



HIMSS Review

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Helping healthcare providers by measuring the performance of technology vendors

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HIMSS Takeaways

- ARRA
- Meaningful Use
- IP/OP
- Consultants
- Investment Firms
- Fortune 1000 Foray
- Exec Attendance

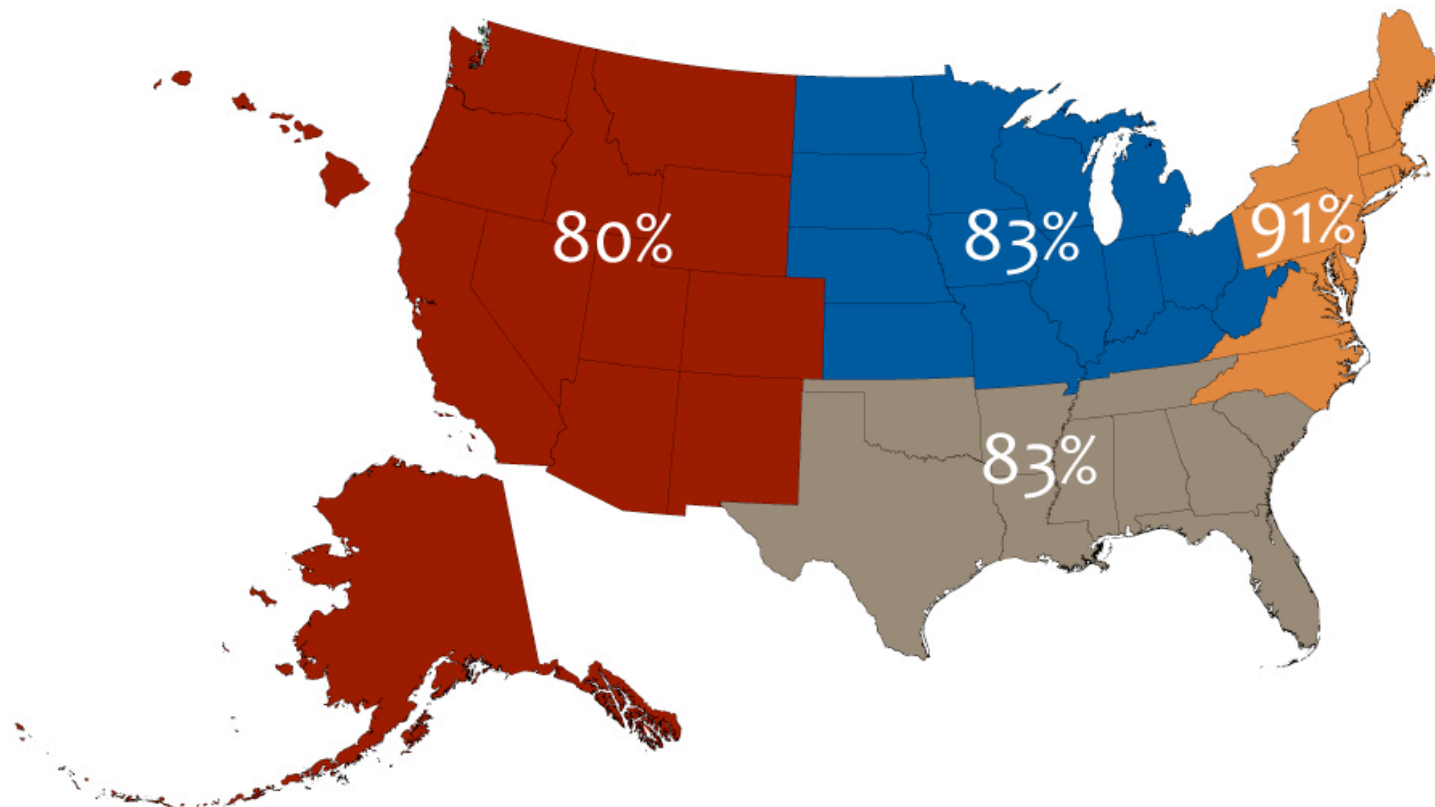
Misc Factoids

- C-suite and non-IT attendees up 5%
- 14% International Flavor
- 38% Decision Makers
- 37% Managers
- >Quarter First Timers
- Busier than expected...
- Busiest Booths: Microsoft, AllScripts, Hyland...

