



WHITE PAPER

Achieving the Best ROI from Your EHR

How your EHR can aid your organization in post-pandemic recovery



Introduction

Although healthcare organizations are looking to move on from the upheaval of COVID-19, the financial impact of the pandemic is expected to continue over the long term. The median expectation for hospitals to recover financially is 12 months.

Against this backdrop, chief financial officers (CFOs) in the health industry are faced with the unique challenge of ensuring financial stability while also planning for their organization's future. A Deloitte survey showed 85% of CFOs placing an increased priority on virtual health technologies—artificial intelligence, interoperability, and automation in particular—post-pandemic¹.

All this seems like it may require heavy investment, but if your organization is already using an effective EHR solution, it should be able to address most of the above concerns.

This guide outlines how you can get the most value from a good EHR solution so you can:

Streamline your operations for better patient outcomes and revenue c

Promote interoperability incentiv

Create a sustainable financial recovery plan for your organization

¹ Wendy Gerhardt & Maulesh Shukla, "Building Resilience during the COVID-19 pandemic and beyond: How healthcare CFOs are navigating with an eye on the future", Deloitte Insights, Sept 9, 2020, <https://www2.deloitte.com/us/en/insights/industry/health-care/healthcare-cfo-challenges.html>



What a Good EHR Solution Looks Like

The EHR solution you use matters. Most hospitals are still dealing with clunky systems, while smaller clinics and rural practices must deal with manual processes and fragmented software with little to no interoperability. This often leads to missed collections, extra workloads on physicians and staff, and reduced patient engagement and satisfaction.

Ideally, an EHR system should have all the following functions:

- Cloud-based
- Interoperable
- Telehealth capabilities
- Comprehensive billing
- Interactive patient portal

There is also a growing trend for EHRs to transition their emphasis from a person's medical record to a person's overall plan for health, and moving the focus on supporting clinical transactions to delivering information to the provider and the patient.

According to the Harvard Business Review, a “plan-centric” EHR system would include² :



The ability to traverse care settings, geographies, and different EHRs



Decision support and workflow logic



Analytics for both individual patients and populations



A library of care plans that cover a wide range of situations



Algorithms to form a patient's master plan



Care team support

A plan-centric EHR ready to deal with COVID-19, incorporating the latest evidence-based treatments into each patient's care plan based on their current status and underlying health conditions, and then feeding back data on how each patient responded in order to improve the plan for the next patient could transform outcomes and save many lives.

Likely, the EHR system you use does not fulfill everything said above, but there are ways you can optimize what you already have by measuring its ROI.



We decided to go with Azalea Health as our EMR just before COVID-19 hit. I couldn't imagine going live with another vendor amid a pandemic. If I could capture my experience in one word, it would be 'amazing.' The entire team went out of their way to help us. We were live within ten days and were integrated with our new billing system within weeks. Azalea Health worked with us to understand our problems, how we do business and our workflow. They took the time to educate my front office staff and me on every step within the system to ensure that we were successful day one.

Dr. Ritu Walia, practice owner for Gastro Health for Kids



² John Glaser, “It’s Time for a New Kind of Electronic Health Record”, Harvard Business Review, June 12, 2020, <https://hbr.org/2020/06/its-time-for-a-new-kind-of-electronic-health-record>

How to Measure EHR Implementation ROI

The adoption rate of EHRs in the US currently stands at 87%, but the method of measuring the return on investment is still difficult as EHRs are involved in practically every aspect of operations. This means its impact is fragmented and ROI is hard to measure.

That said, there are two ways to break down both the tangible and intangible factors used in ROI calculation.³



Hard vs. Soft ROI

Hard ROI	Soft ROI
<ul style="list-style-type: none">• HR cost reduction• Decrease in supply cost• Revenue growth	<ul style="list-style-type: none">• Quality of medical service• Patient trust and loyalty• Employee satisfaction.



Tangible vs. Intangible

Tangible
<ul style="list-style-type: none">• The ability to see more patients• Increase in revenue• Fewer patient readmissions• Increase in staff efficiency and claims processing• Lower hardware or IT costs• Improved reimbursements with legible more compliant documentation

³ Yuliia Shpachuk, "Achieving a Return on Investment Through EHR Optimization", Feb 24, 2021, <https://empeek.com/achieving-a-return-on-investment-through-ehr-optimization/>

Intangible

Increased patient satisfaction (can be measured by engagement and satisfaction surveys)

- Data transparency, easy access to health records, user-friendly hospital portals, and payment systems contribute to improving patient satisfaction.
- If the overall quality of medical care gets better thanks to EHR-powered operations and time to care and length of stay decreases, patient engagement greatly increases.
- To capture more direct metrics from surveys, patient flow (both new and returning patients) and length of stay within different treatment contexts should be measured.

