

## Highlights from the American Health Information Management Association's 83<sup>rd</sup> Annual Convention and Exhibit, October 1-6, 2011, Salt Lake City, UT

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### Conference Overview

The American Health Information Management Association (AHIMA) held its annual convention in Salt Lake City earlier this month. AHIMA is an organization devoted to advancing the health information management (HIM) profession through education and advocacy. AHIMA was founded in 1928 and has over 63,000 members, most of who work in provider settings performing a range of services around managing health information like medical coding and billing; Release of Information (ROI); document and content management; data analysis; and similar functions. Today, AHIMA members are at the center of sweeping changes impacting healthcare providers including the transition from ICD-9 to ICD-10; the rise of computer assisted coding (CAC) and clinical document improvement (CDI) initiatives; the need to manage ROI processes including stepped up CMS billing audits (RAC); advances in medical transcription including speech recognition technology incorporating natural language understanding; and, course, the transition to electronic health records (EHRs). Obviously, HIM professionals are in high demand. In fact, the Bureau of Labor Statistics projects a 20 percent increase in employment before 2018, just for medical coding and billing professionals.

Notable AHIMA conference presentations included a keynote address by Dr. T. B. Ustun, Team Coordinator of Classification, Terminology and Standards at the World Health Organization, who cautioned the audience against delaying ICD-10 implementations, stressing the importance of the new classification scheme in enabling comparative effectiveness research and other quality improvement initiatives. Dr. Ustun also discussed plans currently underway for additional advancements in disease classification with the development of ICD-11, which will be available in 2015. Dr. Carolyn Clancy, Director of the Agency for Healthcare Research and Quality (AHRQ), spoke about trends in improving healthcare quality and access, and the need to engage all stakeholders to focus on patient-centered care. Dr. Clancy emphasized the importance of the HIM role in healthcare reform, calling it "completely indispensable". Dr. Peter Tippett, Vice President of Technology and Innovation and Chief Medical Officer at Verizon Business, provided an overview of the current state of US health information technology.

More than 215 organizations exhibited at the conference and included large and small technology vendors offering a range of services and solutions targeted to the HIM function. Notable IT vendors in attendance included 3M Health Information Systems, Dolbey, OptumInsight, Precyse, and QuadraMed (*Coding Solutions*); A2iA, Fujitsu, McKesson, and Ricoh (*Document Imaging and Management*); Nuance

Communications, MedQuist/M\*Modal, and Transcend Services (*Transcription/Speech Recognition*); HealthPort, IOD, and MRO (*ROI/RAC Services*); and Health Language and Intelligent Medical Objects (*Medical Terminology Services*) among numerous others. The conference also featured a computer assisted coding (CAC) and ICD-10 showcase with live product demos from various vendors.

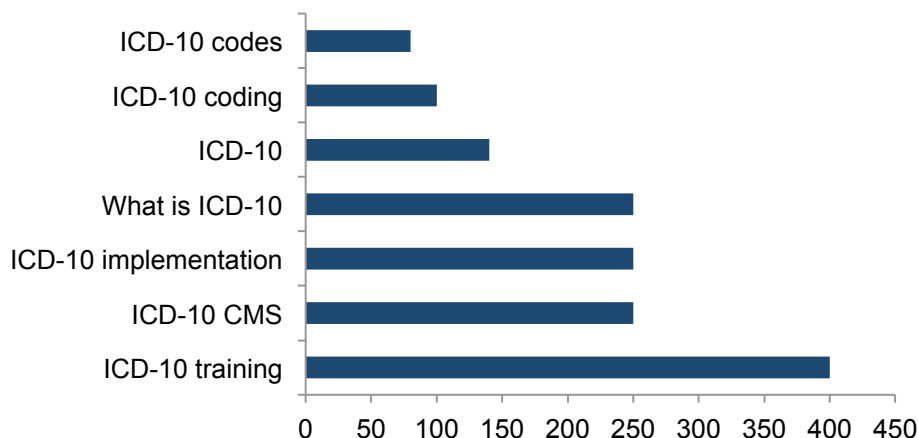
One of the key announcements coming out of the conference highlighted a new initiative from AHIMA that seeks to create at least 40,000 HIM jobs. “The HIM Jobs for America” initiative builds off AHIMA’s ongoing work to provide HIM curricula to universities and community colleges. This initiative is recognition of the growing demand for qualified HIM professionals from healthcare providers of all types.