Economy Impact

Nothing like this has ever happened before – the most dramatic global economic downturn to hit healthcare where executives were talking layoffs, reducing IT spending, and canceling projects, and now everyone is scrambling to understand what the ARRA is and how to lock in needed resources for new projects. What a combination of shocks in this market.

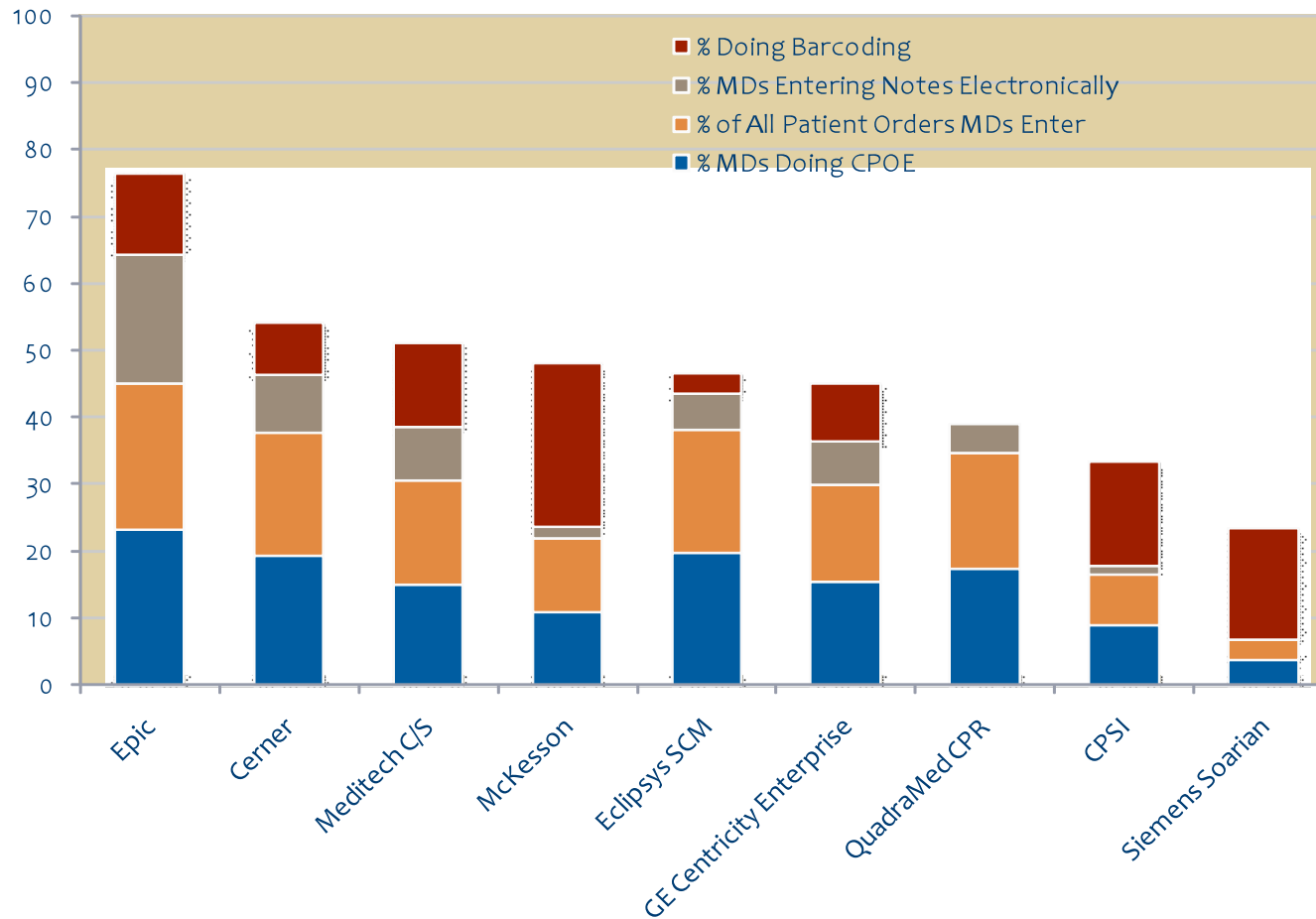
