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European Commission Fines Intel \$1.45 Billion in Anti-trust Case

By Charles King, Pund-IT, Inc.

The European Commission (EC) issued a decree in its anti-trust case against Intel, imposing a fine of \$1.45 billion (€1.06 billion) for violating EC Treaty antitrust rules on the abuse of a dominant market position (Article 82) by engaging in illegal anticompetitive practices to exclude competitors from the market. The Commission found that Intel engaged in two specific forms of illegal practice. First, it gave wholly or partially hidden rebates to computer manufacturers on condition that they bought all, or almost all, their x86 CPUs from Intel. Intel also made direct payments to a major retailer, on condition it stock only computers with Intel x86 CPUs. Second, Intel made direct payments to computer manufacturers to halt or delay the launch of specific products containing competitors' x86 CPUs and to limit the sales channels available to these products.

The computer manufacturers concerned by Intel's conduct in the Commission's decision are: Acer, Dell, HP, Lenovo and NEC. The retailer concerned is Media Saturn Holding, owner of the MediaMarkt chain. According to Neelie Kroes, European Commissioner for Competition Policy, Intel's behavior, "removed the possibility of genuine choice for consumers and undermined innovation." Furthermore, Kroes claimed that Intel had "harmed millions of European consumers by deliberately acting to keep competitors out of the market for over five years, the size of the fine should come as no surprise."

In response, Intel president and CEO Paul Otellini stated that the company, "Takes strong exception to this decision. We believe the decision is wrong and ignores the reality of a highly competitive microprocessor marketplace - characterized by constant innovation, improved product performance and lower prices. There has been absolutely zero harm to consumers. Intel will appeal." He concluded by saying that "Despite our strongly held views, as we go through the appeals process we plan to work with the Commission to ensure we're in compliance with their decision."

The Pitch

Intel decree and fine shows the EC continuing to play tough on antitrust. But how will it work in the real world?

Mission Accomplished?

The most significant detail that most will take away from today's European Commission (EC) decision on the Intel antitrust case is the sheer size of the judgment, which dwarfs the unenviable previous record held by Microsoft. That's understandable enough, since \$1.45 billion qualifies as real money in virtually any circumstances, let alone during a time when tens of millions of people are in financial distress, looking for work and/or losing their homes.

However, the EC's decision also offers an opportunity to consider the sometimes subtle differences between penalty and remedy, as well as some ancillary issues whose impact may, over time, be more profound than the court's original judgment. So far as penalties go, there is little doubt that the fine imposed by the EC is designed to punish Intel and inhibit the company from pursuing similar activities. Though the thinking behind Intel's penalties

seems clear enough, exactly how beneficial the EC's "remedies" will be remains murky, at best.

The EC insists that barring Intel from offering its OEM partners discounts and rebates will positively affect the market and consumers via increased competition from what the commission assumes will be a newly unleashed AMD. Is this a reasonable assumption? We have our doubts. AMD has proven that can compete effectively enough with Intel when it innovatively pursues new or untapped markets – company's success with its Opteron and Athlon 64 processors is proof of that. But AMD has also been a less than stellar steward of its success. For nearly half a decade, the company has been plagued by ill-advised acquisitions and missed market opportunities, problems that no amount of Intel fines can or will correct.

In addition, continually improving price/performance has been a constant theme in computer hardware products, driven in large part by advances in microprocessor technologies. As PCs and notebooks have become increasingly commoditized, reducing overall margins, volume discounts and rebates on processors and other components have helped OEMs to lower the cost of PCs and notebooks yet remain profitable. So it seems logical to assume that inhibiting or discontinuing discounts and rebates could potentially result in higher prices. Lofty rhetoric about reducing choice and limiting innovation aside, it would be instructive for the EC to clarify precisely how "millions of European consumers" were harmed by declining computer prices.

So far as ancillary issues go, the most serious may be the inconsistency and politicization of antitrust rules and enforcement globally. It is well-worth remembering that 2000 marked a sea change in the way U.S. Federal officials and agencies perceived and pursued antitrust. The vigorous litigation and landmark cases that typified the Clinton administration essentially disappeared during President Bush's eight years in office, setting the U.S. increasingly at odds with antitrust regulators in Europe and Asia.

