Example #1

Return on Investment example:

Current costs:	Year One	Year Two	Year Three	Total:
Transcription	$ 40,000	$ 40,000	$ 40,000	$ 120,000
Chart creation	$ 4,160	$ 4,160	$ 4,160	$ 12,480
Staff time (see below)	$ 29,302	$ 29,302	$ 29,302	$ 87,906
	$ 73,462	$ 73,462	$ 73,462	**$ 220,386**

Expected Costs with EMR and Paper	Year One	Year Two	Year Three	Total:
Transcription	$20,000	$20,000	$20,000	$60,000
Chart creation	$2,080	$2,080	$2,080	$6,240
Staff time	$21,977	$21,977	$21,977	$65,930
EMR Licensing	$6,000	$6,000	$6,000	$18,000
Network access	$6,000	$6,000	$6,000	$18,000
Hardware	$20,000	$1,500	$1,500	$23,000
Training and implementation	$15,000	$0	$0	$15,000
Maintenance	$0	$3,000	$3,000	$6,000
Total:	$91,057	$60,557	$60,557	**$212,170**

Expected Costs with EMR with both using system:	Year One	Year Two	Year Three	Total:
Transcription	$0	$0	$0	$0
Chart creation	$0	$0	$0	$0
Staff time	$0	$0	$0	$0
EMR Licensing	$6,000	$6,000	$6,000	$18,000
Network access	$6,000	$6,000	$6,000	$18,000
Hardware	$20,000	$1,500	$1,500	$23,000
Training and implementation	$15,000	$0	$0	$15,000
Maintenance	$0	$3,000	$3,000	$6,000
Total:	$47,000	$16,500	$16,500	**$80,000**

Assumptions:

New patients per week per doctor	8
Patient volume per day per doctor	35
Days office open per week	5
Number of doctors in practice	2

Soft costs:

Hourly labor cost	$ 15.00
Hours/week spent:	
Faxing	2
Copying	4
Creating new chart	2.4
Finding records	29.2
Total:	37.6
Weekly Cost of staff time:	$ 563.50

Hard costs:

Paper cost for new charts	$ 5.00
Total Paper	$ 4,160

EMR licensing fee: (ASP: per provider, per month)	$250
Business T1 network access, monthly	$500
Initial hardware costs (wireless access point, TabletPCs and desktops	$20,000
On-going hardware purchases	$1,500
Maintenance and support	15%

Used by permission - © 2009 - Physician Technology Services, Inc.