

APPENDIX A

Cost-Benefit Analysis for Primary Care Physicians to Implement Electronic Medical Records and E-Prescribing¹

	Year 0	Year 5	Total ²
Costs (-\$)			
Software	1600	1600	8000
Implementation	3400	0	3400
Support	1500	1500	7500
Hardware	6600	0	6600
Benefits (\$)			
Decreased billing errors	0	7600	15,200
Chart pull savings	0	3000	15,000
Transcription savings	0	2700	13,500
Drug savings	0	16,400	82,000
Net Benefits (\$)	-13,100	26,600	100,200

¹ Data from Samuel J. Wang, et al, "A Cost-Benefit Analysis of Electronic Medical Records in Primary Care," *The American Journal of Medicine* Vol. 114 (April 1, 2003), <http://www.himss.org/content/files/CostBenefitofEMRs.pdf> (4 November 2006).

² Total represents sum of figures from Years 0-5