Numerous free marketers in the U.S. and elsewhere predictably disparaged those regulators' vigilance and suggested that increasingly globalized markets required a more *laissez faire* approach. But such attitudes, while conventional enough, ignored the fact that nations and regions tend to prefer doing business under their own rules. While entirely understandable, this situation creates significant challenges for enterprises pursuing strategic global market opportunities. In the case of Intel, the EC's decision may require a broad range of the company's partners both inside and outside of the European Union (EU) to significantly alter the way they do business.

Consider how, to assuage EC regulators, Intel might have to adjust its wholesale pricing schema according to how countries/markets regulate or disallow discounts and rebates. Will the higher cost of non-discounted Intel processors result in competitive disadvantages for EU-based OEMs? Will it increase demand in EU member countries for discount-enhanced Intel-based products from other locales? Adding more complexity to the mix, how will Intel's global OEM partners ensure that the products they sell in Europe contain only EC-approved parts? If an Intel partner mistakenly sells products containing regulated Intel chips in the EU, will it be subject to EC oversight and penalties? If so, which agencies will determine the legitimacy of those products and how will they go about doing so?

At the end of the day, we will leave arguing for or against the wisdom of the EC's decision to the principals: The court followed the regional rule of law and came to what it considered a just and reasonable decision. Intel disagrees and will mount what is likely to be a vigorous appeal of the decree. But the week's news also brought further evidence of the constantly shifting attitudes toward business competition: The remarks made by Christine Varney, the assistant attorney general in charge of the Department of Justice's antitrust division, suggest that the EC's antitrust stance is likely to be regarded kindly or even mirrored by the new administration in Washington.

We would warn against the notion that business regulation is, simply by its nature, beneficial. Unless they proceed wisely even the smartest regulators are capable of making dumb decisions. While business globalization has produced myriad, definable benefits, it remains a work in progress that can be influenced, hobbled or even derailed by what some may believe to be minor or even extraneous decisions. To our way of thinking, the EC's Intel ruling is anything but minor and needs to be considered in a far broader context than many believe. Otherwise, whatever effect the EC's decision may eventually have against the world's leading microprocessor vendor could pale against its deeper impact on markets in Europe and beyond.

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About Pund-IT, Inc.

Pund-IT emphasizes understanding technology and product evolution and interpreting the effects these changes will have on business customers and the greater IT marketplace.

Managing a Tape Environment Is No Longer an Oxymoron

By David Hill, Mesabi Group

Understanding the IT Infrastructure Management Challenge

Managing the software and hardware components of an IT infrastructure, such as in a data center, has become an increasingly complex and difficult challenge. Yet meeting service levels and cost requirements revolves around the ability to manage efficiently (do things right) and effectively (do the right things).

Almost all vendors tout how well their software tools can help ease the burden of management. While that is desirable, simplified management is not the only answer to the complexity challenge. A more important question to consider is whether administrators have the necessary information and analytical capabilities to manage effectively — if at all. For example, IBM just acquired Exeros to enable it to help customers automate and accelerate understanding of data and data relationships. The rationale that IBM expressed for the deal is, “You can’t manage what you can’t understand.” That builds upon the age-old philosophy: “You can’t manage what you can’t measure.”

Vendors are trying to fill in as many datacenter management gaps as possible, especially in an increasingly virtualized world where the focus is on creating a new generation of IT infrastructures. Storage vendors recognize this, as well. For example, NetApp bought Onaro to acquire SANscreen, an approach to extending data center automation to storage. EMC acquired WysDM for data-protection management capabilities that provides past, present and future insights into existing backup environments.

But what happens when the information that you need to manage is not actually available? For example, all the information that is needed to manage a storage area network (SAN) is not natively available. HBAs, switches and disks are all involved in SAN I/O, but it is not their job to collect that information. Adding in specific hardware devices to be able to collect SAN traffic data enables the ability to audit and report on data traffic and trends. A company called Virtual Instruments provides that capability, which can lead to quickly identifying performance problems and behavior anomalies, as well as being able to point out potential issues that are on the verge of exceeding “best practices” thresholds, and moreover, identify potential cost savings.

