Year of Health Information Transformation: Change Comes Quickly in the First Months of 2009

by **Allison Viola,** MBA, RHIA

The first several months of 2009 brought sweeping changes, some surprises, and a renewed support for healthcare reform. This article provides an overview of the latest HIM developments in Washington.

Jumpstarting Health IT Implementation

Just weeks into his first term, President Obama signed into law an economic stimulus package titled the American Recovery and Reinvestment Act of 2009 (public law 111-5) worth almost $800 billion. Provisions of the final bill contain approximately $19 billion for health IT implementation, comparative effectiveness research, changes to HIPAA, expansion of the HIM and health IT work force, and improved quality reporting and incentive payments for the adoption and meaningful use of certified electronic health record technology. A breakdown of the funding is provided in the table, opposite.

In the first days of March President Obama announced Kansas governor Kathleen Sebelius as his nominee for secretary of Health and Human Services (HHS). Obama had originally selected former Senate Majority Leader Tom Daschle to lead healthcare reform efforts as the secretary of HHS and the director of the newly created White House Health Reform Office. However, Daschle withdrew his name from consideration due to tax issues. As HHS secretary, Sebelius would have discretion over how a large share of the newly earmarked health IT funds will be disbursed.

Obama named Nancy-Ann DeParle to the health reform office post. DeParle was previously commissioner of the HHS in Tennessee and served as administrator of the Health Care Financing Administration during the Clinton administration.

Other key agencies within HHS such as the Centers for Medicare and Medicaid Services (CMS) and the Agency for Healthcare Research and Quality (AHRQ) are also awaiting new leadership. Despite this pause in leadership, reform efforts continue to grow and move forward.

New Regulations

March also welcomed the much-anticipated final rules for the HIPAA electronic transaction standards and modifications to medical data code set standards to adopt ICD-10-CM and ICD-10-PCS. The rules—published in January—became effective March 17.[1,2] The delay resulted from a Congressional review period required within the original HIPAA legislation as well as a standard review period for all regulations passed leading up to the start of a new presidential administration.

The compliance deadline for ICD-10-CM/PCS is October 1, 2013. Covered entities must be compliant with the new transaction standards by January 2012, except for small health plans, which will have until January 2013.

AHIMA recently launched a revamped ICD-10-CM/PCS Web site at www.ahima.org/ICD10. The site offers up-to-date analysis, tools, resources, training, education, and information. AHIMA is also hosting an ICD-10 summit April 16–17 in Washington, DC, which will gather leaders and stakeholders to discuss the challenges and opportunities related to the transition and identify factors for a successful implementation.

After more than 15 years of advocating for the transition to ICD-10-CM/PCS, AHIMA is pleased that a final rule has finally been published; however, AHIMA also understands the current economic challenges that require doing more with fewer resources.

The delay in implementing the electronic transaction standards and ICD-10-CM/PCS has not prevented patient safety or quality reporting initiatives from moving forward. ICD-10-CM/PCS will enable a more refined and granular set of data to support improved patient safety efforts and quality data reporting.

In November 2008 AHRQ and the Office for Civil Rights issued a final rule to implement certain aspects of the Patient Safety and Quality Improvement Act of 2005.[3] The final rule, effective January 19, 2009, established a framework by which hospitals, doctors, and other healthcare providers may voluntarily report information to patient safety organizations (PSOs). This information will be reported on a privileged and confidential basis for the aggregation and analysis of patient safety events (for a more detailed review of the framework, see "A Next Act for Patient Safety").

Consistent with AHIMA's call for uniform and consistent data, a component of AHRQ's PSO framework uses common formats for event reporting to PSOs. These formats are the technical requirements and reporting specifications that allow healthcare providers to collect and submit standardized information regarding patient safety events. The scope of common formats will apply to all patient safety concerns including:

- Incidents—patient safety events that reached the patient, whether or not there was harm
- Near misses or close calls—patient safety events that did not reach the patient
- Unsafe conditions

The common formats, which AHRQ beta-tested in partnership with the National Quality Forum, include:

- Descriptions of patient safety events and unsafe conditions to be reported
- Delineation of data elements to be collected for different types of events
- Examples of patient safety population reports
- A metadata registry with data element attributes and technical specifications
- Paper forms to allow immediate implementation
- A users guide

AHRQ will continue to refine the common formats based upon feedback. The agency anticipates releasing a second version this year. Information on the formats will be maintained at the United States Health Information Knowledgebase, a health metadata registry funded and directed by AHRQ with management support in partnership with CMS.

