

Organizational Restructuring: One HIM Team's Approach

[Save to myBoK](#)

by Carol F. Smith, RRA

Organizational restructuring offers a number of challenges -- and opportunities -- to employees. This article describes how members of one organization's HIM staff participated in a systemwide restructuring process, from planning to implementation to assessment of results.

Today's era of redefining roles and processes poses many new challenges to health information management professionals. In 1995, the HIM departments at seven Carilion Health System-owned hospitals and a long term care facility were put to the test.

Carilion Health System's top decision makers had resolved to reengineer during a period of organizational well being in order to maintain a strong business position into the twenty-first century. The approach was to restructure systemwide management first and then charge staff in the new management structure with redefining their process areas. One of the primary guidelines for decision making was to ensure that the amount of management would be reduced. Equally important was Carilion's goal to unite the seven hospitals, which span a fairly wide geographical area in southwest Virginia in a systems approach, to create a strong integrated healthcare delivery system.

Carilion Health's systemwide management was reorganized into a five-level structure. The first three levels consisted of one health system president, five executive vice presidents, and 41 third-level managers (including an HIM director) who were charged with designing their process/service line areas.

With these guidelines in mind -- and a six-week deadline -- HIM management staff participated in developing a plan to create a management structure for the future.

HIM's New Mission, Goals, and Structure

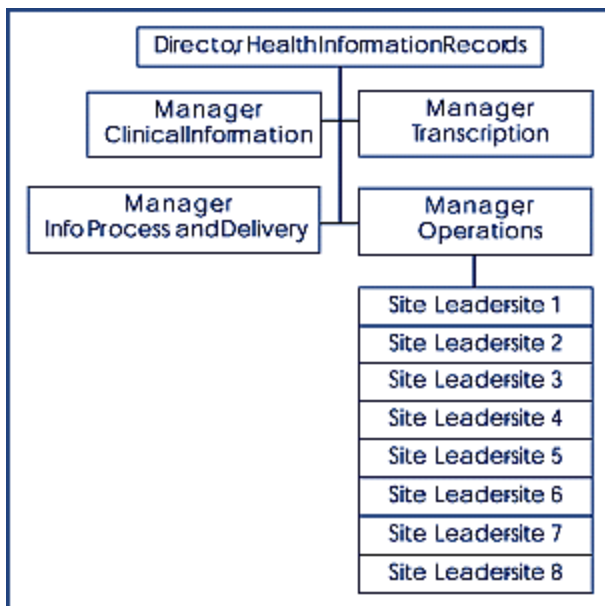
The first planning step involved creating and refining the HIM mission and goals to align with corporate goals and objectives. HIM's mission was established "to support patient and strategic services through the development and management of a systemwide health information records service." Broad goals included:

- Enhancing service delivery
- Standardizing practices and systems
- Establishing appropriate cost controls
- Meeting and exceeding customer requirements
- Maximizing technical resources
- Facilitating a systemwide delivery approach

The planning group decided that HIM operations could be separated into four basic categories: transcription services, operations, clinical information, and information processing and delivery. All HIM services and functions were then placed into these four categories and, as a result, the four new HIM systemwide manager positions were created. A site leader role was created for each facility to serve as a site point of contact for HIM, lead day-to-day activities, direct daily work flow, and triage issues to appropriate managers and staff for action. The manager and site leader positions were posted, and staff members applied for jobs in the newly created management structure.

Designing a Communication Plan

One of the key components to the implementation success of the new structure was the development and activation of a comprehensive communication plan for announcing the new organization and keeping staff informed. To make the plan most



effective, key primary and secondary stakeholders were identified, along with a set of core messages that would be consistently communicated to all of the stakeholders. The media for communication depended on the particular stakeholder. HIM staff at all facilities were involved in facility-based staff meetings and smaller team meetings where all the details of the reorganization were communicated on a frequent basis. The face-to-face meetings also provided a good forum for two-way communication with staff as well as assurance of accuracy and consistency of information. As with any environment of significant change, staff had concerns and questions that needed to be addressed and answered quickly. Keeping everyone consistently informed was time consuming but proved to be well worthwhile in assuring the success of implementing the new organizational structure.