### **Health IT Industry Shifts Focus to ICD-10 and Related HIM Issues**

The numerous challenges faced by healthcare providers today are extraordinary by any measure. The often daunting tasks related to complying with Meaningful Use, HIPAA 5010, and ICD-10 are made more difficult because these initiatives overlap and must take place roughly within a five-year period. In addition, payment reform and the move to value-based reimbursement will require additional reporting on quality measures and outcomes while increased payment audits (e.g., the CMS Recovery Audit Program (RAC)) will add to data collection and management pressures. For the past two to three years, a good part of the health IT industry has been strongly focused on the transition to EHRs. No doubt, the move to EHRs is a monumental challenge for healthcare providers and will certainly be at the center of the health IT market for several years to come. However, there is a growing awareness of the magnitude of work required to switch from ICD-9 to ICD-10 as well as increased concerns about overall costs and potential financial risks associated with potential disruptions in revenue cycles that could result if the process is not managed well. In fact, one industry veteran recently characterized ICD-10 as “the scariest thing out there” and predicts that it will be a major driver of provider consolidation in the coming years, especially for smaller community hospitals. ICD-10 coding becomes mandatory on Oct. 1, 2013.

A quick look at how ICD-10-related issues are trending on Google as depicted in the chart below provides a bit of perspective (albeit, unscientific) on the increased interest in this subject.

**Percent Increase in ICD-10 Related Google Search Terms -  
 January 2009 to October 2011**



Source: Frost & Sullivan

**ICD-10 is Hugely Complicated - But Providers are Getting Ready**

The ICD-10 classification system contains about five times the number of codes as ICD-9. Specifically, the number of diagnosis codes expands from 14,000 to 68,000 with ICD-10 while the number of procedure codes increases from 4,000 to 87,000. In theory, the more detailed codes of ICD-10-CM will enable better analysis of disease patterns and treatment outcomes so that claims processing can be faster and easier and that more accurate and complete data can be used to advance and improve care. While the compliance deadline for transitioning to ICD-10 is two years away, for most organizations, the entire process to changeover will take a lot more than one year. Providers are coming to realize that ICD-10 will affect every aspect of their operations, including IT systems. The process to upgrade IT systems to ICD-10 is expected to be extremely difficult (and expensive), especially at a time when many providers are so focused on upgrading EHRs to comply with Meaningful Use. Thus, ICD-10 will require new investments in software tools as well as new workflow processes for clinical and administrative staff alike. It is estimated that the switch to ICD-10 alone could cost large hospitals as much as \$2 million to \$5 million, mostly attributed to software upgrades and training staff.

In August 2011, AHIMA conducted a survey of its members working in inpatient or other health care provider settings in order to assess their ICD-10 readiness (*Tracking the Industry's Progress: AHIMA Survey on ICD-10 and 5010 Compliance*, N=639). Eighty-five percent of respondents from inpatient settings said their organization have begun implementation planning for the transition to ICD-10.

**Some Business Opportunities to Keep an Eye On**

As more hospitals and other healthcare providers begin to focus in earnest on the huge ICD-10 initiative, expect to hear more about how various market participants, including health IT vendors, are positioning their products and services in what promises to be a highly dynamic and competitive marketplace over the next two to four years. Some of the most attractive business opportunities for vendors serving the ICD-10 market will include software applications that do such things as improve and enhance billing and coding to maximize the revenue cycle, train staff on complex new coding procedures, and inventory and track installed vendors' ICD-10 readiness and compliance; consulting services that help healthcare organizations around training, workflow re-engineering, risk management, and revenue enhancement strategies; business process outsourcing (BPO) services that help provide a more cost-efficient way to handle increasing workflows; and document management solutions and resources to rationalize complexities around the hybrid paper-digital medical records environment that is expected to continue for the foreseeable future.

Many additional opportunities will likely emerge in the coming months as the ICD-10 issue picks up steam. As always, it is important to stay close to organizations like AHIMA who represent the "voice of the user" - if not necessarily the key decision makers in terms of purchasing. Vendors should strive to engage HIM professionals to the greatest degree possible during the ICD-10 transformation. These professionals offer a wealth of knowledge that is extremely valuable at this critical juncture.

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