



Our vision at Cogon is to be the leading facilitator of healthcare connectedness.

Steps for Sustainable Health Information Exchange

Step 2: Mitigate Risk for Providers and Allocate Costs to Those Accessing Information

Providers have a lot going on over at least 5 to 10 years: meaningful use requirements, new privacy and security rules, updating billing and coding to ICD-10, new 5010 standards for transactions, dozens of new reporting and operational requirements, new technologies, changes in practice, new pressure to control costs, changes that flow from health care reform changes to the insurance market, evidence based medicine, personalized medicine, and more. There is a lot of uncertainty over how these issues will roll out. There are regulations, penalties, and financial risks from any investment.

At the same time, providers generate the health information – the life blood for so many of the changes we need to see over the next 5 to 10 years. We cannot ask them to consider more financial risk or uncertainty than they already face. It is very helpful, therefore, if the business model mitigates their risk. In our proposed model provider data is enabled for travel or access on the web. The upfront costs of this are not very significant. Providers can have whatever level of enterprise systems or electronic health records and still participate. Upgrades in the providers own system can occur at the timing they desire or otherwise required. Participating in the exchange has a modest upfront cost. The health information exchange utility then imposes a subscription fee or data use fee for those who use the exchange utility. This means the providers can join or quit when they want. They only pay when they use the exchange. The rates can be fairly low – perhaps not very different from some cable television fees.

It may be that the health information utility provides services or premium applications beyond core exchange services. These can be provided for those who need it or find it useful, for as long as they need it or find it useful. This mitigates financial risk for the providers and gives them flexibility to grow and change their own systems, or adopt new functions in the utility, at their own pace. This model also allows the costs to be borne by others who need records and would otherwise have to mail or fax such records. There are many who will pay to get records this way, this quickly. They help sustain the business model.

Cogon Systems, Inc. (COGON) is a Pensacola, Florida - based health information technology and consulting firm with locations in Ft. Lauderdale, FL and Washington, D.C that facilitates healthcare connectedness.

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