



## Press Release

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### **Advancing patient care and driving economic impact, Indiana's health information technology innovation cluster serves as national model *New report defines and analyzes growing \$200 million market***

**Orlando, February 22, 2011** – Seventy-two start ups, 2,500 workers, and \$202 million in company revenues are just three new ways to measure the progress of Indiana's health information technology (HIT) innovation cluster, a growing market and important part of the state's economy.

These data, and more, are set forth in a new report, *From Dishwashers to Digital Medical Records – Indiana's Leadership in Health Information Technology*, released today at the national Healthcare Information and Management Systems Society (HIMSS) trade show by BioCrossroads, Indiana's initiative for investment, development and advancement of the state's signature life sciences strengths. The BioCrossroads report defines, for the first time, the HIT cluster as a specific sector of life sciences economic activity in Indiana, analyzing core assets and documenting a decade-long story of steady growth. The report is available at [www.biocrossroads.com](http://www.biocrossroads.com).

According to the BioCrossroads report, Indiana's HIT sector includes more than 72 growing companies (organizations that produce or use technologies that store, process, manage, and transmit health information, including patient data), along with active participation and collaboration from health plans, life sciences companies, academic institutions, philanthropic organizations, and state government that, working together, have bolstered Indiana's health IT industry to make a real difference in the economy of the state and the health of its citizens.

"Indiana is at the forefront when it comes to the delivery of better healthcare through the use of better information," said David Johnson, president and CEO of BioCrossroads. "This report is the first place that has staked out the fast-growing field of HIT as a worthy life sciences sector all on its own, and a driver of economic growth as well as higher quality healthcare."

The report also points out the leading difference that effective philanthropy can make in driving new opportunities, noting the more than \$115 million in philanthropic grants that have put Indiana and its well known research institutions like the Regenstrief Institute on the national map for leading HIT research and entrepreneurial development.

A recent analysis by IBM predicts the total U.S. market for HIT products and services growing annually at a rate of nearly 6%, and reaching \$42 billion by 2014, “a growth rate that is among the fastest in any industry.”

Indiana HIT companies stand to capitalize on this trend. In 2008 (the most recent year for which data are available), the collective revenues of these companies totaled \$202 million, an increase of 125% over sales of \$90 million in 1998, and coinciding with the rise of Indiana’s multiple health information exchange (HIE) networks throughout the state.

Information Services/Software Development businesses claim 58 percent of the sector’s jobs; consulting jobs are 27 percent of the employment numbers and Electronic Medical Record companies/Health Information Exchanges have 15 percent of the HIT workforce. Overall, health IT jobs have grown 61% over the last five years.

Two examples of these Indiana-based businesses are Medical Informatics Engineering (MIE), a web-based EHR provider and its wholly owned subsidiary, NoMoreClipboard.com, one of the leading personal health record management systems in the U.S.

Launched in 1995, MIE built and still operates one of the first health information exchanges - providing clinical messaging services to the Northern Indiana medical community. MIE also developed a full portfolio of web-based, electronic health record products used by clients ranging from solo physician practices to Fortune 500 employee health organizations such as Google, Lilly and Dow Chemical. MIE’s Minimally Invasive™ approach to EHR implementation has helped differentiate the company from other EHR systems that are often expensive and inflexible and has positioned MIE as an EHR leader in the fragmented HIT industry.

As quality of patient care increasingly became an issue in the healthcare industry, the founders of MIE launched NoMoreClipboard.com. The company has developed one of the leading personal health record systems in the country due to its interoperability with various EHR technologies, health systems and hospitals and ability to put patients at the center of their healthcare.

“The report analyzes data that support Indiana’s HIT national stature, and provides us with a baseline for our future growth. It is an invaluable resource,” said William Cast, M.D., chief executive officer of NoMoreClipboard.com. “Indiana is at the forefront of developing scalable health IT solutions that can be implemented across the nation. Our five successful HIE’s, strong Beacon Communities, and technology vendors believe that in working together, we can extend the success of health IT information exchange in the state and beyond.”

Why the report’s connection of dishwashers to digital medical records? Both were revolutionized through the genius of Indiana entrepreneur Sam Regenstrief, who transformed the appliance industry by integrating digital controls into dishwashers. In the late 1960’s, Mr. Regenstrief established a charitable foundation, the Regenstrief Foundation, and the Regenstrief Institute at Indiana University to research the extension of digital technology to the healthcare sector – allowing digital information to transform the delivery of healthcare by tracking and storing patient information via electronic

networks. Today, the Regenstrief Institute and its clinical data repository, the Indiana Network for Patient Care, represent one of the largest and fastest growing clinical research engines in the world.

The portion of the BioCrossroads report issued today represents an executive summary of a larger and more in-depth analysis of Indiana's health information technology sector that will be available in March. The full report will also feature a discussion of the forces driving HIT innovation and expansion, background and definitional methodology for the national sector as a whole, and a review of future trends. The full report is principally authored by Robert Petersen, a BioCrossroads consultant and the project director for the American Recovery and Reinvestment Act HITECH grant applications for BioCrossroads and the State of Indiana/Indiana Health Information Technology Inc.

BioCrossroads worked with the Indiana Business Research Center at Indiana University's Kelley School of Business to collect and analyze financial information in the report.

### **About BioCrossroads**

BioCrossroads ([www.biocrossroads.com](http://www.biocrossroads.com)) is Indiana's initiative to grow, advance and invest in the life sciences, a public-private collaboration that supports the region's existing research and corporate strengths while encouraging new business development. BioCrossroads provides money and support to life sciences businesses, launches new life sciences enterprises ([Indiana Health Information Exchange](#), [Fairbanks Institute for Healthy Communities](#), [BioCrossroadsLINX](#), [OrthoWorx](#) and [Datalys Center](#)), expands collaboration and partnerships among Indiana's life science institutions, promotes science education and markets Indiana's life sciences industry.