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Q2 2022 Healthcare IT Trends Report

WHAT'S INSIDE?

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Quarterly Pivot

What's Ahead for Health IT in Q2 2022

Managed Services
VP, EHR & Managed Services Andy Palmer and VP, Innovation Zack Tisch

Healthcare continues to feel the strains of the labor shifts happening over the past two years. According to Becker's, eight of the health systems in Fortune's Top 100 Companies to Work For collectively have over 20,000 job openings (source).

Support needs for health systems and their patients continue to evolve with changes in healthcare delivery. For example, the rapid deployment of telehealth solutions creates new support vectors that impact providers and patients alike. Do organizations want their clinicians trying to troubleshoot connectivity issues for patients that cannot log into a telehealth visit? Definitely not.

Health systems across the country are focusing on far-reaching endeavors in population health, AI, health equity and a myriad of other ventures. This puts tremendous strain on existing IT staff to optimize and build out EHR functionality along with the ability to support it long-term.

As the healthcare IT labor market continues to shift, health systems historically reliant on local talent are significantly impacted as work shifts to a remote setting. Health systems unaccustomed to leveraging and managing a remote workforce could be at a disadvantage as other systems begin to recruit talent nationally.

TAKEAWAY: WHAT HEALTH IT LEADERS NEED TO DO NOW

❭ **Health systems should begin to examine support services holistically.** Support doesn't only involve addressing traditional hardware/software/IT issues. Every health system needs support mechanisms for its patients, providers, support staff and employees. Bring support under one roof and use a Managed Services partner to gain significant efficiency and standardization.

❭ **As health systems continue to advance new avenues of delivery, support requirements should be factored into the broader planning.** For example, as telehealth services expand, how will you provide your patients with the right support services in the event of technology issues? Will the same team also support providers' issues? Understanding the breadth of support needs will continue to be a strategic component of these delivery expansions.

IN THE NEWS

❭ Managed IT Services for Healthcare: 5 Questions Healthcare Executives Should Consider

❭ Pivot Point VP Featured by Medical Economics: "What the Great Resignation Means for healthcare IT"

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The Great Resignation
Laura Kreofsky, Senior VP, Strategy

According to a March 2022 Harvard Business Review article, **47 million Americans voluntarily quit their jobs in 2021** ([source](#)). The analysis suggests the 2021 Great Resignation was a pendulum-swinging response to 2020, when far fewer employees quit their jobs than expected, likely due to the uncertainty of COVID.

The HBR report categorizes the workforce shifts as being driven by five forces, including:

❱ **Employee reshuffle -** Moving to similar roles in the same industry given new (remote) opportunities and wage competition

❱ **Reconsideration -** Taking jobs that allow a re-focus on quality of life, which is certainly taking place in the healthcare industry

Another recent deconstruction of the Great Resignation was presented in a *New York Times* opinion piece. Recent labor force data suggests "It's true that an unusually high number of workers have been quitting their jobs, but they have been leaving for other, presumably better jobs, rather than leaving the work force." ([source](#))

Share of workers voluntarily leaving jobs
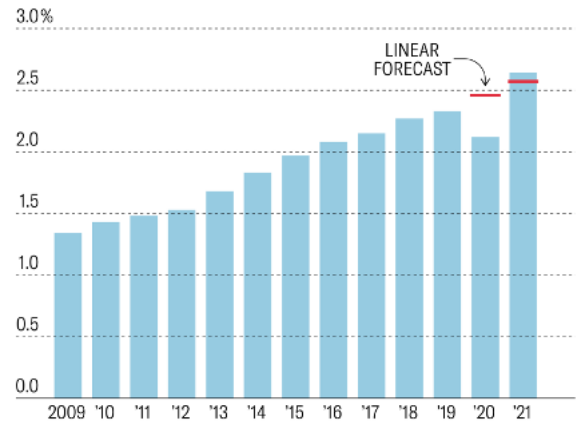
Source: Bureau of Labor Statistics, author's calculations — HBR

TAKEAWAY: WHAT HEALTH IT LEADERS NEED TO DO NOW

As the data and analyses above suggest, the recent upheavals in the labor market are more of a "Great Reshuffle" than a massive exodus. Regardless, they have been and will continue to be disruptive to healthcare from the front line to the back office. To attract and retain top talent, healthcare leaders must:

❱ **Acknowledge the permanence of hybrid and remote work.** Continue to build staffing models, staff management and development plans and organizational and team culture that provide autonomy, accountability and advancement.

