

High-profile client for software

Scripps Health signs on for patient records system with bonus pay reporting

By [Greg Wiles](#)

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TeamPraxis LLC, a Honolulu-based provider of technology solutions and services for physicians, said it's made the biggest sale of its Clinical Quality Solution in a transaction that could lead to further sales nationwide.

The company said Scripps Health, a \$2 billion nonprofit health system in San Diego, will be using the software that helps doctors make treatment decisions while automating reporting in bonus pay programs that reward physicians for quality care.

"The Scripps deal was significant because of the visibility of that health system," said Creighton Arita, chief executive of TeamPraxis, a company that occupies two floors of the Ala Moana Pacific Center.

"They're one of the nation's premier health systems."

The sale was made through a distribution deal with Allscripts-Misys Healthcare Solutions Inc., which has packaged the Clinical Quality Solution software with its electronic health-record application for sale to physicians and hospitals nationwide.

Arita said the deal is important for TeamPraxis because the automated reporting system allows Scripps to qualify for \$1.75 million under the Centers for Medicare and Medicaid Services' Physicians Quality Reporting Initiative.

"We felt comfortable selecting Allscripts based on their success with similar medical groups of our size and our belief that we could recoup a large portion of the cost of the system via CMS bonuses for PQRI and e-prescribing," said Patric Thomas, Scripps Health vice president of information services, in a press release.

Statements like those, along with \$19 billion in the economic stimulus bill for healthcare information, has Arita planning to expand TeamPraxis' 140-person staff by at least 30 percent this year. That would include a doubling of the company's research and development team.

With the Scripps purchase, CQS has been purchased by 17 medical groups with 2,700 physicians in 14 states over the past six months. That's in addition to the 1,000 physician clients TeamPraxis has in Hawai'i.

Allscripts is seen as one of the big potential winners because of the money available in the economic stimulus package, which includes \$2 billion in grants to create a national system of computerized health records and another \$17 billion in higher Medicare and Medicaid reimbursements for doctors and hospitals to adopt the new technology.

Allscripts has touted TeamPraxis' CQS (sold nationally as Allscripts Clinical Quality Solution), as a powerful tool that can extract and compile quality measures such as a patient's cholesterol levels from an electronic health record, practice management system and outside laboratories.

It can then complete detail reporting for pay-for-quality programs. Allscripts said Scripps, which has 2,600 affiliated physicians and five hospitals, expects to get bonuses for reporting on specific quality measures along with an up to 2 percent bonus for using electronic prescribing.

Arita said TeamPraxis is to have money to expand, having raised \$20 million in late 2007 through the help of state tax credits for investors in technology companies — credits commonly known as Act 221.

"We're a pretty good testimony that with the right heart, right intent and right integrity, we're creating jobs," Arita said.

"At this time what we're doing is recruiting the talent, increasing our systems, so we can really scale into this growth. We have the systems, the structure to really build something world-class."

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