The Management Requirements for a Tape Automation Environment

That is great for SANs, but what about the tape automation environment? Tape automation is not the most glamorous part of a data center (as a user never sees it directly), but it is a major part of its bread and butter. If a data center were a starship, Scotty would be very comfortable with the tape environment as part of his engineering responsibilities.

In fact, many engineering disciplines come together in a tape environment, including mechanical and electrical engineering. A tape automation environment has three basic elements:

1. **Tape automation** — typically a tape library built around robotic arms whose movements are a triumph of mechanical engineering.

2. **Tape drives** — which ingest tape cartridges, control the movement of tape along tightly defined paths and expel full tape cartridges to be moved by the library robot to an available storage slot
3. **Tape cartridges** — these compact and secure huge amounts of data in a small space using sophisticated technology.

The interplay of these three elements is interesting to watch, resembling a dance routine running at high speed (such as the movement of a robotic arm). However, natively these elements do not capture much information that can be used in their management. In fact, management of the tape environment is likely to be reactive instead of proactive, such as repairing a tape drive that refuses to ingest or eject a tape or replacing a tape cartridge that cannot be read (a very bad thing if it is part of a major recovery process).

To our way of thinking, tape environment management should be much more than reactive failure analysis. Proactive management can be constructed around answering a number of critical questions:

- Can alerts that are the results of degraded performance or serious error conditions be reviewed properly so that corrective action can be taken? If not, backups may not complete correctly and critical restores could fail.
- Can the interaction between a drive and tape cartridges be examined to determine the root cause of a problem? If so, this can resolve a major source of administrative headaches.
- Are tape drives performing efficiently? A simple question whose answer is critical, since inefficient performance could lead to unnecessary high failure rates.
- Are tape drives being utilized effectively? Overused tape drives can have high failure rates while underused drives result in a waste of scarce IT budget dollars.
- Can an already written tape be read correctly? Another simple question whose answer is crucial for ensuring recovery processes.

Crossroads Systems Offers a General Purpose Tape Environment Management Solution

Crossroads Systems has solved the management problem for tape automation environments through the introduction of its ReadVerify Appliance (RVA) and supporting services. While Quantum has some very capable features for tape environment management via its Quick Vision management software, the company focuses on its own, homogenous tape environments. In contrast, Crossroads can support any Fibre Channel-based tape environment (which includes open systems, as well as IBM's mainframe-based tape environment). Note also that Crossroads' approach focuses on the management of the tape storage devices themselves, rather than data management or information management.

The Crossroads approach is based upon three general principles:

1. An RVA is installed in the tape environment outside of the data path, collecting data that otherwise would not be available for analysis.
2. Crossroads' monitoring and reporting solutions not only have the necessary analytical and visual presentation capabilities but can draw upon one or more of the following sources of information — a historical (i.e. longitudinal) database of the customer's own information, a database of vendor recommendations (such as what should be the appropriate duty cycle for a tape drive), and an anonymous database of what other customers have experienced that can be used for benchmarking.

3. Giving the customer an option of getting information through one or more Crossroads' services, which frees them up for the actual decision-making and action-taking rather than having to worry about the process of monitoring and reporting the information.

The customer can choose to purchase the RVA directly or work with a Crossroads partner as part of a service. Crossroads' RVA is a 1U high (i.e., 1.75 inches) rack-mountable "box" that sits non-disruptively in the tape environment data path. Naturally, the RVA ties into the LAN environment in so it can be managed and transmit its findings, such as e-mail alerts, as necessary.