Geographic Impact



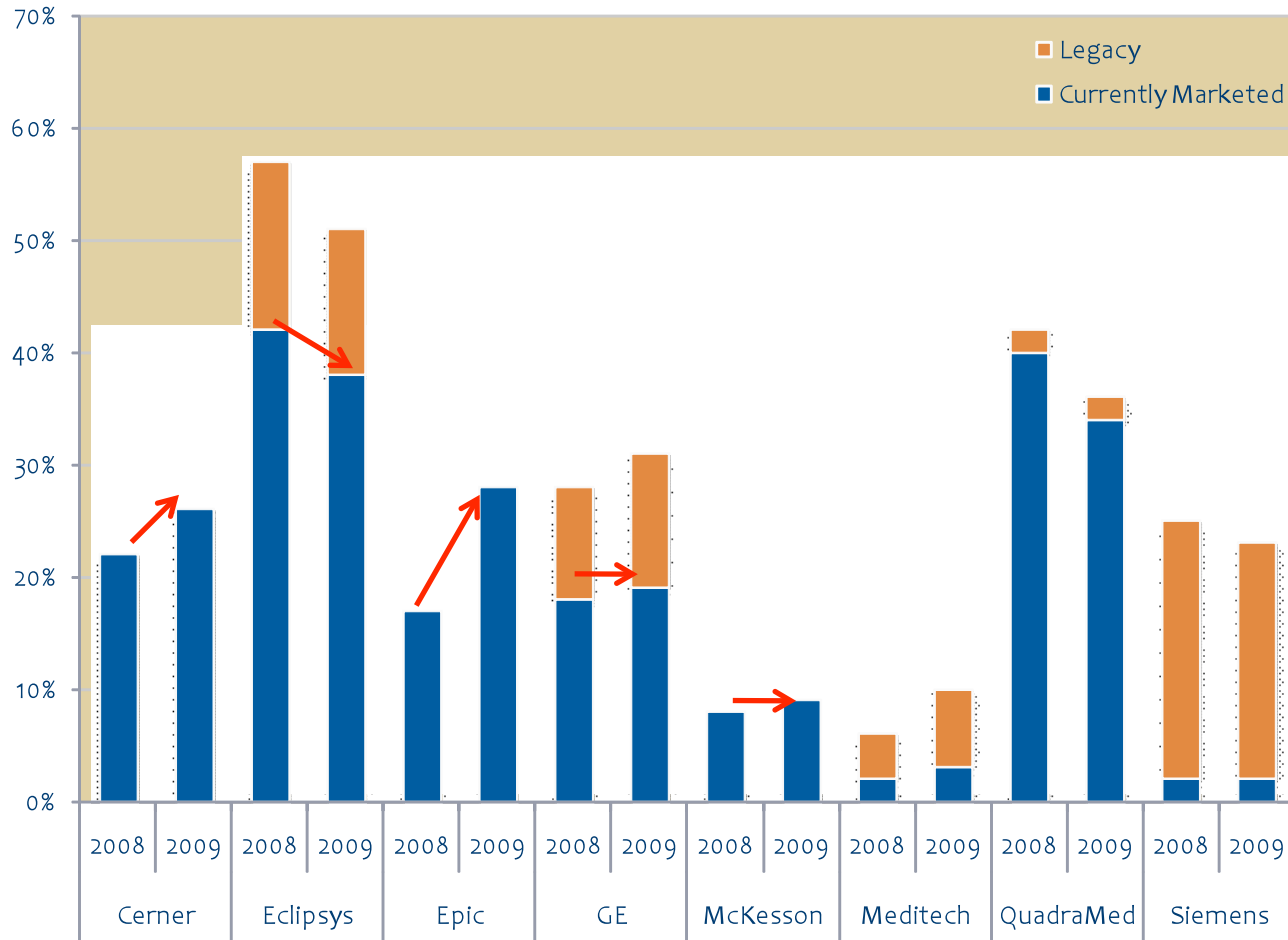
Meaningful Use

- Meaningful use being discussed everywhere. Still ambiguous. Is it installation of basic electronic modules in the different care areas?
- All input side – bar coding, CPOE, physician docs?
- What about output – reporting, core measures, clinical decision support, etc.?
- Lots of opinions...little consensus.

