

Promotion #60 To Sell Subscriptions To The Business Newsletter Inside Healthcare Computing

This was my 60th direct mail promotion for this publication to a target audience of health care information technology professionals. It went to essentially the same group as promotions #1 through #59 (with regular updates to the mailing list, of course).

A/B Test:

In this promotion, I tested two #10 envelopes, one with gaudy teaser copy on the front and back, and the other with only a return address and no sales copy on front or back. The plain envelope performed slightly better.

Overall Results Tracking:

In those days, the two most common yardsticks for measuring the success of a direct mail promotion for subscriptions to a mature publication, which has reached its likely circulation peak, were:

#1. Did it earn enough in new subscriptions to pay for its costs? Typically about 50% of those who subscribe initially renew the first time and 70% renew annually thereafter, so the money is made on renewals.

#2. Did it bring in enough subscriptions to at least maintain total paid circulation until the next promotional effort?

Counting all costs but my labor, this promotion cost about \$6,500 to print and mail (2004 dollars). It won 31 new subscriptions from a mailing list of 5,815, at an average price of \$364, for a total of \$11,284.

Then, first-year renewals totaled \$6,570.

The next year of renewals for this group totaled \$4,494. So the total three-year subscription revenue returned on the \$6,500 cost of the promotion was \$22,348.

Conclusions:

If the publication had been new and growing, this would have been deemed a poor result. However, it was more than 10 years old, and this was the 60th direct-mail sales pitch to basically the same audience. In addition, I promoted with issues in wrappers at conventions. Also, from 1997 on, I was promoting with occasional email blasts. Given that degree of advertising saturation, the results of this promotion were quite satisfactory.

Bill Donovan

PRICE WAR:

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The newsletter the major healthcare IT vendors don’t want you to read

3 BONUS REPORTS:

BOOST YOUR PAY AND FIND KEY PEOPLE

LINUX IN HEALTH CARE: WHO IS OFFERING IT; HOW MUCH IT’S SAVING USERS

CLINICAL INFORMATION SYSTEMS AND CPOE: SEEING THE REAL COSTS

Bill Donovan, Publisher

Inside Healthcare Computing

3600 South Harbor Blvd

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Inside Healthcare Computing...

"It's being informed, not just thinking you are."

Dear Healthcare Information Systems Professional,

Inside Healthcare Computing is a biweekly newsletter and searchable Internet database of reports and back issues.

Here's how it is different from any other publication covering hospital and health care enterprise information technology:

1. **It tells what is NOT working as well as what is.**
2. **You receive actionable information--no artificial sweeteners, no vendor hype, no cozying up to advertisers.**

Let me give you a one clear example of telling the **full story**:

Three years ago, we started researching and telling readers how to make computerized physician order entry (CPOE) work. In fact, we ended up writing the book on the subject, CPOE--How To Make It Work.

But even back then, we were also reporting on the reasons that CPOE is not right for everyone, at least not yet.

That was heresy at the time--and our CPOE vendor subscribers hated seeing that in print. But health care IT decision-makers like you subscribe because this publication provides timely, actionable, hard information--and all the important points of view.

INSIDE HEALTHCARE COMPUTING...

-- has the inside sources and years of experience in health care information technology ... multiple-award-winning expertise.

-- has been the news source your colleagues have relied on for 14+ years for independent, objective, information on health care IT.

INSIDE HEALTHCARE COMPUTING helps you avoid the traps...

-- **Biometrics identifiers**: learn why West Tennessee Healthcare booted out Identix DFR-200s fingerprint scanning in favor of Verifi.

-- **Rejected**: learn why users at 3-hospital Community Foundation of Northwest Indiana voted both Meditech Magic and McKesson Series out in favor of a QuadraMed system.

-- **Rejected**: learn why Pascack Valley Hospital passed over Eclipsys for Misys when it replaced an old Eclipsys 7000 system.

INSIDE HEALTHCARE COMPUTING offers solutions and strategies:

-- like single-sign-on: Learn which vendor's system failed at Mayo Clinic--and which system was so easy that "It was almost scary."

INSIDE HEALTHCARE COMPUTING helps you grab opportunities...

-- Landing grant money: our readers got first crack at \$41 million in federal healthcare IT grants last fall.

-- Saving \$750,000 on network management: learn why Palmetto Healthcare dropped a vendor network management system for shareware.

INSIDE HEALTHCARE COMPUTING

It's clear, brief, and concise--not lengthy tomes by industry writers.

It's Independent and objective: We have no consulting clients. Vendors can't influence the news with ad dollars, or suppress adverse news by threatening to cancel ads because we don't accept their ads.

Along with the eight-page biweekly newsletter, you'll receive:

BONUS #1: Three special reports described on an enclosed page.

BONUS #2: Several more special reports at our web site.

