

Revisiting Release-of-Information Risk

Legal, Operational, and Business Outcomes at Pinehurst Medical Clinic

BY BILL EDWARDS



As the pace and complexity of medical group management continues to accelerate, there is a risk of allowing seemingly lower-profile administrative functions to fall off the radar screen. Take release of medical information (RoI) as an example. In many groups, the RoI function continues to be relegated to the bowels of the medical records department garnering little, if any, attention from senior practice leadership. This “out-of-sight, out-of-mind” phenomena can prove hazardous to a practice’s health. Even a casual assessment of the legal and regulatory landscape bearing upon patient confidentiality and RoI reveal there are a host of potential

landmines confronting the provider community.

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Consider HIPAA and the extent to which it has served to raise awareness on the part of patients, the legal community, the press, and others regarding the risks associated with handling protected health information. If compliance with HIPAA wasn’t enough, we can add to it a host of federal and state constitutional privacy rights along with any number of

federal and state rules relating to the protection of sensitive medical record information, including HIV test results, genetic screening information, mental health records, and drug and alcohol abuse rehabilitation information. The compliance equation can become exponentially complex when minors and questions of custody are involved.

In the face of this rather daunting legal and regulatory milieu, it comes as no surprise to say medical groups face increasingly complex operational imperatives related to RoI. Short of hiring an army of attorneys, the medical group administrator is left attempting to efficiently leverage time, technology, intellectual capital, and other limited resources so as to minimize risk related to the myriad of the applicable rules and regulations.

Against this backdrop, the Pinehurst Medical Clinic (PMC) in Pinehurst, North Carolina decided in 2005 to embrace a new technology solution in support of its RoI function.

Legal, Operational, and Service Risks

Management of risk is at the heart of a group administrator’s role. As we work to protect the interests of our group, we do so cognizant of our personal limitations, the constraints of the group, and a rapidly-changing environment. What worked last year may prove ineffective and/or cost-prohibitive this year. At the same time, our constituents—in most cases physician owners or a Board of Directors—do not necessarily have an appreciation of the effort required

to effectively manage this aspect of the business. For better or worse, we will tend to receive little credit for a well-run RoI function. However, in the event of a problem, the spotlight can quickly turn.

From a management perspective, RoI is perhaps most commonly thought of as a risk management function. To wit, failure to adequately protect patients' privacy interests or to adhere to applicable rules related to RoI can result in a range of legal and/or regulatory problems. In the extreme, these problems have the potential of wreaking devastation, financial and otherwise, on a group.

Notwithstanding the very real and consequential risk-management considerations, effective management of the RoI function requires an investment of resources, which exerts pressure on the cost structure of the group. No matter the size of the group, the investment in time and staff is non-trivial. Thus, from a management perspective, we are left in the all-too-familiar position of achieving results—in this case a well-run RoI function—in a cost-effective manner.

Risk management and cost management are inextricably linked with the third realm of the RoI function: customer service. Those requesting medical record information rightly expect prompt and accurate turnaround. Poor service is typically characterized by lack of a timely response, failure to provide the exact and appropriate information requested, as well as problems with billing for the medical record release. Such problems can lead to a variety of consequences, including but not limited to repeat inquiries, higher call volume, lost revenue, and the exacerbation of risk to which the group is exposed.

Finding the Right Model

Prior to 2003, PMC had managed its RoI function as a stand-alone, internal department, requiring various staff members to handle bits and pieces of the job in addition to their regular duties. The in-house

RoI function proved increasingly time- and resource-intensive. It was also becoming apparent the legal and regulatory mandates bearing upon RoI were more than our internal team could reasonably be asked to manage. With over 400 requests per month being presented to the PMC medical records department, we decided a change was needed.

The revenue PMC generates allows it to operate the RoI function at a slight profit.

In 2003, PMC began outsourcing RoI to a vendor that worked on site. Under this arrangement, the vendor dedicated one person to copying, preparing, and mailing the requested documents. While this structure alleviated the demands on our staff to a degree, it raised a number of new challenges. These included communication with the vendor, tracking the status of requests, ensuring timeliness of turnaround, and responding to questions about billing for the record release. Overall, the process was not as effective and efficient as we felt it could be.

In 2006, PMC converted to an electronic medical record system (Allscripts). The conversion was ambitious in that it involved the (nearly) complete elimination of all paper-based records within the span of six months. One of the positive outcomes of moving to the EMR platform was the opening up of new opportunities to leverage the technology. One example of this was in the realm of RoI. Even before completing its transition to the EMR, PMC began in 2005 to consider options for its RoI solutions. The following set of priorities was established: First, the solution had to operate in a fully-electronic manner. Second, our costs, on a per-unit basis, had to be lower. Third, the customer service we provide must be consistently outstanding. Fourth, compliance with applicable laws and regulations must

be maintained at all times.

