Planning for the Future of HIM Practice: Healthcare Trends to Watch

by Daniel P. Lorence, PhD

In a rapidly changing healthcare environment, HIM professionals are well advised to stay abreast of industry trends. The author identifies 11 trends that are likely to influence both the strategic and operational aspects of health information management.

Observers of the healthcare industry have suggested that the term "health maintenance," often interpreted as support of the biological status quo, is the representative phrase of healthcare in the 1990s. Paradoxically, the management of healthcare in this decade is portrayed as anything but a status quo and is rather a business of constant turmoil and change.

Review of the healthcare research literature is replete with often-contradictory predictions of the near and short-term future of the healthcare industry. Indeed, a recent sampling of healthcare trends in this decade indicates major shifts in management philosophy, heavily influenced by frequent and often contradictory policy and technological changes. Despite this confusion, a number of trends are beginning to emerge, highlighted in the debates and discussions among senior healthcare policymakers and analysts.

Because the rate of change in healthcare and technology is so rapid, it is necessary to forecast and plan industry-wide changes, rather than just plan for operational changes as they emerge. Consequently, HIM managers must stay abreast of industry trends, not just issues in records management. Here are 11 trends that are likely to influence both the strategic and operational aspects of health information management.

Multimedia Information

Multimedia technology, including sound, static graphics, and video, will require an added dimension for the HIM manager. Most HIM managers were trained to view data as text and numbers. Through additional training and education, this fundamental perception will have to change. Larger storage requirements will have to be accounted for, as graphics files take up exponentially larger amounts of storage space. Knowledge of graphical data basics, such as differences between vector and bitmap graphics, will be needed. Rudimentary knowledge of diagnostic versus documentation graphics quality will be needed in order to manage the two appropriately.

Expect the traditional medical or economic models of healthcare management to disappear, replaced by a data-driven model highlighting healthcare delivery that relies heavily on the accurate and timely dissemination of information across long distances. With the rapidly expanding use of new technologies that do not require direct physical contact between patient and provider, some patients will, in effect, become record-based representations.

Look for a blossoming of telemedicine as current experimental technologies gain acceptance in the small practice setting. This will include more extensive remote imaging transfers, full patient record transfer, monitoring of patients at home, real-time video examinations, and in some cases treatment or therapy by a remote provider. All of these interactions will need to be documented, at times by capture of video graphics or sound in digital form. This may quickly overwhelm storage capacities of systems designed with text-based information in mind. On the near horizon: touch-sensitive examination gloves allowing remote providers to "feel" a patient from miles away and low-cost diagnostic scanning and monitoring equipment for the provider office or even the home.

Look for increased data sophistication in rural healthcare settings. The federal government now subsidizes the installation of expanded bandwidth telecommunications for rural healthcare providers, making telemedicine affordable for even the smallest hospitals. The lack of provider specialists and more favorable reimbursement for primary care providers makes rural areas ideal markets for provider companies with ties to larger medical centers with specialty resources available for consultation.

HIM impact: Data administrators will become, in part, multimedia managers—able to store and seamlessly retrieve information from disparate storage media. Data quality managers will be tasked with developing methods to monitor larger and more complex databases as well as multimedia quality.

International Healthcare

With the breakdown of trade barriers, increased international data traffic, and increased competition within American healthcare, providers are looking toward international markets as purchasers of American services. In Brazil alone, for example, Cigna Healthcare managed insurance plans for more than 2.5 million enrollees in 1997; Sul America, owned by Aetna, had 1.6 million members enrolled in its Brazil plans in that same time frame.[1] Free of regulations imposed by individual states in the US, developing countries have much less restrictive licensing requirements for Americans providing healthcare within their borders. Incompatibility of telecommunications and information systems, however, still exists. What's more, differences in foreign regulatory systems may dictate variations from the amount and type of data normally documented in American healthcare.

HIM impact: Managers working as systems designers or as systems analysts will be challenged with maintenance of remote monitoring systems, including more complex and numerous communications lines and associated hardware and software. Clinical data specialists will need to become comfortable with the management of data originating from long distances. Research analysts will need to verify nonprimary source data subsequent to its entry on their system. Information technology skills will be greatly challenged.

Confidentiality

Physicians are becoming increasingly concerned by the rising demand for information about their practice patterns, litigation histories, and even patient complaints. While few would argue with the rights of the consumer to become informed, many question the accuracy and utility of the information that is frequently used. Expect increased demands from providers for confidentiality of such information. Watch for increased pressure from law enforcement for registration of encryption keys (e.g., decoders) that provide them access to scrambled, confidential data that may include medical information. This is being strongly opposed by the information technology industry. Managers should prepare for increased construction and documentation of genetic profiles, especially in research hospitals. Pharmaceutical companies are recognizing significant cost savings and efficiencies by testing new drugs on representative gene profiles in lieu of live patients. As this practice grows, potentially damaging genetic information may be included as part of the patient record.