A customer can choose to work with a Crossroads partner to use one or more of the following tape environment services:

- **Library Monitoring and Alerts** — this service provides daily reports on all triggered events, such as lost device communications or serious error conditions. However, the service can also report on less critical, but still important alerts — described as cautionary, concern or simply informational conditions — that describe poor drive efficiency or high device load counts, which may have a long-term impact on systems' costs, capital expenditures or successful data recovery.
- **Tape Environment Site Analysis** — a survey report is generated after, say, a 90-day analysis of a site's tape environment, offering a comprehensive analysis of its condition. This includes drive-tape cartridge error analysis of the interaction between drives and tape media, overall tape performance over the analysis period, and whether or not the utilization of the tape drives are reasonable or not. The report uses clear, easy-to-view, sophisticated visual approaches (such as spider charts), as well as reference information generally not be available to the customer, so the site analysis is best delivered as a service.
- **Tape Verification** — using an otherwise empty tape drive, the RVA appliance can verify that the information written on tapes is still correct. The resulting reports show metrics of all tapes verified, which is useful for providing clearly documented records for regulatory compliance (think Sarbanes-Oxley where restoring financial data is necessary to avoid big problems) and for Service Level Agreements. Overall, IT can rest easier knowing that tapes are good in case a recovery is necessary.

Mesabi Musings

Typically, I avoid injecting my personal experience in my observations. However, many years ago, I ran a Fortune 500 data center that had a mixture of mainframes and minicomputers (now called open systems servers). On many occasions, I needed more information about the non-mainframe environment, and I kept asking my managers why I couldn't have the same information that was available for the mainframes. Since they had no control over the operating system of the non-mainframe systems, my requests could not be met. But I never give up and so, even though I am no longer managing a data center, I want IT to have the tools and information that they need.

And that includes tape. My data center had to manage 10,000 tapes even then. And we had one device we called the tape drive of last resort in the mainframe environment that was used to read what other tape drives might not. This is the reason I find the Crossroads solution interesting enough to bring to your attention. Tape is not dead (and not likely to die as soon as some pundits would have it), but while it is alive, it deserves to be managed well. Crossroads combination of RVA along with its three tape environment services should

provide enterprises the tools they need to better manage and maintain their tape environments.

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About the Mesabi Group

The Mesabi Group (www.mesabigroup.com) helps organizations make their complex storage, storage management, and interrelated IT infrastructure decisions easier by making the choices simpler and clearer to understand.

Microsoft Announces New OS Offerings and Features

By Charles King, Pund-IT, Inc.

Microsoft kicked-off its Tech·Ed North America 2009 by announcing new technologies designed to help IT professionals and developers save their organizations money and improve efficiencies. The company anticipates that the next version of its client operating system, Windows 7, will be available to customers in time for the holiday shopping season. In addition, Windows Server 2008 R2 (WS 2008 R2) Release Candidate (RC) is currently available, with the final product releasing to market in the same timeframe as Windows 7.

The company noted that Windows 7 and WS 2008 R2 include security, reliability and productivity enhancements, which, when used together, can help deliver significant cost savings and productivity gains with features, such as DirectAccess and BranchCache. WS 2008 R2 includes new capabilities, including File Classification Infrastructure (FCI), a built-in solution for file classification and management. In addition, Windows Server 2008 R2 Hyper-V now scales up to 64 logical processors, delivers improved Web experiences with Internet Information Services (IIS) 7.5 and offers increased hardware utilization and server availability with built-in Live Migration capabilities.

The Pitch

Microsoft prepares the market for Windows 7 and Windows Server 2008 R2.

Mission Accomplished?

Microsoft's Tech·Ed conference offered interesting examples of how a skilled vendor can approach two significant challenges: winding the market up for a new product and keeping customers interested by enhancing existing solutions. The headline news, of course, is the company's statement that Windows 7 will be commercially available in time for the critical holiday shopping season. That should inspire a sigh of relief among Microsoft's beleaguered PC and notebook OEMs, who have been enduring a continuing series of one-two punch combos from consumers and business clients. But the news also defines a time when the company should be able to begin putting Vista behind it.

By comparison, the Windows Server 2008 R2 announcement targets a narrower but influential group of Microsoft customers –businesses who helped the company attain an increasingly critical position in enterprise datacenters. The new significantly enhanced file classification and management capabilities should be of particular interest to organizations that rely on Microsoft's Sharepoint and similar storage-intensive applications.