Opportunities and Obstacles

During the initial development process, the planning group realized that it would be important to identify the opportunities for success as well as

the potential obstacles.

Opportunities included:

- Strong teams/teamwork
- Designing a new system
- Cross-training
- Standard electronic records
- Better customer service
- Cost savings
- Reducing outsourcing
- Personal/career development
- Better processes
- Solving problems once
- Sharing/standardizing equipment
- Fewer layers/better communication

Potential obstacles included:

- Geography
- Paper record
- Uniformity of data
- Resistance to change
- Different cultures
- Medical staff
- Burnout
- Staff attitudes
- Internal/peer competition
- Inadequate communication

With the important opportunities and obstacles identified, the implementation work plan with projected completion timelines was drafted to include these critical issues:

- Standardizing basic policies and procedures
- Defining scope of service
- Conducting an initial baseline assessment of each facility with regard to processes, equipment, staffing, policies, and procedures.

- Developing uniform statistics and reporting
- Identifying and implementing best practices
- Completing job description review and revision
- Assuring Joint Commission standard compliance status
- Evaluating the status of confidentiality and security practices
- Assessing budget practices and status
- Creating an ongoing communication network for changes, activities, and plans to staff through various media

Some of the potential obstacles did not become reality, such as internal/peer competition and burnout. Others, such as geography and different cultures, did pose a greater challenge. The geography of southwest Virginia and the fact that managers had to travel 30 to 100 miles to manage staff required creativity, stamina, and strong communication links with employees. Employees who had been accustomed to immediate access to their managers had to rely on different ways to interact with management, such as beepers, e-mail, and discussing noncritical items all at one time when the manager was on site. In addition, each manager had to adapt to a larger span of control and had to work hard to maintain timely and effective interaction with all directly reporting employees.

The managers encountered one obstacle that had not been anticipated: fear. Employees initially feared getting to know new managers. They were also concerned that their jobs might be eliminated during the reorganization process. Managers soon realized that trust building would be a key factor in achieving success in the new organization.

The New Management Team

Among the most exciting results of the reorganization process were the enthusiasm, anticipation, and motivation of the new management team. They also experienced a certain "fear of the unknown" because they were creating something entirely new, but it did not become a barrier to moving forward. All of the new managers had previously served in a director or manager role, and this new opportunity to fashion a completely redesigned position seemed to spark new energy. At the end of a three-month period, the team celebrated a long list of accomplishments. It is important to note just a few of these items:

- Standardized basic policies at all sites
- Implemented standard reporting for site volume statistics, monthly reporting, and accounts receivable tracking
- Implemented systemwide quality indicators at all sites
- Completed an in-depth assessment of the processes, equipment, and storage capacity of each site
- Completed process maps for the current record processes at all sites
- Implemented several equipment "quick fixes" by sharing resources from site to site
- Implemented a systemwide medical record review process
- Defined managers' and site leaders' roles more clearly
- Developed a new systemwide forms approval process that was submitted for review and approval
- Created an operations manual (book of business) for each site
- Created and implemented productivity sheets for staff
- Reallocated remaining capital equipment dollars to the purchase of computers or equipment that had been identified as a critical need
- Created a Gantt chart for tracking all projects
- Developed a customer service survey tool to administer to HIM staff

The group began to think and act more as a team and worked together on issues and projects that jointly impacted each of their areas. Work flow process maps were created for each site, and team leaders visited each other during a series of "buddy" days. Through review of the process maps, staff input, available literature, and benchmarking, best practices were developed for chart work flow. Implementation of best practices began, one site at a time, accompanied by the appropriate training and policy revisions.

How Do the New Management Roles Differ?

AHIMA's Vision 2006 defines new HIM roles for the future, along with greater opportunities and skill requirements for HIM professionals. Carilion HIM staff members have already undertaken many new responsibilities and leadership roles. In addition, the management team comprises professionals with diverse experience, backgrounds and credentials. The new team

is more focused on project management and planning than ever before. A key part of the management team's focus is implementation of important projects that impact the future of Carilion Health System, such as information security, an enterprise-wide master person index, clinical data repositories, and the paperless medical record. As third- and fourth-level managers, the HIM director and managers are key decision makers in the organization, and their actions yield results. As a result of the management role changes, much of the day-to-day directing and processing activities have been taken over by site and team leaders. The accountability and responsibility for day-to-day success and achievement have been delegated to the overall HIM staff in a much more significant way.

