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HCIT Insights On Community Connect Models

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About the **Author**

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Jeffery Daigrepont, senior vice president at Acuvance | Coker, specializes in healthcare automation, system integration, cybersecurity, operations, and deployment of enterprise information systems for large integrated delivery networks and medical practices. His specific interests deal with data migration, vendor contracting, strategic IT planning and optimization, security, and compliance.

What is the Community Connect Program?

For those who are unfamiliar with the program, Community Connect (CC) allows the provisioning of major hospital systems' electronic health record (EHR) platforms to private community physicians and other hospitals. Some organizations subsidize up to 85% of the cost under the special carve-out in the Stark Rules, making these subsidies legal.

It can be a cost-effective alternative to buying physician practices or satellite hospitals because it enhances collaboration across the medical community without investing in the brick-and-mortar of other clinical practices. It can also be extremely difficult to compete in an opportunity where 85% of the cost is being paid for by a third party.

Moreover, hospitals will have other financial incentives such as professional services agreement (PSA) arrangements and clinically integrated networks (CINs) that can increase provider compensation.

What is Stark Law?

In its most basic form, Stark Law prohibits physicians from referring a patient to a medical facility in which he/she has a financial interest; A physician cannot refer a patient to himself at a specialty clinic. Proponents of the law cite the inherent conflict of interest given the physician's position to benefit from the referral.

Opponents of the law argue that these cases are rare and usually exist where the standard of care may not otherwise be met. Since its enactment in 1992, several exceptions and expansions have been introduced that altered the nature of the law. The expansion of Stark Law in 2006 paved the way for expanded Community Connect implementations.

This exception allows for the subsidization of up to 85% of the cost of installing an EHR in a private practice by partnering with healthcare systems that have already implemented an EHR.

In most cases, this can also include the practice management system if fully integrated with the EHR. The exception was recently extended and will continue to allow hospital systems to align and improve healthcare in their communities. When EHRs first came out, cost was a major inhibitor to their adoption.

The logic behind allowing this stark exception was to lower costs by allowing hospitals to extend their investment in EHRs to their medical staff that otherwise could not afford an EHR.

Is This Program for You?

Now that we have established some background as to the history of CC, let us discuss some of the reasons why these programs may not be for everyone.

Lack of ownership and control can be a major compromise with CC. Here are some questions to ask:

- Do you trust the hospital to put your interests first?
- EHRs become very personal and play a big part in the provider-patient relationship. How much control will the practice have to design and customize their preferences?
- Are you comfortable with sharing your data with the hospital, including that of other parties where there is no direct relationship?
- Are you comfortable with the hospital acting as your vendor? Having control of your network? Responding to issues? Troubleshooting? How well do they support their employed providers? Have you asked around?

What about the contract? Who is responsible for what? Who owns the license?

- Most of these CC contracts are very restrictive, including prohibiting access without prior consent from the hospital.
- The relationship will be with the hospital, not the vendor
- The license will most likely be non-transferable, meaning that if you attempt to leave CC, you will have to forfeit access to the software or pay the full price directly to the vendor.
- Will the hospital provide transparent cost assumptions to ensure you are not overpaying?
- What are the terms and conditions?
- How are disputes handled?
- Who is responsible for cyber security and unauthorized access?
- Can they audit you without prior approval?
- How do you get back your data after termination?
- What happens if the practice gets acquired or brings in private equity?
- Can you continue to work with other hospitals, labs, and surgery centers that do not belong to the hospital offeringCC?

What if

- Who takes responsibility for any Stark Violations should their pricing not be based on fair market value? Has their pricing been independently validated?
- What happens if the Stark Donation does not get extended? Are you now responsible for 100% of the cost?
- Who is responsible for any system defects and malfunction?
- What is the cost for out-of-scope requests?(E.g., interfaces, device integration, data migrations, custom reports/templates/worklist, upgrades,new locations, trainingnew providers, etc.)

Resources

At no cost, Acuvance Coker will provide a complimentary consultation with any practice considering CC and will review their CC contract. To take advantage of this offer, please email Jeffery Daigrepont at jdaigrepont@cokergroup.com

Disclaimer

Community Connect is a viable alternative offering many benefits. Coker has helped many hospitals develop their CC programs and we fully support this concept. Information provided here in is not intended to discourage or deter participation in CC. In our opinion, CC programs work best when individuals venture into this with the right expectation and the right transparency. The insights shared here in are an expression of our opinions and are not directed to any specific vendor or hospital offering CC.

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