Overview of HHS Appropriations under ARRA

The American Recovery and Reinvestment Act allots approximately $19 billion for health IT implementation, expansion of the HIM and health IT work force, comparative effectiveness research, and other activities that promote the use of health IT.

HHS Agency	Appropriations
Health Resources and Services Administration	• $500 million for grants to health centers • $1.5 billion for grants for construction, renovation, equipment, and acquisition of health IT systems for health centers including health center controlled networks • $500 million to address health professions work force shortages
National Institutes of Health	• $1 billion for grants or contracts under section 481A of the Public Health Service Act to construct, renovate, or repair existing nonfederal research facilities • $300 million to provide shared instrumentation and other capital research equipment

Agency for Healthcare Research and Quality	• $700 million for comparative effectiveness research • $400 million for comparative effectiveness research to be allocated at the discretion of the secretary. The funding shall be used to accelerate the development and dissemination of research assessing the comparative effectiveness of healthcare treatments and strategies, through efforts that: (1) conduct, support, or synthesize research that compares the clinical outcomes, effectiveness, and appropriateness of items, services, and procedures that are used to prevent, diagnose, or treat diseases, disorders, and other health conditions; and (2) encourage the development and use of clinical registries, clinical data networks, and other forms of electronic health data that can be used to generate or obtain outcomes data.
Office of the National Coordinator for Health Information Technology	• $2 billion to carry out title XIII, Health Information Technology for Economic and Clinical Health Act (or HITECH Act) • $20 million to the director of the National Institute of Standards and Technology in the Department of Commerce for continued work on advancing healthcare information enterprise integration through activities such as technical standards analysis and establishment of conformance testing infrastructure. • $300 million to support regional or subnational efforts toward health information exchange

Source: American Recovery and Reinvestment Act of 2009. Public law 111-5.

RAC Audit Program

The Tax Relief and Health Care Act of 2006 required the secretary of Health and Human Services to expand the Recovery Audit Contractor (RAC) program to all 50 states no later than 2010. CMS reported the demonstration project proved fruitful in identifying overpayments and succeeded in returning money to the Medicare Trust Fund.

In early November 2008 as the four RAC contract awards were announced, two organizations filed protests over the awards with the Government Accountability Office. Based on the filings, CMS was required to issue an automatic stay and allow for a brief reprieve in the rollout while the protests underwent review.

In early February 2009 the protests were resolved and the stop work order was lifted, permitting the program to move forward. Originally scheduled for three phases, the expansion will now be rolled out in two phases. The first phase began on March 1, 2009, and the second phase is anticipated to begin on August 1, 2009. CMS offers an updated expansion schedule online at www.cms.hhs.gov/RAC.

With healthcare reform requiring so many immediate and near-future changes, the industry will be looking to HIM professionals to guide them through the health information transformation. Whether the needs are for data collection, aggregation, and reporting, or preparing for the ICD-10-CM/PCS transition, HIM's foundation and principles will be called upon in every aspect of these initiatives.

Meeting with your organization's leadership and becoming part of task forces, committees, and work groups is now more critical than ever to demonstrate and reinforce your commitment that sound HIM principles are the cornerstone of any healthcare program.

Notes

1. "Modifications to the Health Insurance Portability and Accountability Act (HIPAA); Final Rules." *Federal Register* 74, no. 11 (Jan. 16, 2009). Available online at http://edocket.access.gpo.gov/2009/pdf/E9-740.pdf.
2. "HIPAA Administrative Simplification: Modifications to Medical Data Code Set Standards to Adopt ICD–10–CM and ICD–10–PCS: Final Rule." *Federal Register* 74, no. 11 (Jan. 16, 2009). Available online at http://edocket.access.gpo.gov/2009/pdf/E9-743.pdf.
3. "Patient Safety and Quality Improvement; Final Rule." *Federal Register* 73, no. 226 (Nov. 21, 2008). Available online at http://edocket.access.gpo.gov/2008/pdf/E8-27475.pdf.

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