Lessons We Learned

There are many lessons to be learned through change and reorganization. One of the important things the HIM staff learned was that in spite of the fear of change...change can be very good. Great care should be taken, however, to handle it appropriately. The critical lesson learned was that communication is the key to success. We had to learn what good communication really meant and how to do it well. The staff realized that working on effective communication is an ongoing process and that we must continually strive to improve our communication methods.

Because the management team could see a wealth of opportunity for success and improvement, members learned that it was possible to try to go too far too fast. Initially it was hard to contain motivation and enthusiasm. When a decision was made to slow down planning and implementation processes, everything started to go much more smoothly. The slowing of the change process also allowed managers and staff to work together more earnestly in planning and implementing. Thus the importance of building trust and assuring staff input to process change was another important lesson learned.

The Staff Responds

Six months after the new organization went into effect, the HIM staff were surveyed about the changes. Managers particularly wanted to know how staff felt about the effectiveness of communication, resources, working environment, and crosstraining efforts in the new organization.

The new HIM organization scored well in all categories. On a scale from "poor," "fair," "good," and "very good," the overall average score was "good" in all categories. The results were encouraging. The staff believed that the managers were doing a good job. The survey results did show, however, that employees wanted to spend more time with their manager even though they understood that managers had a large employee and geographic scope.

Other staff feedback throughout the past year has revealed that employees were pleased that equipment and tools to perform their jobs have been provided more consistently, and that many processes have been improved and streamlined through implementation of best practices.

Other Measures of Success

In the new system reorganization, departments and divisions have been asked to complete an annual department scorecard, or goals and objectives, in conjunction with the budget preparation process. The departmental scorecards align with Carilion Health System goals and objectives. Scorecard formats were designed to assist departments in developing strategies, tactics, and measures of success. At the end of each fiscal year, the scorecards are "scored" so that a department's total accomplishments and effectiveness can be determined. In many instances, scores on a departmental scorecard impact the overall health system measures of success. This is a good incentive for keeping departments and divisions on track and in alignment with corporate strategy and goals.

The management team evaluated the success of the reorganized structure after one year. Evaluation criteria were developed by the organization for use in determining whether the objectives for restructuring and the facilitation of operational decision making had been accomplished. It was determined that the new structure had accomplished its objectives but that there was room for improvement in employee communication, feedback, and recognition due to geographical constraints and the size of the managers' span of control. In addition, plans were already under way to increase the scope of service for HIM in some facilities, and the current management staff would move to an even larger span of control. The decision was made to add an additional manager for three facilities located within a 40-mile radius. This action would:

- Reduce each manager's span of control to allow for expansion of the HIM scope of service

- Reduce some of the managers' travel time so that more time could be spent in relationship building, staff communication, and feedback
- Facilitate the need to build an even stronger management team through team planning, project development, and implementation

Measures that determined whether this action was effective were:

- The average span of control for each manager was reduced from 29 to 23 employees
- HIM across the health system was positioned for future growth as services expanded in transcription and in management of various outpatient and clinic records
- Managers were required to travel less, which in turn reduced travel costs and increased time for staff relationship building and communication
- Staff satisfaction was increased

Conclusion

Restructuring of the HIM division of Carilion Health System has been an integral part of creating a new organization. The benefits are now being realized in many ways as the members of the organization support and follow basic leadership principles. Open, honest, two-way communication and employee recognition have received a great deal of attention. Opportunities for employees to develop to his/her maximum potential are more available. Responsibility, risk taking, and accountability are shared at all levels of the organization. Collaborative teamwork is exhibited across the health system, resulting in more integrated and coordinated system thinking.

As we continue to create the new HIM departments and professionals of the future, we still have a lot to learn. The members of the HIM management team at Carilion Health System are pioneers in a new organizational environment that will definitely impact their professional skills and growth in a positive way.

Carol F. Smith is director of health information records at Carilion Health System in Roanoke, VA.

