Addressing Challenges through Management Information Systems

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Abstract

Challenges that face healthcare organizations such as control of relevant costs can be addressed better by employing relevant management information system. The main aim of such information system is to help the healthcare providers to achieve their ultimate goal which is the provision of optimal healthcare to patients. With the current trend of the rise in healthcare costs, there is need of efficient management which will help cut on the cost. This paper discusses the use of electronic medical care (EMR); an example of management information system which uses information technology in order to control cost of healthcare.

Key words: costs, EMR, healthcare, systems

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Introduction

According to Chinn (2012), health information systems (HIS) are important information management systems which are used in healthcare system to capture and display data in relation to delivery of healthcare services. One of the widely used health information system is the electronic medical report (EMR) which is also normally known as electronic health record (EHR). The EMR is an equivalent of patient's paper chart in the manual system. EMR is efficient as it provides the attending physicians with quick and immediate access to comprehensive patient information. This improves the input for decision making by the attending physicians thereby enabling evidence based guidelines real time application utilization (Amatayakul & Lazarus, 2005). This write-up discusses how electronic medical report, an example of system-based system, can be used to control cost which is a major challenge in provision of healthcare.

Electronic health records are potable and therefore enables the attending physician to access the information about their patients whether they are at the office or not. The information system is important as it reduces unnecessary redundancy. For instance EMR eliminates situations in which multiple providers order for the same laboratory test. As the services become more efficient and quality deficiencies reduce; the overall healthcare cost reduces (Kipp & Mattie L 2010). The financial benefits obtained from EMR may be due to averted costs and even increased revenues. EMR financial benefits can be classified into three categories; payer independent benefits, fee-for-service reimbursement benefit, and benefits as a result of capitated reimbursement (Wang et al, 2003).

Payer independent benefits are obtained as a result of reductions in paper chart pulls and transcription. It applies to both fee-for-service and capitated patients. In systems where paper charts are used, the cost of personnel who retrieves and re-files the chart is incurred. This implies that EMR enables the providers to eliminate excess staff and services and save time (Koop Foundation, 2003). Under capitated reimbursement, benefits to the practice and the healthcare organization majorly accrue from averted costs due to decreased expenses (Wager et al, 2009). On the other hand, the utilization reduction by EMR is attainable as it provides clinical decision support alerts which help reduce the use of laboratory tests, adverse drug events, as well as offering alternative to medications which expensive. Moreover, the financial benefits obtained from EMR under fee-for-service reimbursement results from reduced losses and increased revenue. Finally, the capture of in-office procedures improves by computerizing the encounter form. This eliminates possibilities of non documented procedures. Billing capture also improves with use of EMR which supplies or prompts certain field requirements (Walker et al, 2005).

Strasberg (2011) noted that despite the benefits of electronic medical record systems, it has its disadvantages. These include; privacy concerns, initial cost, change process, and poor organizational structure are among the barriers to adoption of EMR (Boonstra & Broekhuis, 2010). Investment in EMR is also expensive and has to compete with other organizational investments including renovations. Most organizations make investment in anticipation of revenue return. This explains why those organizations which fail to quantify the benefits they would achieve from EMR would be reluctant to embrace the technology (Medpac, 2004).

Another major challenge facing management towards implementing the use of EMR is the evidenced resistance to change from powerful actors in delivery of care. For instance, most physicians majorly focus on patient treatment and view other activities as administrative issues that do not concern them. If influential physicians and nurses would embrace the technology then the other caregivers will easily take suit (Fichman et al, 2011). It is therefore important to develop good relations with physicians in order to effect EMR implementation (Vincenzo, 2012).

Conclusion

Adoption of EMR is in line with strategic goals of healthcare provision as it allows for reduction in costs. The initial cost may be incurred in the first part of the year and compensated by revenues benefits by the end of the year. The system is also important as it enables efficient time management, thereby allowing the providers to serve several patients within a short time.

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