Increased physician satisfaction (can be measured by feedback on UI/UX)

- Levels of satisfaction can increase when the EHR and clinical systems are set up to provide more flexible workflows, reduce work time, and offer greater information transparency.

Standardized documentation or templates

- All information is kept in one place and can be easily understood by patients and caretakers.
- To reap the benefit of unified documentation and allow for achieving a return on investment, medical institutions need to make sure they are using standardized templates and order sets within their EHR systems.

88% of doctors report that their EHR produces clinical benefits for the practice.⁴

⁴ Jamoom, E., Patel, V., King, J., & Furukawa, M. (2012, August). National perceptions of EHR adoption: Barriers, impacts, and federal policies. National conference on health statistics.



How to Use Your EHR to Help Secure Your Financial Future

At most hospitals, IT operations have disconnected software products on incompatible platforms.

According to a McKinsey report, the total cost of ownership (TCO) of an EHR can range between \$5 million and \$500 million per year, depending on the size of the health system, and often requires between 40% and 60% of incremental annual IT operating spend on top of licensing spend.

At the same time, most health systems estimate that rationalizing such systems can lead to a 10% - 15% reduction in TCO over five years.⁵ There are various ways in which EHRs can transform operations, however, given the need for revenue maximization, these are the things to consider:

A reduced volume leakage if EHR data is used to identify patients needing follow-up care and services are scheduled proactively. Leveraging analytics can increase revenue by 1 - 2%.

Clinical pathway enhancements can also result in 1 - 2% increases in revenue by using EHR data to identify both the clinical factors that contribute to good outcomes and those that increase the risk of bad outcomes.

Access to care can be increased when EHR systems are used to optimize patient scheduling procedures.

Change capture rates can be improved when EHR systems are fully integrated with the revenue cycle management (RCM) process, generating a potential 2.5 - 5% revenue increase.

⁵ Bede Broome, Sharma, N. & Velamoor, S. "Achieving ROI from EHRs: Actionable Insights That Can Transform Care Delivery", accessed June 22, 2021, McKinsey & Company, <https://healthcare.mckinsey.com/wp-content/uploads/2020/02/Electronic-health-records.pdf>

Snapshot Case Study

How a multi-specialty healthcare company increased its average monthly reimbursements by 19%

Four Corners Primary Care Centers, Inc.



Problem

- A decline in reimbursements and collections
- A high number of A/R days



How Azalea helped

- Streamlined RCM processes
- Improved profitability



Impact

- Reduced A/R days by 57%
- Increased average monthly reimbursements by 19% in the first six months
- Add over \$420,000 in project annual revenue

For more details, read the case study [here](#)

Conclusion

An EHR investment is a costly one, and it is one worth doing right the first time. However, it is also still possible to maximize the investment you have made into your current system. Doing so can help you stay ahead of the curve, and recover faster from the fallout caused by COVID-19.



Optimize your organization's performance with Azalea

Leave fragmented business software with separate products in the past. Azalea's Open API architecture allows healthcare facilities to leverage other Azalea modules, like billing and telehealth, and also integrate with Open API-based healthcare IT products offered by other like-minded vendors.

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About Azalea Health

Azalea Health Innovations (Azalea) is changing the way health IT platforms connect community-based healthcare providers and patients across the care continuum. Offering a 100% cloud-based, interoperable solution, Azalea delivers electronic health records, revenue cycle management, and a fully integrated telehealth solution designed for rural, community, and urban practices and hospitals. Quick to deploy and intuitive to use, Azalea solutions ensure better care coordination and communication, and the "one patient, one record" approach provides care teams the agility to achieve better outcomes. The Azalea platform also delivers tools and resources to help providers meet their Meaningful Use requirements, and informs their strategies to navigate accountable care and alternative payment models.

You can learn more about us at [YOURWEBSITE.com](#)
or give us a call at xxx-xxx-xxxx.