Look for increased interstate transfers of information. More patient data will be transferred across long geographic distances, encompassing two or more states, with corresponding different legal jurisdictions. This will include patient to provider data transfer, as well as provider to patient transfer, which may unwittingly constitute the unlicensed practice of medicine. Today most patient data is transmitted over unsecured telecommunications lines, and security practices at many provider sites may need constant attention related to unauthorized access to data.

HIM impact: Expect increased demands for data about providers practice patterns and patient disputes. HIM security managers will be called upon to evaluate and implement more sophisticated encryption systems. Keeping up to date on the rush of government regulations will be required for compliance managers. Risk managers will need to interpret potential legal issues at both the state and federal level.

Healthcare Consumerism

President Clinton's proposed health consumer bill of rights, as well as consumer legislation being developed in Congress by both Democrats and Republicans, are reflections of consumer movements that continue to be politically popular areas of debate at both the federal and state levels. Typically these issues involve patient-determined access issues, such as the need for emergency care or specialty treatment, and pervade even local legislation. Chicago, for example, was the first major US

city to address healthcare consumerism, initiating a Health Consumers Managed Care Protection Act that mandates certain information disclosure and access requirements. Expect an increase in patient access to data from this growing movement. Look for more extensive online inquiries from patients and plan for the eventual growth of the organization as a virtual health education center, since roughly one-half of US hospitals now have a Web presence.[2] Look for revenue potential from this online information in addition to marketing opportunities.

HIM impact: The patient information coordinator will likely become a more visible role within the organization as consumers make more frequent requests for information. Security and risk managers will also be consulted more often about the release of sensitive patient information.

Health Outcomes

One of the top forces driving data automation in healthcare is the need for comparative outcomes databases. Anticipate greater adherence to clinical outcomes as benchmarks and universal performance standards arise, including those required by the Joint Commission and National Committee for Quality Assurance. Currently, the Joint Commission accepts more than 200 performance measurement systems under the ORYX initiative. By the end of 1998, healthcare organizations must select a minimum of four clinically focused performance measures; by 2000, this requirement will rise to eight.[3] This is an industrywide mandate, not a recommendation, and it reflects a need for the quantitative assessment and tracking of clinical outcomes. It also reflects a growing requirement for the use of outcomes-based decision support data in day-to-day healthcare delivery.

HIM impact: More comprehensive data analysis will be needed, both in terms of volume and quantitative sophistication. Data quality managers and clinical data specialists will likely see much larger databases within their scope of duties, both internally and for comparison benchmarking purposes. More interactivity with providers and other clinical experts will be needed as outcomes assessment teams are formed and more fully utilized in healthcare delivery.

Mental Health Reimbursement

Until recently, insured mental health services usually have not had the same level of coverage as physical (medical /surgical) services. The VA-HUD 1997 Appropriations Act (HR 3666) includes a provision (The Parity Act) requiring insurers to provide limited equality of reimbursement for mental health benefits by establishing the same annual and aggregate lifetime limits for mental health coverage as for biomedical health coverage.

The Parity Act provides unprecedented opportunity for increasing the availability of comprehensive mental health care for large segments of the American population.

Historically, insurance reimbursement for mental health services ranged, on average, from five to 20 percent of the dollars available for biomedical health.[4] The Parity Act provides, with some restrictions, that reimbursement for mental health services must equal the amount available for biomedical services. The intended effect was for mental health services to have approximate economic parity with biomedical health services. Recent court decisions focusing on the Americans with Disabilities Act (ADA) and its application to the perceived discriminatory effects of unequal mental health reimbursement further suggest that parity is forthcoming. Watch for expanded mental health programs as reimbursement opportunities are recognized and tapped. Expect increased confidentiality pressures arising from the sensitive nature of mental health records.

HIM impact: As the debate continues over the potentially significant increases in reimbursement for mental health, health information managers in integrated systems will be asked for expanded analysis and reporting on mental health issues, primarily from administrators, policy makers, and payers. Security managers will need to develop closely scrutinized data access policies. Also, mental health will be a likely target for fraud investigations, of interest to compliance officers.

Managed Care

Watch for increased pressure on managed care companies to limit denials or interpret plans more favorably for the consumer. Notwithstanding the fact that meeting patient needs is good business practice, legislation related to limiting managed care treatment denials is proliferating. Texas and Missouri, with other states soon to follow, have passed legislation permitting patients to sue managed care companies directly for denials of treatment. California recently passed the Friedman-Knowles

Act, mandating the availability of independent, external review for denial-of-treatment disputes. Most Blue Cross/Blue Shield customers in New York also have this alternative review option.[5] Other states are likely to follow.