❱ **Selectively deploy consulting talent to manage peaks in staffing demands.** Times of high demand can occur seasonally, during technology implementations and because of mergers & acquisitions.

❱ **Prioritize staff development and satisfaction.** High performers typically stay in their roles when they can apply and grow their skills through meaningful work that balances challenges with results. Focusing staff on "top of license" work and redirecting more routine work to other resources - less experienced staff or specialty service providers - can drive value, retention and satisfaction.

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Cybersecurity and Third-Party Risk Management
Ferdinand Hamada, Managing Director, MorganFranklin Consulting

Third-Party Risk Management (TPRM) continues to be a top emerging priority for organizations of all sizes across all industries, with **81% of executives identifying TPRM as a top priority going into 2022.** This trend is only expected to continue as dependence on third parties grows, and vendor relationships become more complex.

There is an uptick in client demand for TPRM program implementation and managed services from all types of organizations, not just those that are heavily regulated or with complex supply chains. The reality is all organizations that rely on third parties for production operations are inherently susceptible to vendor risk exposure, regardless of their size or industry sector and the lasting impact of a data breach or risk event caused by a third party can be extremely costly.

The modern healthcare industry is the most common victim of third-party attacks, amounting to 33% in 2021 (source). From data theft to business disruption, healthcare facilities grapple constantly with various security risks and breaches. Cybercriminals target healthcare because of the highly sensitive data and, for the most part, relatively lower levels of cybersecurity maturity compared to other industries. Their goals are to:

❯ Disrupt the supply chain

❯ Steal intellectual property

❯ Seek profit or personal gain

TAKEAWAY: WHAT HEALTH IT LEADERS NEED TO DO NOW

Cyber risk will continue to be a primary threat in healthcare – it is costly, complex and, in some instances, can cause unnecessary loss of life. Many healthcare organizations are rapidly enhancing their capabilities to proactively detect and manage risk.

Establishing TPRM should be a fundamental component of a comprehensive info-security program with a focus on:

❯ **Supply Chain Evaluation -** The bottom line is that a business is only as secure as its most vulnerable vendor. An attacker could use a vendor as a steppingstone to attack a company's network by taking advantage of their network access or inserting malware into their software. It's important to recognize that cyber threat actors can exploit security gaps and trust relationships at any point in the supply chain, making fourth, fifth and nth party risk part of a mature enterprise risk management strategy.

❯ **Application Rationalization and Decommissioning -** Establish a disciplined program with vendors to ensure legacy applications are decommissioned promptly and not left "in the wild" within the enterprise. Managing the historic proliferation of departmental applications in your healthcare organization reduces risk, IT complexity and costs.

IN THE NEWS

❯ A Catered Approach to Managing Third-Party Risk

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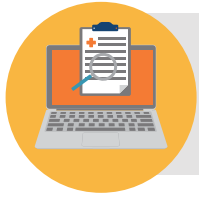
Virtual Care and Remote Patient Monitoring
Nick Loftin, Director, Virtual Care

Remote patient monitoring (RPM) continues to show ROI.
Recent studies have found:

❱ Today, about 40% of health centers are using RPM and that number is projected to continue to grow. Of those using RPM, 70% have seen an improvement in clinical outcomes in patients (source).

❱ Use of RPM showed a reduction in hospital readmissions by 76% (source).

❱ RPM program participants have experienced up to 51% fewer on-call urgent visits, 47% fewer physician visits and 41% fewer phone calls directly related to patient care (source).

The proof is in the numbers. Healthcare organizations that implement and incorporate remote patient monitoring into the standards and best practices for care delivery reduce costs while increasing clinical outcomes and patient satisfaction and retention.

TAKEAWAY: WHAT HEALTH IT LEADERS NEED TO DO NOW

RPM is not a "slam dunk." Providers must address many considerations before implementation, including:

❱ **Device sourcing, inventory management and loss prevention**

❱ **Coding and reimbursement for device utilization**

❱ **Manage the culture shift -** Clinical leadership must help providers trust devices and the accompanying clinical decision support to treat their patients. Without trust, providers will not use the RPM as a treatment tool.

