

"Doctor, President Obama just gave us \$64K to scan, quick - let's spend it!"

By: William Palisano, Lincoln Archives



Okay, there's a lot of chatter about the Stimulus Package and the President's initiative to convert medical records in paper files to digital files. I'm not sure about the when, the where, or the who, I understand about the why, but I'll give

you some ideas about the how (much). I'm not going to talk about how much an individual doctor or hospital will get (that's to be determined), but I'll give you some formulas to tell you about how much document scanning a basic grant of say \$44,000 - \$64,000 will buy.

So how much document scanning does \$44,000 - \$64,000 buy? In a previous article (Summer 2008), I'd given some formulas of how to estimate costs for document scanning. I'm not going to re-draw them, but I'll use them here (contact me directly, and I'll email the article to you). Assuming you're having a company scan file drawers (or copier paper sized boxes) of files to DVD's (in PDF format, readable by any Windows PC), with a three (3) field index, \$44,000 - \$64,000 should cover from about 300 to 500 drawers or boxes!

Sounds like a great idea, right? Maybe, maybe not. The above example is kind of static: you just purchased DVD's of your scanned documents. Hooray. But what about new patients, and new services you've provided to existing patients? You may not be able to append (add to your DVD/DVD's) updated activities/images. The Stimulus Money has been spent: bye, bye. Are you going to get a grant every year? Probably not (can you say deficit?). Time to think long term, or at least past this fiscal year.

As I understand what I've read about this part of the Stimulus Package, the grant monies can be used for document scanning and electronic document management systems. That sounds more like a solution. By that I mean you may look more towards putting the \$44,000 - \$64,000 towards a long term solution. A solution that addresses current paper records as well as current and future medical record, whether paper or electronic. You can address this in a number of ways.

You can purchase your own document scanning and management system, and do it in-house (this will require hardware, software, personnel and facilities, aka: 'plant, property, personnel'. I should point out, that scanning documents can be a very dusty, dirty operation - not one you want to have near 'clean' space, or areas where patient's can see. Also, if you buy software & hardware, you usually have to pay for software user licenses, tech support, etc.) This route will probably burn up grant money pretty quickly. The upside is that it'll give you a good start at the long term goal. Each year, you'll have to spend money on the program

('plant, property, personnel'), but now you're up and running, and usually start up costs and first year operating costs are a lot more that maintaining the program. (By the way, if you go this route, make sure you back-up, back-up, back-up. And, get the back-ups off-site! Your on-line data is no longer backed up by paper records stored somewhere else.)

A second option is to have a third party company scan your records and images and host them on their own server. You will have secured access to your information and images on their equipment. The up-side here is that you don't have to hire or re-assign personnel, purchase hardware & software, and rent additional space or re-assign existing space. Another up-side is that your provider is now 'on the hook' to back-up all of your data and images. Typically, you will usually have to pay a setup fee, a scanning cost per image, a monthly storage charge (per Gigabyte, 1 Gb = approximately 25,000 images), and possibly (depending on your vendor/partner) an annual software license, and/or monthly tech support fee. It may sound like a lot, but it may be much less than doing it yourself.

You'll have to crunch your own numbers, look at your own personnel, your own facilities, your own cash flow and your own comfort level. Consider options, and make the best informed decision you can make. Remember, the goal here is to cure the ill, not treat the symptoms.

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