Denis Coleman Statement for JASON Hearing

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Good afternoon. I am honored to be on this panel. I thank HHS for their important work in the challenging area of healthcare IT. I applaud the technical work of the JASON report. However, I think the logjam in healthcare IT is not technical, it is organizational. Let me explain.

I entered Healthcare IT 3 years ago after a career in productivity SW, highlighted by being a founder of Symantec and 2 other companies that had IPOs and 3 that did not make it. We developed SW that increased productivity – better decisions, more work in less time. If the users did not find productivity increases, our company went outQofQbusiness. It was simple, do the job for the user or disappear.

I was surprised to find that in Healthcare IT the rules were quite different. The foundation, the necessary layer, the "operating system" of healthcare IT, the EMRs, have customers who are paid by the government to use their products. Further, much effort goes into measuring whether the systems are "meaningfully" used. In my world, **what a waste** – if users don't benefit from the SW, the vendors go out of business and get replaced by ones that can write something useful. SW development should be focus on user productivity, not on measures to prove users are making use of SW they may find unproductive. The destiny of the market is controlled by EMR companies that have incentives to not share the data – and with an unintended consequence, are supported by the regulations.

The healthcare IT rules incentives economic behavior that is hard to explain. There are regulations and powersQthatQbe that eliminate the normal incentives in a market that brings the productivity to the users. Some major EMR companies built business that benefit from the regulation. They control their customers at the expense of innovation. I am not pointing blame at them, they are reacting to the system we have, good attentions notwithstanding.

Our product that allows patients to input their own data (BYOD) QQ a description of their concern with mobile smartphones, tables, and PC's using questionnaires, the camera, and the tracings, often obviating the need for an inQperson visit. All we want to do is put this information into an EMR, retrieve it and basic demographics, allergies, and medications. Our marginal cost is 10 cents to save a doctor 10 minutes – a benefit to the doctor of about $50. Added over the potential many millions of patient encounters it adds to over $25 bn/year. Sounds good, but it is an astronomical task to implement because many major EMR vendors stoutly resist providing the necessary interoperability to fit into the workflow. EMRs control their customers who want to make use of the powerful technologies available and coming available – but can't be used because there is no access to the EMR. Some EMR vendors are now trying to encourage some interoperability, but the myriad of regulations consume so many resources that is difficult for them to make progress.

This matter could be handled APIs and data access protocols that would grow out of a normal free market. The incentives for the survival of the best products would bring the interoperable products to all. For example, take the salesforce.com model and their force.com API that allows many vendors to leverage their product.

This JASON report is an important technical effort. However, there must be an immediate (if piecemeal) solution **NOW** because there much benefit to be gained in the meantime by products that already existing. I believe you can't solve the big technology problems without **solving the organizational issues and rethinking the right combination of regulations and incentives**.

Thank you.