



Briefing Note: Why Outsource Hospital Information Management Services?

Health care represents the single largest element of provincial government budgets. The ability to effectively and appropriately manage and allocate resources within this system is determined, in large part, by the accuracy, completeness, and timely accessibility of information. The patient information required to manage the system includes health care and treatment plans.

There has been a dynamic shift in the health system with regard to information collection, use and disclosure to one that requires a rapid exchange of information among hospitals, medical group practices, nurse practitioners, independent laboratories, radiology centres, pharmacies, payers, public health departments and other providers. In Ontario, staffed and operational hospital beds dropped from 50,000 in 1990 to 30,000 in 2010. Despite a population increase of over 3 million during the same period, and despite an aging population, this 40% drop in beds is attributable to many factors, including an 18% reduction in average length of stay in acute care, new technologies enabling early diagnosis, targeted prevention strategies for chronic disease management, pharmaceutical breakthroughs, use of telehealth, more outpatient procedures and interventions, and so on.

Hospital and other health service funding models are shifting away from global budgets and toward activity-based funding. In other words, the money will begin to follow the patient: providers will be increasingly compensated based on the complexity and volume of services provided. An example is the funding model for Family Health Teams (FHT) in Ontario where patients are rostered to a specific FHT and funding is attributed to the rostered patient.

One basic element is at the heart of all health administration and service provision: the health record. Yet, as of March 31, 2009, only 17% of Canadians were living in provinces where an EHR is available to their health care professionals. Canada has an objective of having 100% of Canadians with an EHR by 2016. Two studies commissioned by Canada Health Infoway have indicated that, once they are in place, EHRs will save an estimated \$6 billion each year.

Individual health records provide critical information to health providers across the system. A person's health information is a critical element of their healthcare and their health record. Health records must be kept for many years per provincial legislative requirements for clinical care, to support epidemiological research, legal requirements and liability protection. Electronic records are more likely to be legible and available when needed, and can be retrieved more easily and quickly; the right information, at the right time and for the right person. Potential benefits of the EHR for persons include improved health care through their readily available health care information, reduction in test orders such as laboratory, and decreased risks such as adverse medication incidents. All of these benefit the patient, the provider and ultimately the health care system. Health care professionals would be provided with timely information to support care and treatment

decisions, available across the continuum of care. Overall, EHRs are expected to reduce costs and improve quality of care. (OAG, 2010)

The use of International Classification of Disease (ICD – Version 10) codes is mandated in many countries, including Canada. In Canada, the International Classification of Diseases (ICD-10-CA) was enhanced for morbidity classification and overall is used to classify diseases, injuries and causes of death, as well as external causes of injury and poison. Canada also uses the Canadian Classification of Health Interventions (CCI) for classifying health care procedures. Coding is a specialized function completed by certified Health Information Management professionals, requiring two to four years of post-secondary training, usually obtained in the field. Expertise in clinical and financial data classification is a requirement of both education and training. Health system funding, efficiency, accountability, information for best practices and planning rests on the ability of the professionals who code the health care data and those that analyze ICD-10-CA and CCI codes on a cumulative basis. Canadian financial management systems are more actively using ICD10 codes for accounts payable tracking and reimbursement. Timeliness for collection and reporting against provincial and national requirements has become increasingly critical to assisting with management of the health care system. Currently the need for coding specialists outweighs the supply of these crucial resources in many parts of the Canada, including Ontario. The Information and Communications Technology Council of Canada (ICTC) is aware of the shortage of coding specialists among many other eHealth professions that are also experiencing a shortage of resources and expertise. The ICTC is working with the Canadian Health Information Management Association (CHIMA) and other experts and associations in identifying this gap and planning for the future workforce.