HIM impact: Expect more requests for records and supporting documentation arising from the growing numbers of cases reviewed. HIM professionals working as UR/UM coordinators should be aware of review procedures and the associated costs and benefits. Risk managers should recognize how external review and third-party dispute resolution can serve as an alternative to litigation.

Alternative Providers

Non-physician providers are fast becoming an accepted, integral part of the American medical practice community. The American Medical Association's Socioeconomic Monitoring survey reports that more than 56 percent of group practice physicians surveyed employ non-physician providers, broadly defined as physician assistants, nurse practitioners, clinical nurse specialists, and nurse midwives.[6] Solo physicians who employ non-physician providers supply more office visits per hour and more visits in all settings both on a weekly and yearly basis than other physicians. Most of these operate out of office-based practices, and many bill as individual providers. Initially, watch for inconsistency in documentation from providers who are not trained in reimbursement practices. Expect more frequent requests from payers who question non-physician treatments. Anticipate team-created documentation, needing verification from more than one provider.

HIM impact: HIM professionals working as systems applications designers and analysts will likely be challenged to create systems that go beyond a physician-centered paradigm related to prescribing and credentialing practices. More coordination of provider teams will be needed when documentation or illegibility is in need of correction; the process may require multiple-provider verification. Coding managers will likely be called upon to educate alternative providers about proper coding practices.

External Audits

Information managers can expect more visits from auditors beyond the realm of clinical data review, including the IRS, the FBI, the Inspector General, and state investigative authorities. As the boundary between financial and clinical data continues to blur, the medical record will become an integral source document in the financial audit trail, especially related to claims data. The Health Care Financing Administration has also reiterated a commitment to thorough peer review audits related to quality assurance. Popularity of the aforementioned Friedman-Knowles Act suggests that aggressive external peer review is likely to grow in response to managed care complaints, going well beyond the scope of traditional peer review organizations.

HIM impact: The clinical data specialist will likely be faced with more frequent audit requests, more detailed audits, and more detailed documentation requirements. As health data audits become more sophisticated, more rigorous audit standards specific to health data—similar to those used in financial audits—will undoubtedly emerge.

Integration

In 1997, 64 major healthcare organization mergers, involving corporate resources worth more than 56 billion dollars, took place. This was more than a 30 percent increase over 1996 mergers.[7] Expect more cultural conflicts as disparate organizational families attempt to integrate systems, both intranets and extranets. Migration of massive data sets, from older to newer systems and between acquired companies, is likely. Also, intraorganization systems integration is likely to increase as companies seek more seamless transition among increasingly specialized information products and systems.

HIM impact: HIM professionals will see opportunities for the development of information technology skills as disparate systems will have to be reconciled. Data resource administrators may find quality studies and maintenance to be more in demand as disparate databases are converted to unified repositories.

Prospective Payment

Aside from the many prospective payment systems (PPSs) being implemented in acute care, HIM professionals can expect the extension of prospective payment into ambulatory services, long term and home health care, and rehabilitation. Expect to

see growth in single-payer PPS arrangements at the state level, similar to Hawaii's system, making for more standardized billing and reimbursement. The bad news: a likely increase in complexity and amount of reporting of patient cost data to state authorities.

HIM impact: The health information manager in integrated systems should find abundant career opportunities in reimbursement analysis, coding management, and compliance. Patient advocates will be needed to help consumers navigate the complex claims process.

A Watchful Eye

Career opportunities for HIM professionals are likely to be bountiful for the foreseeable future. In fact, the shortage of trained professionals in HIM is approaching dangerous levels. The American Hospital Association projects that by the year 2000 there will be more than 33,000, or 48 percent, unfilled vacancies for HIM professionals in US hospitals.[8] *U.S. News and World Report* predicted that 56 percent of jobs for healthcare information specialists would go unfilled around the year 2000.[9] U.S. News also identified HIM as one of the 20 hottest job tracks for the future.

The above projections were formulated without accounting for the full effect of the Health Insurance Portability and Accountability Act, computerized patient records, and the maturation of prospective payment, ambulatory services, and home care, all likely to increase demand for HIM services.[10] Career opportunities are likely to remain plentiful, although traditional duties of HIM practice may change in proportion to greatly expanded volume and complexity of data.

HIM professionals have a golden opportunity to embrace the changes discussed above, provided that they can adopt the fundamental paradigm shift away from traditional HIM practice. Others may have little choice but to cope with the increased challenges as best they can. Regardless of the desire to assume new responsibilities, greater opportunities are rapidly becoming available for HIM practitioners in a data-driven healthcare system. Those wishing to assume the expanded roles must begin to prepare now with education and training.

More importantly, HIM professionals must be able to plan strategically and provide leadership rather than manage the status quo. As a first step, they must learn to routinely monitor the healthcare industry overall in order to lead effectively.

Notes

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