The notable utilization, scalability and performance improvements in Microsoft's Hyper-V virtualization platform, including the addition of Live Migration, are likely to please many companies virtualizing their business computing infrastructures. The increasing integration of Hyper-V with Windows Server 2008 is also worth noting. Beginning with the R2 release, Hyper-V will stop being an optional add-on and, instead, will be freely included in all copies of Windows Server 2008.

Perhaps the most intriguing aspect of the Tech·Ed announcements is the degree of integration between Windows 7 and Windows Server 2008 R2, marking the first time in nearly a decade that Microsoft has developed client and server OS offerings with such closely linked commonalities of purpose. The initial offerings developed in this effort, DirectAccess and

BranchCache, are designed to simplify, speed and ease the access to corporate/central office resources and files by employees located at branch and remote offices.

These new features are focused on what some might consider “meat and potatoes” business computing issues, but helping to measurably improve employee productivity across widely dispersed organizations defines the very essence of how IT vendors can improve the lives of their enterprise clients. Over time, we expect to see additional, similarly linked solutions and services based on Windows 7 and Windows Server 2008. But for now and into the fall, we expect Microsoft’s new and improved Windows 7 and Windows Server 2008 R2 solutions will capture and hold the attention of both the company’s customers and its competitors.

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Tech Vendors and the Aging in Place Market—Trying to Make a Difference

By Laurie Orlov, Aging in Place Technology Watch

As I try to make sense out of the aging in place technology market, new companies (or companies new to me) regularly surface. The following companies are all launched (or in beta) but are perhaps not well known in the marketplace as they could and should be. Here are some of them you should bookmark— all valuable solutions for boomers and seniors in need of improving technology access, personal experience or medical care. All will make their way into the July vendor update release of the Aging in Place Technology Market Overview:

- **Caresquare** — This is a new consumer-facing free Web site both for families looking for references, profiles and background-checked caregivers and for caregivers to look for work. It is also a site that can be customized as a portal for home care agencies to use in their local geographic areas. The site also serves as a way to request concierge services for remote health needs. Consumer. Learn more at: www.caresquare.com.
- **Famililink** — Like PointerWare and BigScreenLive, Familink makes computer access easier. The company offers a simple interface portal that enables users to exchange of e-mail, set calendar reminders, keep track of contacts and view pictures or videos stored on YouTube. The company's motto: "A fun and easy way to stay in touch." Consumer. Learn more at: www.famililink.com.
- **LinkedSenior** — An entertainment kiosk for residents of senior living communities that enables seniors to customize and download audio content ("The world by the ear") — like books, news, music, audio e-mails and talk shows — to play in their own residences. The company defines its service as: "Allowing residents to enjoy a variety of audio programs and to develop new activities, skills, and knowledge without leaving the comfort of their own homes, especially when their mobility is hampered." Senior housing. Learn more at: www.linkedsenior.com.
- **OnTimeRx** — This vendor has been around for a while in the medication reminder space, but it is always worth thinking about in the context of the range of solutions required for this complex problem. Medication non-compliance is one of those thorny issues that gets lots of talk, many offerings, few of them light-weight (that is, without containers for the pills themselves). This company says it provides "the prescription for taking medicine on time"). It works on smart phones or can operate directly from a web-based portal to your cell or landline phone. Consumer. Learn more at: www.ontimerx.com.
- **PointerWare** — This is the new name of Canadian company SoftShell — which provides software that makes a computer more usable ("computers made simple") with large button formats, best used in a touch screen interface (like the Asus EeeTop) for those who cannot use a standard keyboard. The software manages a centralized e-mail system and enables e-mail of voice recordings as MP3 files. The product can be downloaded for individuals, but we see its biggest market opportunity as an 'additional revenue' source for assisted living, nursing homes and continuing care communities. Senior housing. Learn more at: www.pointerware.com
- **Touchtown** — This just-launched provider of 'Touchtown Companion' is used to deliver information from senior living facility staff members to residents even when the power is out. Using a "'self-organizing, self-healing wireless mesh network' the two-way system uses interactive 'base units' placed in each resident's apartment. In the event of an emergency,