Meaningful Use...maybe?



“Meaningful” Delivery?



Recent Government Impact

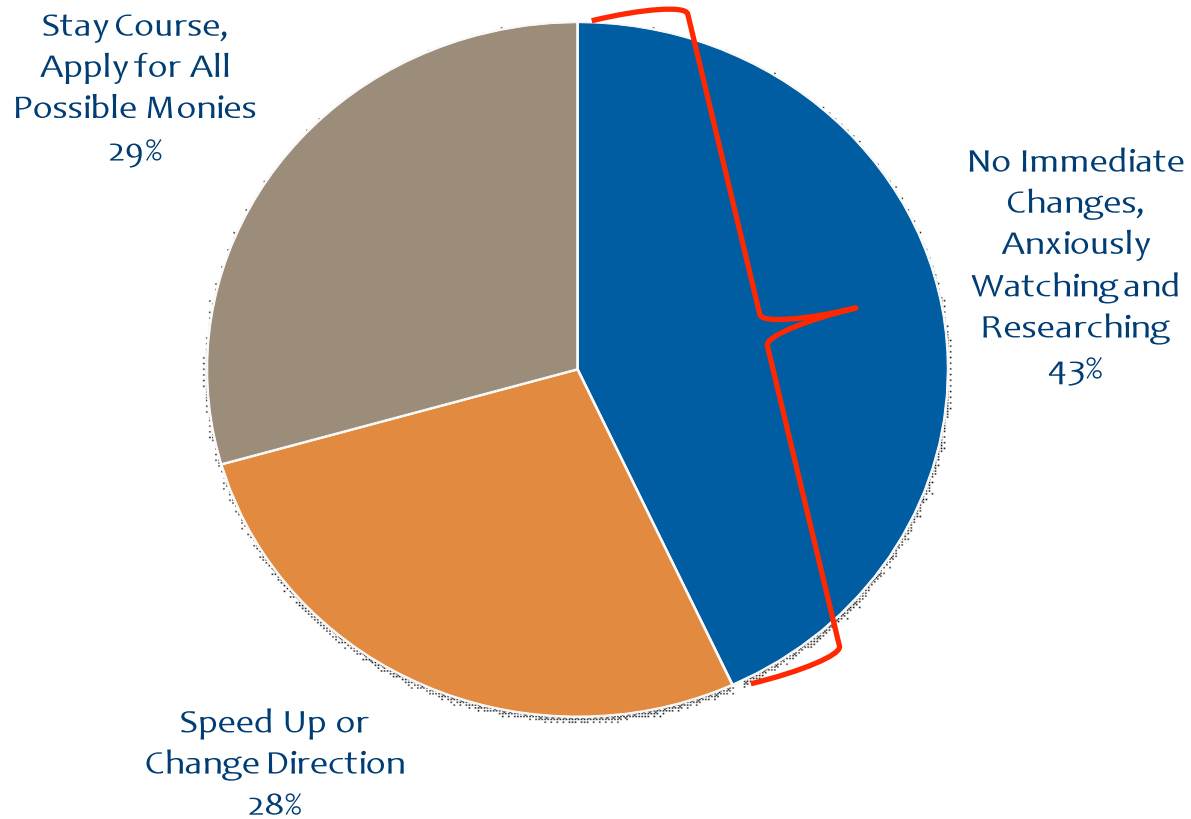
- Many ancillary vendors spoke of “trickle down revenue” from stimulus money...anticipated providers would be able to draw on for ED, Lab, Surgery system purchases
 - several commented that despite the slower provider numbers at HIMSS, their booth traffic was the best it had been in years.
- Because of ARRA increased energy around HIEs and RHIO vendor aggregator types.
 - Standard Definition exists of HIE or RHIO?