❱ **IT support needs -** In addition to inventory management, CIOs must also manage data collection, aggregation and visualization from multiple 3rd parties and device/technology support.

❱ **Workflow changes -** especially around chronic condition management and post-acute discharge management.

IN THE NEWS

❱ 5 Steps to Make Telehealth Work for Physicians and Patients

❱ LinkedIn Live – Telehealth Trends: 3 Forces Impacting Telehealth Transformation

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The Latest on TEFCA

Chase McLauchlin, Senior Director, EHR Services and Client Solutions

With the introduction of the Trusted Exchange Framework and Common Agreement (TEFCA), the healthcare IT industry is entering a new phase of interoperability. Traditionally, electronic health information exchange has focused on provider-to-provider data sharing. Payers, public health and individual consumers could not easily access this same information.

In January, the ONC published the Trusted Exchange Framework and Common Agreement (TEFCA) to address the gaps in interoperability by implementing a nationally coordinated network of Qualified Health Information Networks (QHINs).

Key parts of the QHINs infrastructure include:

❭ Data exchange between QHINs across the country

❭ Allowing patients to directly access their healthcare information

❭ Support for FHIR APIs and resources

TAKEAWAY: WHAT HEALTH IT LEADERS NEED TO DO NOW

TEFCA infrastructure will help providers access more clinical information, collaborate with health plans to provide resources to patients and comply with information blocking regulations. By the end of 2022, we expect to see several QHINs become available for data exchange.

Healthcare organizations can prepare now by:

❭ **Building Technical Infrastructure -** Create or acquire platforms that can request, accept and store patient data provided by QHINS.

❭ **Addressing Data Hygiene -** Review and cleanse patient data to appropriately integrate with a national data set.

❭ **Skilling Up Resources -** Many healthcare organizations rely on their vendors to implement and maintain FHIR APIs and data integration. As more platforms/use cases are built on the FHIR framework, healthcare organizations should invest in the talent and training to implement the FHIR protocols across all parts of an HIT ecosystem.

ERP and Business Systems
Joe Clemons, VP, ERP

There is an ever-increasing level of new implementation, replacement and general adoption of an integrated ERP solution across healthcare, with the operative being "integrated." Healthcare organizations are seeing enhanced business insights that can result in actionable changes and positively impact the bottom line and overall satisfaction of staff and patients. A 2020 Guidehouse survey reported that 51% of providers planned on implementing or optimizing an ERP system over the next few years (source).

More than ever, leaders see ERP systems as important as EHR in the lifeblood of the enterprise. Integrated systems provide a holistic, data-driven operational view and can improve decision making and planning.

When I speak with clients, we talk a lot about unlocking efficiency through better systems. For example, let's say you have separate systems for HR, time and attendance, payroll, finance and supply chain. In most cases, these systems don't talk to each other (or integrate). If the systems are integrated, the set up and maintenance requires a considerable amount of work from staff that is outside of their day-to-day responsibilities and/or skill set.

Moving to a single solution Software as a Service (SaaS) or cloud solutions keeps disparate systems bolted together and constantly updated. Time and time again, we see clients who make this move unlock efficiency by empowering professionals to work to the top of their license instead of getting weighed down and burnt out with busy work.

TAKEAWAY: WHAT HEALTH IT LEADERS NEED TO DO NOW

❭ **Establish and communicate the vision for an ERP/business system transformation.** This is key for employee satisfaction, supply chain management and financial insights.

❭ **With end-state and related goals in mind, create a roadmap to help achieve it.** The roadmap should include ERP system selection, communication plans, change management activities and guiding principles. A simple framework of "Why are we doing this?" helps the organization re-align with the original vision when roadblock and rabbit holes present themselves.

❭ **Execute for transformation.** With the vision, roadmap and guiding principles established, a strong team can implement a new ERP and realize transformative value rather expeditiously. While a 12 to 24-month endeavor to plan, implement and stabilize may seem daunting, it is well worth it when compared to the risks and inherent losses of doing nothing and toiling in constant task-related work to manage hybrid paper and disparate technology processes.

IN THE NEWS

❭ 5 Ways ERP Systems in Healthcare Can Minimize the Impact of the Great Resignation

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