Coding in the Coming Decade: Three Initiatives That Will Drive the Profession's Evolution

by Stacie L. Buck, RHIA, CCS-P, LHRM, RCC, CIC

The saying "The only thing that is constant is change" certainly describes the HIM profession and the role of coding professionals.

Over the last three decades the coding professional's role has evolved dramatically, and it will continue to do so in the decades to come. Once used only for morbidity and mortality reporting, coded data now have several different uses among varied stakeholders.

Each decade has brought about change in the coding profession. The 1980s saw the advent of DRGs. In the 1990s there was a crackdown on fraud and abuse within the healthcare delivery system. Much of the '90s was also spent watching the APC payment system come to fruition.

And now there has been a proliferation of quality measures and pay-for-performance initiatives. Each of these changes has had a direct impact on coders' day-to-day work, and as a result, new roles have been created.

The next decade promises further evolution as both payers and providers strive to control the cost of healthcare. Payers are motivated to decrease healthcare expenditures, while providers are struggling to reduce operational costs in a volatile healthcare market. Coding professionals will require more knowledge and expertise than ever before.

As the industry increases efforts to control costs, changes to the coding profession will be driven by advances in technology, quality reporting measures and pay-for-performance initiatives, and increased scrutiny of healthcare claims from both government and private payers.

Reaping the Benefits of CAC

As healthcare organizations transition to a fully electronic health record, opportunities to capitalize from technology will increase. Perhaps the one area that will reap the most benefits when the transition is complete is automated coding.

Over the past few years there has been an increase in the use of automated coding software, commonly referred to as computer-assisted coding. CAC is the "use of computer software that automatically generates a set of medical codes for review, validation, and use based upon clinical documentation provided by healthcare practitioners."[1]

The mention of CAC often strikes fear into the hearts of coders because they envision themselves being put out of a job by a computer. In fact, coders should not view CAC as a threat. Rather they should view CAC technology as a tool that can increase productivity as well as job satisfaction.

CAC has the potential to eliminate the daily rudimentary coding tasks, such as diagnosis and procedure coding for outpatient diagnostics, thus allowing coders to focus on more complex cases that require deductive reasoning skills.

In many cases the role of the coder will evolve into a quality assurance role in which the coder will focus on reviewing the codes generated by the CAC software.[2] Essentially, the coder becomes the auditor for the automated coding application. Those coding professionals who transition to this role may have the title of data quality analyst.

The Increased Focus on Documentation

Traditionally coded data have been associated with reimbursement; however, coded data have now become central to quality reporting and pay-for-performance initiatives focused on reducing costs and improving the quality of care. Data are not only used to determine whether or not a provider is eligible for specified bonuses, but they are also used for public reporting initiatives.

This new use of coded data has presented a challenge to healthcare providers because coding guidelines often conflict with quality measure reporting requirements. Complete and accurate medical record documentation is the key to correct coding, which then results in accurate reimbursement and accurate reporting for specified quality indicators. The knowledge and expertise of coding professionals is needed to engage physicians and other healthcare professionals in improving documentation in an effort to improve the accuracy of coded data.[3]

This need for improved documentation has led many facilities to implement documentation improvement programs and employ clinical documentation improvement specialists. These specialists perform concurrent reviews of medical records and work with physicians and other clinical staff to ensure that documentation in the medical record is accurate and complete. Coding professionals are well suited for these positions because they possess an understanding of coding rules and guidelines that clinicians often lack, and they are experienced in the physician query process.

RAC Program Creates New Coding Roles

Since the 1990s healthcare providers have increasingly implemented programs to ensure their regulatory compliance and prevent allegations of fraud and abuse by the Office of Inspector General for Medicare and Medicaid claims, as well as private third-party payers. As a result, more and more coding professionals have transitioned into auditing and compliance roles.

The Centers for Medicare and Medicaid Services (CMS) has put in place several monitoring programs over the past several years, including the Medical Review Program managed by individual fiscal intermediaries, carriers, and program safeguard contractors who perform data analysis to identify atypical billing patterns, and the Comprehensive Error Rate Testing (CERT) Program and the Hospital Payment Monitoring Program (HPMP).

The CERT program measures the error rate for claims submitted to carriers, durable medical equipment regional carriers, and fiscal intermediaries. HPMP measures payment errors for short-term and long-term inpatient prospective payment system hospitals and is administered by quality improvement organizations. Each program has made great strides in preserving the Medicare Trust Fund, but perhaps the most significant is the latest demonstration project launched by CMS in 2005.

The Medicare Modernization Act of 2003 called for a demonstration project in which CMS would use private entities to identify and recoup Medicare overpayments. The demonstration project began in May 2005 and initially took place in three states: Florida, New York, and California. These contractors are collectively referred to as recovery audit contractors (RACs).

The RACs were successful in identifying and recovering millions of dollars in overpayments. Soon after the project began many healthcare facilities realized that coordinating RAC audits was a full-time proposition. The volume of requests for records and claim denials from the RACs was overwhelming, and facilities began hiring individuals for newly created positions called RAC coordinators to oversee the RAC audit process.

Because the pilot program was deemed a success, CMS decided to expand the RAC audits to a few other states in 2007, and if all goes as planned, RACs will be conducting audits in all 50 states by 2010. As the program continues to expand so too will job opportunities for coding professionals to work as RAC coordinators or other similar titles.

Coding professionals should not fear the coming changes; they should embrace them and engage in lifelong learning. Due to increased regulation in healthcare, heightened compliance risks, and progressively more complex reimbursement tied to code assignments, coding professionals will have a greater number of choices in meeting their career objectives.[4]

Just as changes of past decades brought new job titles such as data quality manager, DRG analyst, and APC coordinator, new roles for coders will develop for those who possess coding expertise and experience.

Time will tell what new job titles may be created in the coming years and how the day-to-day tasks of a coder may evolve; however, coders will need knowledge and skills that go beyond the basics of standard diagnosis and procedure coding

systems.[5] Coders will need to expand their knowledge to fill more advanced roles that will require critical thinking skills, written and oral communication skills, and an understanding of pathophysiology, pharmacology, and anatomy and physiology.[6]

Notes

1. AHIMA e-HIM Work Group on Computer-Assisted Coding. "Delving into Computer-assisted Coding." *Journal of AHIMA* 75, no. 10 (Nov.–Dec. 2004): 48A–H.
2. Hagland, Mark. "Revolution in Progress: How Technology is Reshaping the Coding World." *Journal of AHIMA* 73, no. 7 (Jul.–Aug. 2002): 32–35.
3. Leon-Chisen, Nelly. "Coding and Quality Reporting: Resolving the Discrepancies, Finding Opportunities." *Journal of AHIMA* 78, no. 7 (Jul.–Aug. 2007): 26–30.
4. Scichilone, Rita A. "Climbing the Coding Career Progression Ladder." *Journal of AHIMA* 73, no. 4 (Apr. 2002): 32–36.
5. Johns, Merida. "A Crystal Ball for Coding." *Journal of AHIMA* 71, no. 1 (Jan. 2000): 26–33.
6. Dimick, Chris. "Computers, Coding, and Change." *Journal of AHIMA* 79, no. 1 (Jan. 2008): 46–49.

Stacie L. Buck (stacie@southeatstrad.com) is vice president of Southeast Radiology Management in Stuart, FL.

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