Whiplash Effect – Econ/ARRA

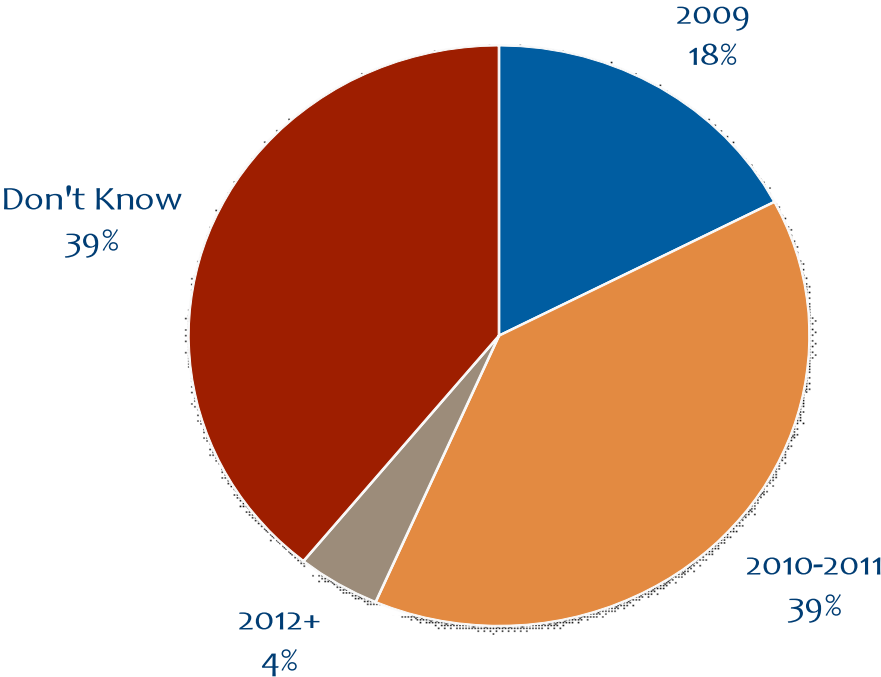
- **The ARRA causes whiplash as provider executives change direction, accelerate “meaningful use” plans, or abruptly stop/scale back other plans.** Kendrick Adkins, Trinity Health President of Integrated Services stated, “We will accelerate achieving our clinical IT implementation and adoption goals surpassing any ‘meaningful use’ threshold as a result of ARRA.” (4/30/09).
- **Unaffected hospitals are those with mostly implemented CIS solutions where growing clinician usage is a common thread.** Less than 15% of participating organizations reported no adverse impact from the economic downturn. These organizations had already completed (or nearly completed) the implementation of their long-term CIS, and were focused on nurses and physicians adopting electronic usage.
- **Vendors partnering with provider clients to jointly weather the economic downturn is virtually non-existent.** There is a huge disconnect between provider expectations and vendor offerings. Most vendors appear focused on their own financial objectives without offering truly creative solutions that benefit a provider’s bottom line while demonstrating ways to leverage a true partnership for long term mutual benefit.
- **ROI validation needed more than ever.** As postulated by John Glaser, Vice President and Chief Information Officer of Partners HealthCare System, (4/30/09) “What is the ROI of a chain saw?” That must be determined by how it is to be used. Such is the provider executive’s appetite. This is especially true of large, capital-intensive projects. The current economic downturn has forced C-level executives to turn a more watchful and critical eye to ROI claims.
- **The vendors that deliver real solutions which clear the ‘meaningful use’ bar will win long-term business.** Providers are scrutinizing their vendor relationships as never before. Those vendors that truly partner in delivering real solutions that maximize ‘meaningful use’ compensation during this economically stressful time stand to create relationships which will bear fruit for years to come.