BONUS #3: Password access to searchable back issues.

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Sincerely yours,

Bill Donovan

P.S. This limited-time offer is for an introductory price which is lower than the preferred customer renewal price. So act today.

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Inside Healthcare Computing

Trends, user reviews, intelligence, and news on health care information systems

Excerpts from recent issues...available to readers on line



1990, 1996, 1997, 1998, 2002

Others Talk the Talk. This Newsletter Walks the Walk.

- We published a report telling **which pharmacy system blew up on which hospital**, and why.
- We reported which two clinical information system vendors are in **financial trouble**.
- Readers learned **which clinical information system vendor is losing clients** right and left to its chief competitors, and what that implies for your vendor "short list" if you're buying a new CPOE system.
- We told which **HIS vendors are sued most** by clients--and which sue the most clients.
- When **Florida hospital IT departments had to brave three straight hurricanes**, our Florida correspondent was there, telling readers what worked-- and which clinical system had to be shut down and why.
- We were the only publication to tell how the **New Jersey medical record extortion ring** worked--and reveal that one unwary hospital was hit twice.

The Solid Gold Guarantee: 100% Of Your Money Back At Any Time:

Our promise to you: if Inside Healthcare Computing fails to give you the straight story on what is NOT working as well as what is, or if it fails you in any way, you can have 100% of your money back at any time.

Horizon Expert Orders Delayed At Providence; Interface to Related System Cited As Reason

The go-live date for McKesson's Horizon Expert Orders at Providence Health System, Portland, Ore., has been pushed back again, this time to May 2005. The system is McKesson's major new software in clinical information systems. It includes computerized...

MedQuist Sued For Alleged Major Overbilling

MedQuist is being sued by a Florida hospital whose lawyer says 3,000 hospitals have been defrauded for years. The company says its billing methods are industry-standard, but acknowledges some overcharges under prior management...

Most manufacturers duck, leaving IT departments in limbo

Some Hospitals Installing Microsoft Patches On Medical Devices Without Vendors' OK

Running the risk of harming the functions of medical devices, some hospitals are doing their own upgrades of the Microsoft operating system on these devices to head off threats from worms and viruses that target Windows, which also threaten the devices' performance. One device vendor, Philips, warned hospitals not to...

The Views Of Departing Employees:

Overseas Development Not Serving Siemens Well

We reached three of the newly laid-off Siemens employees, seeking their points of view on the layoffs, the company, and its products. Here are their reflections and observations, unconfirmed. Siemens was told about their main points but chose not to respond.

3 Cerner ProFit Users: 1 Live, 2 Waiting

Orange County's 12/2004 Live Date 34 Months Late, But CIOs Generally Positive On Future Of Product

When Cerner introduced its ProFit patient accounting system, the claims for the product were...

Yet Again, our subscribers heard it first...

As We Had Predicted Well In Advance...

Misys Bought Per-Se Clinical Applications

We reported early last summer that Per-Se Technologies was

shopping some assets around, and was said to be in discussions with Misys. A Per-Se spokeswoman dismissed the rumor. A little more than a month later, Misys bought Per-Se's healthcare IT business.

Big Hospital, Small IT Department—What To Do? **Huntington Tosses Out Best of Breed for Meditech**

There was some initial concern that “big as we were,” Meditech “wouldn't work,” said Maggie McDaniel, the RN in charge of physician computer services at 525-bed Huntington Memorial Hospital, Pasadena, Calif. However, it has. She acknowledged some sacrifices, including...

Need A Help Desk System? Read This: Help Desk Project Didn't

A help desk system implementation by infraWise, Inc., Cary, N.C., has gone south for three-hospital First Health of the Carolinas, Pinehurst, N.C. The vendor and client have different views of what went wrong. First Health CIO David Dillehunt says... *(The full report and all the other reports mentioned here are available to subscribers in our electronic library of back issues.)*

GE Agrees To Give MDs Their Patient Medical Information...After IHC Asked Why Not

GE Medical Systems told 500 physician clients in June that it would terminate its ASP-based Encounter electronic medical record system in September.

The written announcement didn't say how -- in fact, it didn't say whether -- GE would return the electronic medical records to the MDs. When they asked, they got waffling and reluctance, and some hand-wringing about it being against HIPAA regulations--rules that weren't due to go into effect for several months from then.

When You Need that Odd Piece Of Programming Expertise Now...

Do you occasionally find yourself needing a bit of programming that has nothing specifically to do with your hospital information systems? Do you have programming needs you don't have skills for in house, and for which your vendor—or your company, if you're a vendor—might not have exactly the right expertise? So who you gonna call? **Read this two-part series on how to find programming expertise dirt-cheap. It's in the electronic library, available only to subscribers.**

Rave Reviews For OB/Gyn System

A new obstetrics and gynecology information system is getting terrific reviews from its first two U.S. clients, Baystate Medical Center, Springfield, Mass., and Maimonides Medical Center, Brooklyn, N.Y. “There is really nothing else quite like it on the market,” said Ms. Gray, manager of inpatient obstetrics. The vendor is ...