the base units sound an alarm, flash and deliver detailed instructions." The base units can also support a daily check in with residents, sharing of pictures from family members and integration with the in-house TV system. Senior housing. Learn more at:

www.touchtown.us/welcome

- **Zume Life** – Aimed at consumers with chronic diseases or complex health regimens. A combination of a web portal and mobile application, Zume Life offers a means of creating health regimen or medication reminders, recording changes, and reviewing and detecting patterns based on the recorded information. The system (web + phone app), is actually a service that acts as a journal, trend analysis and reminder system combined. The premise is that you, the individual, can take more control of your chronic disease or program – the information you record becomes a powerful way to become and stay healthier. Consumer. Learn more at: www.zumelife.com

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About Aging in Place Technology Watch

Aging in Place Technology Watch (www.ageinplacetech.com) is a market research firm that provides thought leadership, analysis and guidance about technologies and related services that enable boomers and seniors to remain longer in their home of choice.

MEDecision and the Top-Down Approach to Electronic Health Records

By Wayne Kernochan, Infostructure Associates

MEDecision's recent acquisition of HxTechnologies for its health-information exchange technologies is part of a growing trend. The recently passed U.S. stimulus package encouraged Electronic Health Records (EHRs), and last week's article in Business Week highlighted EHR implementation failures and identified health care IT as a "hot topic." But more importantly, in this country and globally, standardization of medical information storage and exchange is seen by many as critical for any project aiming for long-term healthcare delivery improvement.

But what is the best strategy for the insurance industry, health care providers, and patient representatives, such as governments, to pursue in this giant data-integration and data-exchange effort? Past history suggests that on the one hand, data-integration implementers run the risk of "too many standards," as evidenced by the XML data-communication standards efforts in the early 2000s, which bogged down in a sea of complexity. On the other hand, implementers can err by being too narrow in their focus, like those who supported EDI efforts that served narrow needs but were difficult to extend to new data types.

Frequently, narrow-focus data-integration efforts start "from the bottom up," designing adapters with so much hard-coded detail about, say, particular parts suppliers in the auto industry, that extending to a new situation is long and risky. Often, "overall-standard-first" approaches start "from the top down," designing for a broad case first and running into difficulties when they try to "lay the last mile" to serve a particular retailer or manufacturer.

The MEDecision Way

Over the last two decades, MEDecision has built up a data-integration suite that takes a "top-down" approach to EHRs. Its two key solutions, Alineo and Nexalign, can be thought of, respectively, as the medical equivalents of CRM and CRM integration: Alineo focuses on building up per-patient ("customer"), ongoing ("overall-standard") records, plus analysis tools that allow physicians to mine that data for utilization/case/disease-management insights such as evidence-based medicine. Nexalign aims to share those records between health-care providers, insurers and the patients themselves. In fact, MEDecision can now proactively and automatically upload newly-arrived provider data into those records via Nexalign.

MEDecision, acquired by Health Care Services Corp. last September, has been moving rapidly to upgrade its offerings to reflect a new push to implement EHRs everywhere. It already has a substantial and long-standing installed base, particularly among state Blue Cross Blue Shield organizations and the doctors/hospitals they deal with. Now, the company is migrating that installed base from older products to Alineo and Nexalign while steadily pushing out new versions of these and upgrading Nexalign with HxTechnologies' health-information exchange technologies. As a result of MEDecision's long experience, the company has an extensive set of "last-mile" adapters on which to draw for both per-doctor implementations and EHR interchange extensions.

To me, the best part of the MEDecision approach is that it combines a substantial insurer installed base, a focus on providing information doctors need to improve healthcare quality and a recognition of the importance of data interchange as a means of providing patients with more information. This should allow MEDecision to balance the conflicting imperatives of these varied concerned parties in a way that does not force inappropriate solutions on any of them.

