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Health Care

Tulsa startup targets physician IT needs

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TULSA – Technology startup LeadLine hopes an exclusive contract with industry giant GE Healthcare will open doors to Oklahoma's independent physician offices.



Robert S. Frame, CEO of LeadLine, works at the company's Tulsa office Friday. (Photo by Rip Stell)

Although politicians and health care executives have urged faster industry adoption of electronic medical records and billing for several years, only 20 percent of physicians now employ such systems, said Robert S. Frame, a 25-year industry veteran.

Expecting insurer and regulatory demands to push more doctors into electronic systems, Frame joined with brother John R. Frame, who is a doctor, to launch LeadLine, 5416 S. Yale Ave. in Tulsa.

Their \$500,000 initial investment set up not only a secure database system, but also exclusive Oklahoma rights to two GE Healthcare software systems, Centricity Practice Management and Centricity Electronic Medical Record.

LeadLine will target its turnkey operations to offices of five to 10 physicians, their software promising not only improved care, higher productivity and lowered administrative costs, but also a smaller and more flexible payment plan.

"The biggest barrier is usually the high cost of acquiring the system," said Robert Frame, noting many require upfront costs from \$30,000 to \$50,000 per physician, followed by continued maintenance and software or hardware upgrades.

With its provider model, LeadLine effectively leases the hardware and software on a monthly subscription basis. Frame said that can lower physician costs to around \$800 a month, depending on add-on features such as voice recognition software, personal data assistants, tablet computers or other peripheral hardware. It also frees physicians from worrying about most hardware or software upgrades.

"What we are providing is a method for smaller practices to readily adopt this new technology," he said.

"We certainly could work with larger practices, and we have a proposal out to a larger practice right now," he said, "but where we really see the benefit of what we do is with a practice that can really benefit from the product but has a difficult time with the initial purchase and does not really have a big enough staff to support an IT staff."

The three-employee company will market its services through trade shows and word of mouth, although Frame said its GE ties should prove the legitimizing factor.

"It's huge," he said of the contract's value. "GE is one of the top three, consistently rated in the top three EMR (electronic medical records) vendors. They spend \$13 million a year in the R&D just in their health care IT. They have 12,000 health care providers on the product."

With one physician under contract, LeadLine expects to implement that in December, going live on Jan. 22.

Frame set his sites on acquiring 15 physician contracts by the end of June, which should provide just under \$1 million in annual revenue. That would put LeadLine well on its way to the break-even point of 20 to 25 contracts.

The company arranged its financing before the nation's credit crunch became too restrictive, said Frame. Although some elements of the medical field may seem recession-proof, he has some concerns that current economic conditions may impact LeadLine's launch.

"Physicians, just like everybody else, are more cautious because of the psychology going on now," he said.

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