Downloaded Game Hiding Trojan Horse Let Russian Hack Into Nevada Hospital

There's a legitimate computer game, and then there's the Trojan Horse borrowing its name. You know better than to download computer games from the Internet, but do all your employees? This article tells what happened when two employees at 40-bed William Bee Ririe Hospital in Ely, Nev., downloaded the computer game with a Trojan horse embedded in it, and the Trojan horse let a Russian hacker gain access to certain employee files, news reports say.

This article is a good object lesson on the potentially disastrous consequences of downloading Internet games. **(As a subscriber, you could provide reprints to your staff free of charge.)**

Are You Thinking about Physician Order Entry? Get The Lowdown On A Test of Devices--

Mercy Passes Over HP's IPAQ for Another PDA Brand...

The CIO of Mercy Information Services, Fort Smith, Ark., entered a PDA search assuming he would end up recommending that Mercy physicians buy Hewlett-Packard IPAQ. But four months later, after comparisons and tests, a completely different brand emerged as his top candidate...

Microsoft Digital Rights Management: A HIPAA Compliance Tool?

The Information Rights Management capabilities in Microsoft Office may help in HIPAA privacy and data security compliance. The rights management functionality can be configured so that if you e-mail a Microsoft document (such as a Word, Excel, Access, or Outlook file)...

See the report no other publication had the nerve to run...

Maverick Director Sues Meditech For Higher Stock Price; His Wife Pushes To Consider Having The Whole Company Sold

A Meditech founder has gone to court to seek help boosting the company stock price, which he claims is being artificially depressed by Chairman and CEO Neil Pappalardo. Meditech is privately held, and there are restrictions on who may buy its stock.

The lawsuit seems to be seeking support from long-time Meditech employees, raising the specter of a divisive fight. Dr. Grossman is saying ...

Lesson: don't rush out bells and whistles... In This Cerner EMR Implementation, Small Cost Savings Were Offset By New Expenses

Put decision support at the bottom of your list, says Lyle Berkowitz, MD, who is leading a project to outfit a large group practice with Cerner PowerChart electronic medical record and physician order entry at the 600+-physician Northwestern Memorial Physicians Group, Chicago, Ill.

What happened when Kaiser chose an alternative to a traditional HIS vendor...

'Highly Successful' ... Under Budget.....But \$442 Million In Software Written Off

Learn what happened when Kaiser hired IBM and poured an amount said to be between \$600 million and \$1 billion into a national patient medical record and clinical information system — and then pulled the plug three years later and bought Epic's EpiCare (Inside Healthcare, 2/24/03). The key lessons...

It Was So Slow, Patients In Line Were Given Free Lunch Mayo Turns Things Around On Outpatient System

Outpatient information systems were so slow at Mayo Clinic, Scottsdale, Ariz., that the clinic was providing meals for waiting patients. Word got out onto the street that you could get free food by showing up in line. Mayo finally shut the system down after a few months. "Our 'big bang' had exploded in our faces," said John Camoriano, MD, staff physician. That was five years ago. Today, Mayo tells a much happier story. The core system that had this trouble was...

Vendor Has New Approach To Virtual Private Networking

Have you ever faced the problem of MDs upgrading their browsers, then howling because they'd lost access to an important clinical system? That used to be a problem for Virtua Health, too, said assistant VP for Technology Tom Pacek. Virtua solved the problem with a piece of software from...

Cerner Impresses Skeptic With Big Changes To PowerChart But CPOE Implementation Yields More Object Lessons

If you are on the verge of installing Cerner PowerChart for physician order entry, you might consider waiting for Version 8.0, due out in the first quarter of 2004. That view is based on an interview with a hospitalist from 246-bed Mayo Clinic, Jacksonville, Fla. Mayo de-installed Cerner Millennium Matrix orders in Dec. 2001 after a 5-month pilot test in internal medicine. Jason Persoff, M.D has become a skeptical consumer. Problems included...

Warning: Not Much Ready in CPOE

With the exception of Cerner and Meditech CPOE is not being broadly implemented in hospitals yet, says a highly respected source.

3 CIOs: How To Implement Eclipsys CPOE

Best And Worse Bets In Clinical Information Systems

Why A Big Hospital Is Putting Off Cerner CPOE

Hospital Saves \$2.5 Million/Year Using Microsoft Word For Clinical Application

A hospital is using MS Word forms with templates to capture encounter information, saving \$2.5 million/year in transcription expense. Another built an application in MS Access to...

