Driving EHR Innovation with New, Web-based Technology

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Practice Fusion, CEO and Chairman

practice fusion™
Free, web-based Electronic Health Records
Statistics and Data

- Over 800,000 physicians in the U.S.
- Only 6.3% of physicians reported having a fully functional electronic health records system in use, 20% report having some basic system
- 7 million people in the US work in health care or technical occupations
- 80% of physicians practice in groups of 9 or less
American Recovery and Reinvestment Act of 2009

- $44,000+ in CMS stimulus incentives per eligible provider
- For 2011: attest to 90 consecutive days of HHS-certified EMR Meaningful Use
- Becomes more complex in 2012+

HHS predicts 404,000 eligible professionals in 2011

- 10% to 36% will adopt in 2011
- 15% to 44% in 2012
- 21% to 53% in 2015
### Medicare:

<table>
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<th>HITECH incentive payout over time</th>
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### Medicaid:

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<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$65,000</strong></td>
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1% penalty
2% penalty
3% penalty
Though the EHR stimulus checks haven’t been cut yet, we’re seeing big changes in the sector:

– Creation of 100,000 new health IT jobs
– New academic programs
– Big technology companies joining the sector
– Increased competition
– Innovative new technologies emerging
– Accelerating change in healthcare
62% of surveyed physicians said EMR implementation is a considerable/extreme challenge

Not affordable for average practitioner
- $500/month to $50,000 upfront/seat
- Plus installation, maintenance, support and upgrades

Severely disruptive to the practice
- Majority must be installed and maintained onsite by consultant
- Slow to implement, impeding productivity and profitability
- Multi-month backlogs for installation (14-16 weeks)

Cannot guarantee security at any level with on-site installations
- Protocols, uptime/SLA, redundancy, audits (doctors are on their own)
New EHR Technology

Health IT’s EMR market expected to reach 9.3 billion dollars by 2013
- Creates ample room for new technology development
- Gradual transition to cheaper, user-friendly systems

Web-based services
- No hardware, software, databases, integration to implement
- Users have nothing to maintain
- Regular updates with no downtime
- No on-site consultants
- Service Level Agreement guaranteeing uninterrupted uptime
- Constant online uptime guarantees accessibility from anywhere
- Unlimited growth
Developments in Security

- Bank-level encryption / Fortune 500 security
  - World-class data centers
  - Biometrics and armed guards

- Data is in one central repository
  - Multi-location server backups
  - Redundant power supplies and disaster recovery

- Privacy compliance
  - SaaS and web-based models ensure up-to-date HIPAA compliance
  - Quick back-end updates on new mandates and HHS regulations
Developments in Security

Controlled Access
- Well-defined user roles/access levels with strong passwords
- Stringent authorization processes with inactivity locks

Activity Feeds
- Audit trail tracks every action within the EHR
- Provides needed transparency for practices to track valuable usage data
Free EHRs

- Widespread in consumer internet sector
- Discreet, ad-supported services
  - i.e. email, social networking, search engines, radio
- Technology spread into Health IT allows for vast availability of resources for practitioners

Free model brings advantages

- Easier to adopt, fewer barriers to entry
- Available to any medical practice
- Usage-based model shifts focus to service
Practice Fusion

- Fastest growing EHR community in the country
- Over 43,000 users
- Connected to labs, pharmacies, technology plug-ins
- One small company shifting the entire sector
The future of health IT innovation

Free, web-based model allows for future changes
- Portability
- Telemedicine
- Multimedia
- Health research

More transitions from consumer to healthcare
- Social media
- Patient involvement
- Safer, more affordable medicine

Q&A