change management and operational readiness to make the changes stick.

**Digital Health and Innovation** – Facilitate the introduction of digital health technologies in the mission-critical solution portfolio. Develop an overarching digital health strategy and integrated platform for virtual healthcare, population health, and consumerism, establishing a five to seven-year roadmap to support strategic initiatives and innovation across the enterprise. Build innovation into the budget, with a resource plan to operationalize advances in patient engagement and behavior platforms, digital therapy, artificial intelligence, robotics and precision health.

**Advanced Analytics with a Population Health Vision** – Integrate analytics, informatics and performance improvement programs to drive clinical, operational and population health cost reduction and performance improvement opportunities. For many, the critical foundational elements are in place: a culture of data-driven decision making, leadership adoption and accountability, incentive alignment, data governance, and the analytics structure and organizational acumen. The real opportunity is to build upon this foundation. Consider starting with the vast reporting now available in the EHR for population health, provider loyalty and satisfaction, efficiency and clinical variation. Moving forward, leverage analytics to manage strategic growth targets, support patient experience and consumer engagement efforts and improve access.
Talent Development – Build strategic advisory capabilities within the current staff and supplement with new talent, where needed, to effectively serve in these next-generation roles and engage patients, caregivers and administrators as partners. Complement existing deep vendor experience with digital transformation, consumer engagement and supply chain expertise, even from other industries. Consider diversifying technical expertise and strengthening team skillsets around critical thinking, process reengineering, enterprise architecture, business relationship management, and operational readiness, change management and communications. Evaluate the advantages and disadvantages of a virtual IT ecosystem, not only with partners for capabilities for cloud hosting and security risk management but also for staffing models to acquire key skillsets.

Value-Driven Service Delivery – Redefine how IT’s value contribution to the organization is characterized and measured. Manage the portfolio of technology investments to advance key metrics imperative to the organization such as market share, growth, differentiation, creation of new offerings and service capabilities, care quality, care coordination, reducing the cost of care footprint, efficiency improvements, and greater patient and provider satisfaction. Ensure systems and service delivery processes are optimized to deliver this value.

Partnerships – Explore partnerships as an extension of your IT capabilities. Consider partnerships to mitigate risk in advanced technologies and innovations and those to drive cost and efficiencies to IT service delivery and workforce alignment. Whether considering a partnership with Apple, Google, IBM Watson or others, define the business and use cases; outline costs, expected value and risks; and agree to service level commitments and KPIs. As you build partnerships with community organizations, physician practices, other health systems and payors, consider developing a partnership playbook to ensure plans addressing governance, clinical standards, community value, data sharing and analytics requirements are considered holistically across your partnership strategy.

As you position your organization for the new healthcare ecosystem, take steps now to move to the second curve of health IT value and set a new bar for success, leveraging the profound process and care model transformation that informatics and technology can enable.
As you evaluate your organization's evolution to next-generation IT capabilities, consider the following:

To what extent have IT investments been aligned with organizational strategy and priorities? Is the technology model advancing the clinical, operational and economic models and driving the digital transformation of care delivery?

Are the IT decision-making structures and processes enabling all stakeholders in the use of technologies to enable new care models, improve efficiencies and enhance the organizational performance?

Does IT play a leadership role in redesigning operational processes to optimize or transform the care delivery model? Is the informatics program driving system-wide consistency in care delivery and documentation, care quality and efficiency improvements, and reductions in cost of care delivery? Are technologies being used to bring patient engagement to a new level and improve population health with individualized care programs?

How effective is IT’s innovation program in allowing the introduction of new technologies? Is innovation built into the budget and resource plan, and how well is innovation being operationalized to integrate advances in patient engagement and behavior platforms, digital therapy, artificial intelligence, robotics and personalized medicine?

Are the expectations of the IT organization consistent with an elevated role? Is the IT team structured, operating and resourced to effectively serve in these next-generation roles? Does IT have a “seat at the table” for strategic decisions?

How is IT’s value contribution to the organization characterized and measured — by traditional measures of use and adoption or by how it’s helping the organization advance market position and move the needle on care cost, quality, outcomes and experience?

Are you considering partnership opportunities as an extension to your IT capabilities for advancements in digital health, artificial intelligence or others? Have you developed a partnership playbook for mergers, acquisitions and other partnerships to ensure plans addressing governance, clinical standards, community value, data sharing and analytics are considered holistically across your partnership strategy?
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