Cottage Holds Stopwatch to Benefits

Test Shows Sentillion Slashing Clinical User Sign-On Time

Advance Billing Works—But It Is Hindered By Lack of Software

It would benefit patients: your hospital would have time to help arrange payment

Marshall Medical Center, Placerville, Calif., has started calculating patient bills ahead of time and collecting the patient's share before he or she leaves the hospital. Purpose is to reduce its \$4 million annually in unpaid receivables. Patients have responded well. The big hurdle: software...

The full text of every report in this sample is available to subscribers in the Inside Healthcare Electronic Library, <http://www.insidehealth.com/query.html>.

Inside Healthcare Computing

Editor: Suzanne Corrales. Publisher: Bill Donovan.

The purpose of Inside Healthcare Computing, ISSN 1087-5425, is to provide an independent and unbiased source of news, trends, user reviews, and strategic insights into hospital and health care information systems technology. The newsletter is published biweekly in paper and electronic formats except for the last two weeks of December. Copyright © 2004, Inside Information Group Ltd., 3600 S. Harbor Blvd., Suite 220, Oxnard, CA 93035. FEIN: 33-0433482 Tel. (800) 294-6032, (805) 984-8500, fax (805) 984-8504. Reproduction without permission is prohibited by law. Subscriptions are \$467 per year; deep discounts are available for multiple subscriptions and site licenses. Web site: <http://www.insidehealth.com>

The Inside Healthcare Computing Electronic Library: Actionable Information That Is Worth The Subscription Price All By Itself

Just what use is this Inside Healthcare Computing Electronic Library?

Say you read an article about a particular type of software...or a hot-button issue...or a particular vendor. Then suddenly, three months later, you need that article -- and more on that subject.

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- **Vendor HIS system successes and stumbles***:** search on any major vendor, any major system before you buy (or to know your competition if you work for a vendor).
- **Computerized physician order entry (CPOE):** how-to articles in which your peers offer their "been-there" tips and strategies. Also: the articles you won't get anywhere else, on failures and inappropriate-fit attempts at CPOE. The same goes for electronic medical records systems.
- **Decision support for physicians:** this feature is widely touted as a key advantage of CPOE. But do you want to know what physicians really think about it? Read the January, 2004 article.
- **Single sign-on:** it's a crucial bridge between clinical information systems. Recently, we've added two articles--one on a failed vendor system and the other a success story with another vendor.
- **Retaining key HIS staff:** 7 ways (other than raises) your peers use to told onto key people.
- **Special Reports, including:**
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 - How To Find and Retain Health Care IT Staff
 - HIS Lawyer's How-To Primer On HIPAA Business Associate Agreements

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1. How To Find That Hot Job; Where To Recruit Key People

We went straight to the headhunters and heads of healthcare IT human resources departments for this fact-filled 16-page special report on health care IT jobs and job trends. It will help you find key people for your team and move up the career ladder yourself. It includes these (and other) sections:

--**2004 Guide To Healthcare IT Recruiters** -- a reference you should always keep handy both to find people and to land that next big job for yourself.

-- **Guide To On-Line Healthcare IT Job-Hunting Web Sites**

-- **People-Seeking and Job-Seeking How-To Articles:**

--How To Work Effectively With an Executive Recruiter

--Cultural Fit: Are You Sure You Want That Job?

-- **These And Other Job Market Commentaries:**

--Healthcare IT Pay: Rising After Years Of Ebb

--The CIO Position: Some Recruiters See Dwindling Numbers, But Rising Pay

--Chief Medical Information Officers: Are They Helpmates or Rivals To CIOs?

--Middle Management: Where The Most Available Jobs Can Be Found

Price: \$77 prepaid to non-subscribers. With your subscription: free.

2. Linux In Healthcare -- A Status Report

One U.S. healthcare IT vendor is saving its clients up to 80% of the cost of underlying processing power by offering a Linux server option. The 7-page report discusses where the move to Linux is gaining momentum in health care IT, what the impediments are, and how your organization might be able to save big with Linux right now.

Price: \$47 to non-subscribers. With your subscription: free.

3. CPOE -- Seeing the True and Total Cost

This 12-page overview was written by a hospital MIS executive, calling on his own direct, hands-on experiences in implementing and considering CPOE and other clinical information systems for more than one hospital employer. It should rightly be titled, "**Clinical Information Systems -- Seeing the True and Total Cost,**" because its analysis applies to almost any clinical information system.

It discusses both obvious and hidden costs of CPOE (or other clinical systems) at each step: selection, implementation planning, the build/integration, testing, user training/implementation, and maintenance.

We don't think you can find an insider's analysis like this in print anywhere. We believe that you would have to pay a consulting firm hundreds of dollars to do this kind of analysis on a custom basis.

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