Electronic health records are valuable but won't be a panacea

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Turns out most Americans are all for moving to a comprehensive system of electronic medical records. They just don't think it's going to save us any money when it comes to health care.

Me? I'm most Americans.

The pollsters didn't ask me, but I agree with the 75 percent in an NPR/Kaiser Family Foundation/Harvard School of Public Health survey, released last week, who said moving to an all-electronic medical record system was somewhat or very important.

There's no doubt that such a nationwide, Web-based system would cut down on the number of duplicated tests and treatments doctors order. It would ensure that emergency room doctors would have trauma patients' records at their fingertips. It would mean doctors could be warned of conflicting medications or advised of alternative drugs and procedures. It would allow patients to read their own records from home and to send secure e-mail to their doctors while scheduling their own appointments online.

And it would mean doctors and hospitals could see what procedures work, given a particular set of circumstances, and what procedures don't.

But would such an extremely sophisticated and extremely expensive system save money? Seventy percent of the 1,238 polled said no. In fact, 34 percent said health care costs would go up under an electronic records

system. The mid-March poll had a margin of error of 3.5 percent.

It was a relief to see the 70 percent figure. I've been worried that electronic medical records had come to be seen as something of a silver bullet. The $19 billion to encourage the changeover from paper records was sold as a big money-saver in the stimulus package without much talk of exactly how that would work. The measure was particularly seductive in Silicon Valley, where technology solves everything, right?

But, of course, it's all about how the technology is deployed.

"If all you do is put computers in a doctor's office and it doesn't connect any place, you don't save any money," says Dr. Robert Pearl, CEO of the Permanente Medical Group, Northern California. "It may actually do some good, but it saves less money than the cost of that investment."

You won't find a bigger fan of putting computers in doctors' offices than Pearl, whose group is part of Kaiser Permanente. The huge HMO has built what it calls the largest civilian electronic health record system in the world. About 8 million patients' records are in its database.

But Kaiser is a special world -- a closed system -- in which communication and record-sharing can be coordinated. Kaiser is a place where doctors are employees and can be directed to do things the Kaiser way. And it's a place that can afford the $4 billion or so it cost to go all-electronic.

Not so the hundreds of thousands of doctors in small practices throughout the country. Only 17 percent of doctors nationwide use electronic records, the New England Journal of Medicine reports.

Doctors worry about the tens of thousands it would cost to install the systems. (Estimates for a nationwide rollout stand at roughly $100 billion

over 10 years.) They worry about the time and money they'd lose during the conversion. And they understand that electronic records have the potential to save money for hospitals, laboratories, insurers and pharmacies. There is little return for doctors.

Which is not to say that doctors shouldn't be encouraged, or even required, to move to electronic records, perhaps with increased subsidies. The arguments for improved care are too compelling.

And universal electronic records would be an opportunity to control health-care costs in a revolutionary -- and controversial -- way. Few proponents are talking about it, but imagine a nationwide database of every patient, every ailment, every procedure and every outcome. Then think of a government-regulated agreement among doctors, patients and public and private insurers that says standard health benefits will cover what works, statistically speaking, and won't cover what doesn't.

I'll explore that idea in an upcoming column.

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