ARRA Impact

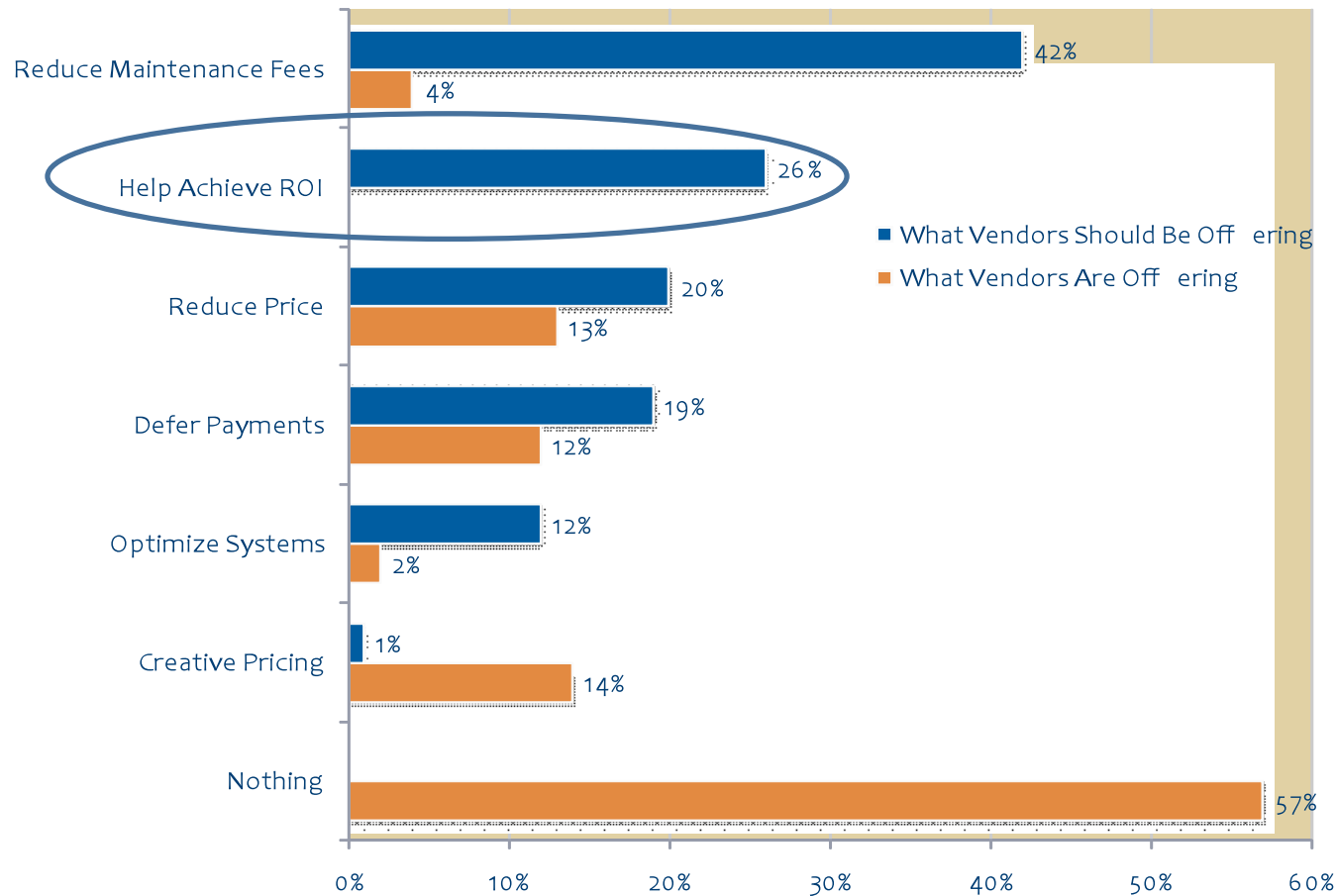
Impact of Stimulus Package



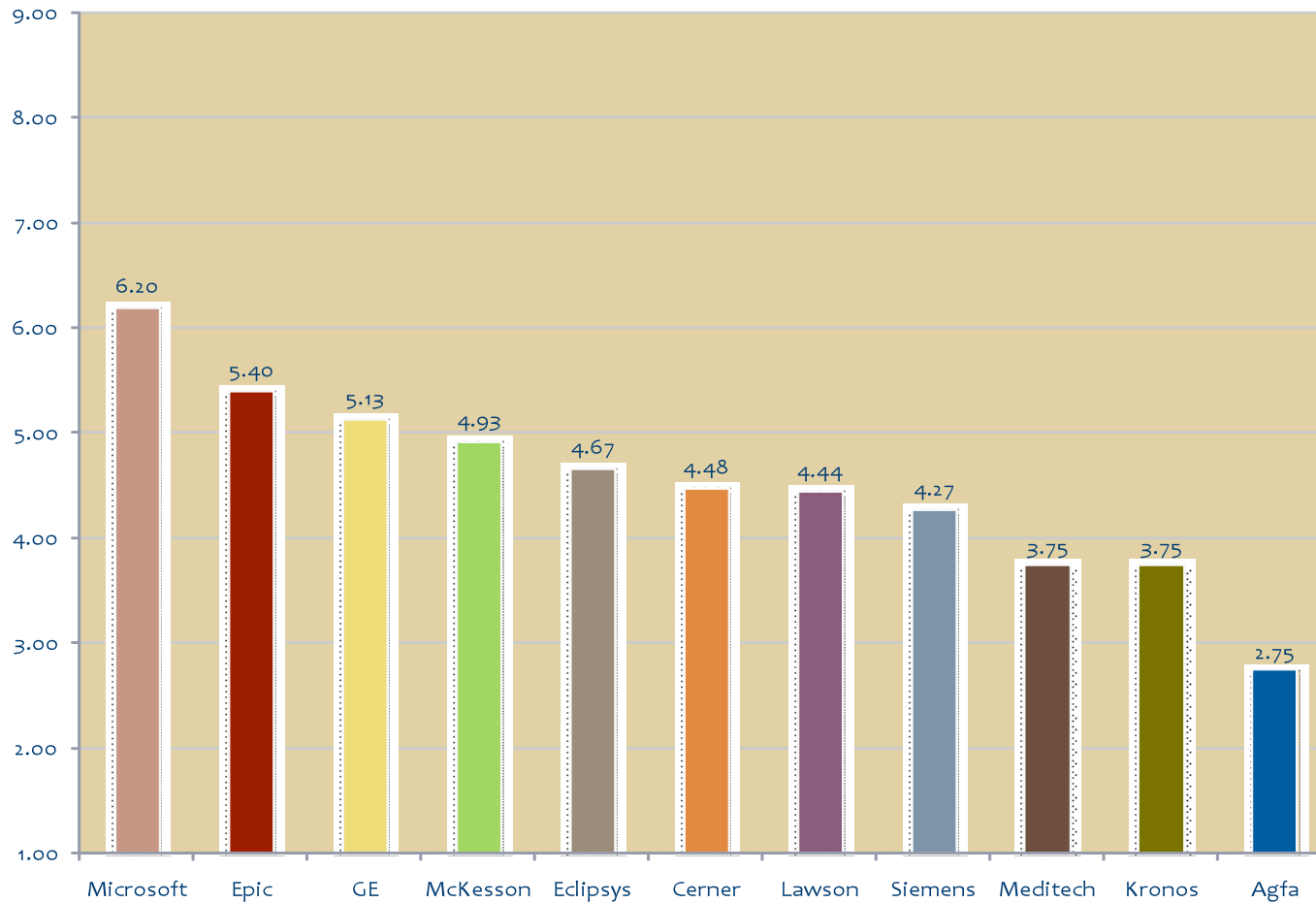
Projects – turn back on



Vendors Aligned with Clients?



Providers View



ARRA – more stuff

- There is a healthy dose of skepticism among providers on the ARRA regarding:
 - Vendor ability to successfully take on a larger client base and assist providers in achieving meaningful use goals
 - Providers having enough resources (personnel, time, knowledge) to undertake these ambitious clinical projects. Are providers being set up for failure?
 - Consultants were swarming all over HIMSS...

Interop & IP/OP

- Heightened interest in interoperability.
 - Internally
 - IP/OP
- Stark was already having substantial effect in the ambulatory EMR market, and ARRA adds fuel to the fire.

Newbies to the Market

- Fortune 1000 Vendors
 - coming out of the woodwork to get into healthcare
- Microsoft
- Intel
- Google
- Telus
- SAP

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