PMC's search for its next-generation RoI solution led us to a different kind of "shared-services" model. Though similar in some respects to our on-site vendor solution, this new shared-services model is characterized by a number of important differences in the realms of contract structure, division of labor, and use of technology.

After evaluating several options, PMC selected ROI Online, a web-based software solution from MRO Corporation based out of King of Prussia, Pennsylvania. This shared-services solution proved best suited to meeting the multi-faceted criteria outlined above. Our relationship with MRO started in 2006.

Retaining Control, Outsourcing Complexity

With the shared-services model, PMC staff members continue to assume responsibility for front-end tasks such as logging the requests upon receipt, locating the relevant records (via the EMR), determining what information to release, and transmitting the information electronically through MRO's ROI Online system. The vendor assumes responsibility for processing the request as approved by PMC staff, transmitting the medical record information to the requestor, handling all related billing, and responding to questions related to various state and federal RoI rules and regulations.

To begin implementation, a training representative from MRO spent one full day on-site with PMC's lead medical record personnel and a member of the PMC information systems department. Because the changes to our RoI process were substantial, there were challenges associated with learning the software, becoming familiar with the vendor's support personnel, informing our customers about the change in vendors, and setting up the interface between PMC's EMR system and the MRO system (see below). After

a nine-week transition period, PMC was up and running by the end of 2006.

Here's a brief overview of the steps involved with managing an RoI request under the new method:

1. Upon receipt of a record request, PMC staff log the request into the MRO system. In this way, the request is tracked electronically from start to finish. Moreover, a transaction history related to the request is maintained and is accessible by PMC and MRO staff. This history has proven invaluable in responding to questions and concerns from patients, attorneys, insurance companies, and PMC's own doctors and staff. It has significantly enhanced the efficiency and accuracy of the RoI management process.
2. After reviewing and logging the RoI request, PMC staff will approve, deny, or modify the request through the MRO system. If the request is approved or modified, PMC staff release the information directly to MRO, again online. An interface between PMC's EMR system and the MRO system has been built to allow electronic transfer of records from the EMR to the MRO system, thus eliminating the need for copying and/or faxing.
3. Upon receipt of the electronic record release from PMC (through the web-based system), the vendor's personnel manage the back-office functions, including validation of the records retrieved, status tracking, requester inquiries and communications, physical distribution of the requested data, billing, and collections. With this arrangement, the vendor is verifying the correct records have been selected. Fees are assigned accurately by experts and fulfillment is handled, in a turn-key

fashion, from printing, e-mailing, or creating CD-ROMs through mailing, transmitting, or posting via web portal.

Confidence, Efficiency, Service ... and Revenues

PMC's upfront costs with the new shared-services approach were minimal, and although the company charges a small monthly maintenance fee, most of their costs are paid through the contractual arrangement between PMC and MRO, under which a portion of all RoI fees collected are retained by MRO. PMC receives the remaining revenue. The revenue PMC generates through the MRO contract allows it to operate the RoI function at a slight profit. While this is certainly a benefit, it should be noted PMC's primary criteria for evaluating its next-generation RoI solution did not include maximizing profit.

With the shared-services model, PMC has greater confidence in the expertise guiding our RoI process. The MRO staff performs ongoing quality checks of the work performed by PMC staff in an effort to ensure record requests are being responded to in a manner fully compliant with all applicable rules, regulations, and law. As mentioned above, the system provides robust audit-trail functionality allowing for more effective risk management. Moreover, the technical support provided by MRO has allowed us to reduce expenditures on outside attorney fees.

Operationally, PMC has enjoyed productivity and efficiency gains since moving to the MRO platform. Staff can now devote more time to patient-focused tasks since there is less to do in the way of handling telephone inquiries and paperwork. We have been able to reduce staff dedicated to the RoI function from 2.0 FTE to 1.0 FTE while at the same time processing a greater number of requests as compared to 2005. From an administrative perspective, the system's real-time

management reports assist the management team in monitoring productivity.

Customer service related to the RoI function has improved significantly over the past two years. Prior to the implementation of the MRO system, complaints from patients, insurance companies, attorneys, or other requesters were fairly common. They are now a rarity. PMC's mission includes a strong commitment to serve its community. We view release of medical records information as an important aspect of this service mission. Providing a high level of customer service in the arena of RoI has, in a small but meaningful way, served to enhance PMC's image among its varied constituents.

As the healthcare industry experiences rapid and often unpredictable change, release of medical information and patient privacy will continue to pose a wide range of legal, operational, and business-related risks. Medical groups would be well advised to periodically assess their approach to managing this function. In so doing, they will invariably identify opportunities to mitigate risk, improve operations, and enhance customer service.

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