Changes Target the Bottom Line

With mergers of healthcare facilities on an upswing, many acute care HIM departments are facing the challenge of restructuring. But merger mania hasn't stopped at acute care facilities. Subacute care -- that "ill-defined level of care" which is "more intensive than traditional long term skilled care, but less intensive than acute medical care and acute rehabilitation"¹ -- has become ripe for the picking as well.

The beginning of healthcare mergers can be traced back to 1983, when prospective payment systems (PPS) mandated stricter reimbursement and discharge requirements. After discharge, post-acute patients needed different levels of care, resulting in increased demand for subacute care facilities. These changes left healthcare facilities ill equipped to face the future, and acute and subacute care facilities depending upon one another for survival. Thus mergers within the healthcare industry became a profitable business.

Furthermore, the Balanced Budget Act of 1997 has left healthcare professionals on the edge of their seats in anticipation of PPS regulations for various types of subacute facilities.

The result: HIM departments in subacute care units are finding process reassessment staring them in the face.

Acquiring Minds

Names like Vencor, Integrated Health Services, and ManorCare Health Services -- just a few examples of large healthcare organizations-are becoming well known in the healthcare industry. These

three are known especially for acquiring and combining subacute, long term, and home care facilities into profitable networks. Upon acquisition, buyers look at the individual facilities -- reevaluating and revamping as needed.

In addition, more companies are merging acute care and subacute care facilities. This restructuring generally leaves a single HIM department in charge of a variety of facility types and a department head in need of a crash course on information management for subacute care. Two sources for information are:

- *The 1996 Accreditation Protocol for Subacute Programs*, published by the Joint Commission on Accreditation of Healthcare Organizations
- The American Subacute Care Association in Surfside, FL, at (305) 864-0396

Mergers and acquisitions bring certain challenges, such as ensuring compliance with a range of federal and state laws, regulations, and industry standards to light. Says healthcare information management consultant Rhonda Anderson, RRA, of Anderson Health Information Systems Inc., in Santa Ana, CA, "When acute care facilities open subacute care units, the facilities are challenged with learning the extensive requirements involved in subacute care, and establishing systems for compliance and quality improvement processes. These documentation, assessment, and related requirements are more stringent than those for acute care facilities." Anderson also said that acute care HIM departments have a different focus than that of subacute care. Whereas patient discharge analysis tends to have a higher priority in acute care information management, continual record assessment and quality monitoring is the focus of subacute care. It is this continuous analysis that will make the difference in subacute care reimbursement in the coming months.

One of the main goals of many of these merged facilities is to incorporate a resident's pertinent acute care information into his or her subacute case file. According to Anderson, some subacute care units retain the acute care medical records while others duplicate portions of the records they need, with the original records retained in the acute care facilities. Maintaining databases that automatically integrate the required data between facilities is a goal for the future in some acute and subacute facilities.

Catching Up to the Future

On a positive note, some of the flagship corporations are offering computerized information management systems to their newly acquired facilities in order to cope with the change-something many of these facilities couldn't singlehandedly afford.

As for the changes the Balanced Budget Act will bring, educating HIM personnel and ensuring that the HIM department is up to speed with existing policies and procedures are effective steps in preparing for the future.

Although no industry-wide answers exist right now, some organizations are utilizing their health information management and information systems professionals to address the current challenges in information management. This leaves an infinite number of career possibilities available to HIM professionals in subacute care, as opportunities for new developments in department processes and professional skills expand.

In the meantime, check the following Web sites:

- CARE...The Rehabilitation Accreditation Commission -offers accreditation guidelines and contact names and numbers for CARE. Go to <http://www.carf.org/>.
- Health Care Financing Administration-look for HCFA news. Go to <http://www.hcfa.gov>.
- Joint Commission on Accreditation of Healthcare Organizations-provides accreditation information for home care and long term care and links to other healthcare Web sites. Go to <http://www.jcaho.org>.

Note

1. Gill, Harriet S., and Armand E. Balsano. "The move toward subacute care." *Nursing Home* 43(1994):6-11.

Article citation:

Smith, Carol F. "Organizational Restructuring: One HIM Team's Approach." *Journal of AHIMA* 69, no.2 (1998): 36-41.

Driving the Power of Knowledge

Copyright 2022 by The American Health Information Management Association. All Rights Reserved.