

# The \$215 to \$300 Billion Dollar Problem

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On September 20, 2007 Washington Technology held a half-day event focused on "Moving Forward with Government Health IT". The keynote speaker, Dr. Kevin Stephens, Director, City of New Orleans, gave an engaging speech based on the government perspective of health IT and the need for an electronic patient-centric system. He provided compelling evidence for the need to implement new technologies, such as electronic health records (EHR), through personalized stories of the impact Hurricane Katrina had on the health care delivery system in New Orleans.

The remainder of the event was dedicated to a panel discussion by vendor industry experts, which included Alan Boucher, Director, Healthcare Platform Architecture, Intel Digital Health Group; Mike Cowan, MD, Chief Medical Officer, BearingPoint; Jack Varga, MD, Medical Director, EHR Center for Excellence, EDS; and Robert Wah, MD, Chief Medical Officer, CSC. Each individual presented their take on the health IT market, challenges and next steps. Alan Boucher emphasized how "huge" the health IT market is, commenting that health IT is a "\$215 to \$300 billion dollar problem". The panel agreed that sluggish at best changes within the system are due to two chief problems, the lack of public policy and opposition from physicians. Physicians are concerned over malpractice, liability issues, costs and sharing information with other physicians they do not know or trust. Mike Cowan highlighted the need to provide incentives to motivate physicians, such as tax credits for software and hardware applications. Several members repeatedly stated that software is not the problem, the problem is inefficient networks. Discussions were wrapped up with talk of states like New York, Florida and California, which are beginning to take a leadership role to provide funding and expedite the process; other states may follow suit.

## GovWin's Take:

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States are well-positioned to influence HIT adoption and need to take advantage of their front-seat role in moving forward with attempts at collaborative electronic health information exchange

- States may set aside funding for the adoption of statewide EHR systems
- Public policies, especially the activities of AHIC 2.0, will be crucial to getting all stakeholders on board