The Implications of Health Reform for Health Information and Electronic Health Record Implementation Efforts

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The Patient Protection and Affordable Care Act of 2010 and the Health Care and Education Reconciliation Act of 2010, signed into law on March 30, 2010, are considered to constitute the most extensive changes to the U.S. healthcare system since the passage of Medicare in 1965. The expected implications for health information management (HIM) and health information technology (HIT) professionals include pressure for providers to efficiently treat more paying patients and the need for accurate clinical information so that models where payment is bundled across care settings can be tested and providers can monitor quality for incidents such as preventable hospital readmissions to avert payment penalties. Three areas may have a potential broader impact on HIM and HIT:

1. Physicians will be prohibited from owning hospitals that receive government monies such as Medicare and Medicaid. This prohibition is significant given the recent surge in the building of specialty hospitals (i.e., women’s and children’s, orthopedic, surgery, and cardiac care facilities). Specialty hospitals have been viewed as skimming the insurance “cream” while not providing emergency rooms or general acute-care services required of other hospitals. For the 18-month period prior to August 8, 2006, the federal government placed a moratorium on payments while the issue of physician ownership was reviewed and studied in-depth. As a consequence of this study and the new health reform legislation, the permanent ban on physician hospital ownership is due to begin in 2011.

2. Rural hospitals currently treat a disproportionate share of indigent patients and thus receive special revenue called “disproportionate share funding” to help cover the added cost of these non-paying patients. This source of funding will begin to diminish in 2014. The rationale is that more patients will have mandated insurance and thus there will be fewer indigent patients without coverage.

3. This act can be expected to negatively affect rural facilities. While pundits note that providers’ adoption of electronic health records (EHRs) may be slowed by an extensive learning curve, this assumes that both hardware and software are available and in place. It should be noted that the majority of rural hospitals still use and could be expected to continue using paper-based systems because of their decreased or even negative margins
coupled with the tremendous cost of updating the technology. The adoption of these technologies in the rural setting, despite government incentives and potential penalties for not conforming to prescribed requirements, has not been fully explored in the literature.

For HIM and HIT professionals, the continued emphasis on the use of health information technology and EHRs for quality reporting (Health Information Technology for Economic and Clinical Health [HITECH] Act of the American Recovery and Reinvestment Act of 2009) seems to be positive. As the Office of the National Coordinator (ONC) and the Centers for Medicare and Medicaid Services (CMS) have issued regulations for meaningful EHR use and EHR certification, quality measures have played a huge role, as have the requirements for detailed, structured electronic clinical information. These requirements mean that the tools needed to produce the data will be available, so what remains?

The “meaningful use” criteria do not currently include any usability requirements. Thus, while the software may be able to meet the data production needs, it may do so in a way that slows down clinician productivity. A productivity slowdown will quickly become untenable in a situation where more patients require treatment and now have insurance coverage to pay for it. The old standby of simply not using the software is no longer an option because providers must report the data to receive financial rewards and prevent penalties. HIM and HIT professionals will need to help providers choose the software that best fits their practice styles and computer skills, as well as help implement the software effectively.

Second, testing new payment models that span different care settings and organizational boundaries builds on the HITECH requirement for health information exchange. Challenges in this arena will include correctly identifying patients’ information and treatment settings and, most importantly, effectively assessing the integrity and tracking the source of the data as the information flows from setting to setting. While health information exchanges (HIEs) have been growing over the last several years, many have only recently begun to address these issues. National standards have not yet been established. Most state-level HIEs are in early development stages and are working to overcome challenges associated with the lack of consensus and strategic alignment between state and federal HIE efforts.

Third, quality measures will play a much larger role in the future of healthcare delivery. Both the “meaningful use” criteria and the new health reform laws focus on development and reporting of quality measures. Systems are moving toward a focus on structured clinical information that will take on functions previously performed by administrative claims data. Data quality, data analysis, and data mining will take on growing importance over the next several years to support best practices and evidence-based medicine across the healthcare spectrum. HIM and HIT professionals will need to acquire not only the tools for these functions but the skills as well.

Finally, what does this mean for the HIM and HIT professions? Careerists seeking to make an impact in healthcare invariably view HIM and HIT as highly desirable professions. As professionals we need to be open to the newcomers. The next decade in healthcare is going to require many high-quality HIM and HIT professionals. The necessary workforce simply does not exist. At the same time, standards for education and competency need to remain high so our healthcare system and country can reap the necessary benefits. We need educators to help train the new workers who will be needed into the foreseeable future.
For HIM and HIT professionals the changes resulting from the recent healthcare reform effort are less of a watershed and more of a confirmatory step down a road we have been traveling for some time.

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