



#### WHY WE WORK

## Chasing Paper from Medicine.

One man's mission to eliminate a doctor's most dangerous instrument: the pen

BY UNMESH KHER

GLEN TULLMAN DIDN'T INVENT INFORMATION technology, but he is one of those people who figured out early how to aim it with effect. Case in point: the 3 billion often illegibly marked paper prescriptions that Americans get from their doctors each year. Tullman, CEO of the electronic health records company Allscripts, would like to whittle that number to zero. Prescription errors, he points out, injure 1.5 million and kill 7,000 patients annually—and most mistakes could be avoided if scripts were written electronically. "Seven thousand deaths is the equivalent of one Boeing 737 crashing every week for a year," he says. "If one of them crashes, there's an investigation and a public outcry." In January, Allscripts teamed with Dell and a host of technology, insurance and health-care firms to launch the National ePrescribing Patient Safety Initiative (NEPSI). The consortium will provide electronic prescribing free to doctors across the country. Tullman estimates the cost at about \$100 million over five years.

The NEPSI project captures part of what motivates Tullman to work. "The opportunity to make a difference, to tackle a big

problem, is what gets me excited," he says. But he isn't all high moral purpose. So there's another biggie: pleasure. In creating, succeeding, repeating. "You spend way too many hours doing it to not have fun doing what you do," he says. "And when you're having fun, it's not work."

Judging from his résumé, Tullman has had a ton of fun. A bureaucrat turned serial

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entrepreneur, Tullman began his career in the Office of Management and Budget of the Carter and Reagan administrations, then earned an advanced degree in social anthropology at Oxford. "Working in Washington was a great experience," he says. "But it also helped me understand that the problems we face in the country won't be solved there. They'll be solved locally, and business will have to play a critical role."

**New prescription** Tullman, with tablet computer, sees information technology as vital to delivering better and less costly health care in the U.S.

After returning, he began working with his brother, who had started CCC Information Services, a company that had automated claims processing for the paper-weighted insurance industry. Under Tullman's eventual leadership, CCC went public and quadrupled sales, to \$120 million. Mission accomplished, Tullman in 1994 took over as CEO of Enterprise Systems, which provides management software to hospitals (for, say, scheduling operating rooms). He took that firm public as well and sold it for some \$250 million three years later.

Allscripts was bleeding red ink when Tullman arrived in 1997. Its business then boiled down to repackaging medicines for resale to physicians. Tullman refinanced Allscripts and focused it on providing information systems to doctors. Tullman and his team believed advances in technology were increasingly moving procedures away from hospitals and into clinics and doctors' offices. "That's a big trend because you get higher quality at lower cost," he says. In some respects, the solution was early: the medical community has taken its time coming around, but the e-health industry has gathered momentum over the past couple of years, and Allscripts is now growing fast. Its sales increased 89%, to \$228 million, in 2006; earnings increased 23%, to \$12 million.

Tullman's success has allowed him to point his infotech mind-set elsewhere. He invests in start-ups, mostly in health care and education, the two sectors he believes are in deepest crisis. One company, Extended Care Information Network, automates the difficult process of finding extended-care facilities for debilitated patients. Another, Experiencia Inc., is an educational venture that puts grade-schoolers through eight-week courses in economics and science and then immerses them in simulations that bring their learning to life—running a city, dealing with an ecological disaster.

Indeed, Tullman sees teaching as central to his work: coaching executives to become leaders. And instilling a sense of responsibility, which is what drives the NEPSI project—in part. Being profitable is, of course, crucial. Tullman reckons that NEPSI will cost Allscripts \$30 million over five years. But he's also betting that doctors who get a dose of e-prescribing will someday want to buy a full suite of programs from the company—to cover everything from lab tests to full medical histories. "In the interim," says Tullman, "we're going to save millions of Americans from injury and save thousands of lives." In the interim, that's not a bad return on investment. ■