Implications of MEDecision's Solutions

The obvious place to look for a MEDecision impact is in the EHR market as fueled by multi-billion-dollar investments in the recently passed U.S. stimulus package. Key resistance points to EHR and communication of records across organizational boundaries include group-practice doctors whose productivity may be impacted by too-onerous installation and records-updating procedures; hospitals and provider chains with concerns about legacy data and privacy regulations; insurers eager for more data about procedures but wary about controls imposed on their use of it; and consumers eager for ways to get around costly doctor-patient interactions but wary of insurer misuse of their data.

The MEDecision approach represents an excellent starting point for addressing these concerns but not a complete answer. An EHR solution focused on patient interactions will not necessarily include the CAT-scan or patient-lifestyle data needed for a full patient picture; but it can form the core of such a "patient snapshot." General practitioners that find record-keeping an imposing burden will find that the relative ease of insurance-company interaction MEDecision offers and its helpful "the latest in improving quality" insights make up for the additional effort. Hospitals may not see as clear a path to upgrading existing patient data, but the long experience of MEDecision in handling new types of data conversion and government regulations should compensate where the lack of "last mile" adapters hinders a particular use case. Insurers are clearly willing to accept evidence-based medicine as a way to cut down on payouts, and MEDecision's BCBS installed base is evidence of insurers' comfort with the company's approach.

The only significant uncertainty is how well MEDecision will be able to give patients better insights into their conditions without exposing private data to insurers. However, that is a dilemma that all EHR providers face, one that is very likely to be resolved by eventual implementation of a regulatory compromise. In other words, it is very likely that EHRs based on a core platform like MEDecision's will be a success, and that MEDecision (at least right now) offers as rapid an initial implementation of EHRs as most if not all of its competitors.

We should also consider other emerging or upcoming changes in the health care IT market – for example, medical tourism, "wellness treatment" and patient Web empowerment. MEDecision is already exploring the ability to pass EHRs abroad, and nations with centralized, government-run health-care systems, such as European countries, should make the creation of cross-border EHR interchanges for travelers who are provider-shopping a relatively quick and straightforward task.

Wellness treatment, which is surfacing in various forms in the U.S. health-care debate, moves the locus of interaction outside the hospital or doctor's office and broadens the scope of the interaction to focusing on avoiding hospital stays or other interventions via patient lifestyle changes. The same types of MEDecision analysis that are useful in evi-

dence-based medicine could be extended to lifestyle analysis for clinic or pharmacy walk-in services.

Patient Web empowerment lies further in the future but is key to long-term EHR success. A widely implemented MEDecision platform involving patient treatment and other interactions over the Internet is fundamentally a health-care-focused social network like Facebook. The success of such a network depends on creating communities of patients/users and empowering them to do analysis and communicate via email with providers. This, in turn, means that EHR networks need to be enhanced with community-building tools and that some way must be found to compensate doctors monetarily for email communications. Following the analogy, we may wonder if the long-term revenues of EHR software companies might come from drug advertising pop-ups. In particular, we may speculate that Google's consumer-focused EHR initiative is fueled at least partially by this belief.

Conclusions

MEDecision's solutions indicate that the future is not so bleak for country- and world-wide EHR implementation as Business Week's horror stories might suggest. Eventually, EDI and XML have succeeded in improving intra-industry and supply-chain data exchange and data integration dramatically. Likewise, MEDecision's top-down approach to data integration and exchange gives every indication of supporting EHR implementations in the short term in a wide range of situations. These implementations should deliver EHR payback and value-add for key health-care actors in the short term, as well.

In the long run, the future of MEDecision and of EHRs depends fundamentally on ongoing government encouragement of centralized, standardized health care management. We have seen over the last 30 years that neither insurers nor providers nor consumers have been able to inspire or enforce more than a glacial pace of health-care IT architecture rationalization. However, if current government efforts come through, EHR approaches, such as MEDecision's offer the best hope for long-term Internet-style improvements in health-care cost-efficiency and effectiveness.

Remember, the Internet has been especially effective in reducing business costs by expanding market scope, cutting out intermediaries and simplifying the search for information. The same could be done for a health-care market globally linked and communicating via an EHR lingua franca. The action item for insurers and providers, therefore, is to move briskly ahead with initiatives leading to EHR-driven networking, and place solutions such as MEDecision's high on their EHR short lists.

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