

Peer Effects in Physician Adoption of Electronic Medical Records: Evidence from California

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Abstract

I study peer effects in adoption of Electronic Health Records (EHR) by medical professionals in California during the period 2011–2014, following the Medicare and Medicaid “Meaningful Use” EHR Incentive Programs. Peer effects are identified by combining annual adoption reports from the program with public records on physician shared patients networks. Results suggests large peer effects exists in EHR adoption: adoption by all peers increases the odds of adopting EHR within a year by 76%, even after accounting for the fact that practice group members are likely to adopt EHR at the same time. Results imply that using available data on provider networks may allow policymakers to expedite overall adoption rates. These methods can be used to study a wide range of technology adoption processes.

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