



# Centralizing HIM Operations: An Enterprise Approach

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As the healthcare industry evolves, technological advances, policy changes, and organizational restructures have continuously emerged with impactful trends. Centralization of operations is one of those trends. Driven by a value-based model, the centralization of health information management (HIM) aims to streamline operations, standardize processes, reduce cost, and improve quality of care and patient satisfaction.

Oftentimes, HIM departments operate with disparate processes due to legacy standard processes and acquisitions of new entities. Given the impact of HIM on revenue and reimbursement, C-level executives (CEO, COO, CMIO, CFO, or CIO) recognize the benefits of centralization to reduce operational costs through streamlined organizational performance, establish consistent processes through standardization, and eliminate redundancies. Transforming HIM to an enterprise model through centralization provides healthcare facilities with a competitive advantage as the integration of emerging technology is less optional. Implementing a solid, strategic approach is pragmatic; however, challenges may arise that hinders progress. Therefore, benchmarking for areas of improvement provides insight into best practices for a successful transition and ongoing operations.

### Silos of Information

HIM decentralization can result in risks such as ineffective information management, inaccurate coding, and breaches. Silos hinder standardization, and as a result create compartmentalized pockets of information from sources, slowing down the flow of communication and making change more arduous.

Integrating and accessing information can be difficult when it is derived from multiple sources. Risks include inconsistencies in processes and procedures, as well as inefficiencies in the completeness of information and redundancies. However, through the use of electronic health information management technology, HIM professionals share and process secure information across various departments and

facilities at a quicker pace than before. There are common hurdles in the release of information (ROI) process that can pose challenges to healthcare facilities. The lack of time and organization along with poor quality assurance are a few of those hurdles. Solutions to such hurdles tend to focus on ensuring adequate resources and proper education and training of staff.

Patient health information must be linked across the healthcare continuum to provide the best quality of care. Additionally, sources of information must be linked to electronic health records (EHRs) to support the centralization and enhance patient care. To connect silos and reduce risks, healthcare facilities must centralize HIM operations to create standardization and improve coordination across the continuum of care.

Success in centralizing HIM operations is largely dependent upon the immediate access to reliable information across the healthcare system. Inefficiencies create risks which are costly. Centralization decreases risks providing standardization of processes and procedures which improves workflow. The ultimate goal is to build a secure and expedient process through the use of effective communications, collaborative teamwork, and cutting-edge information management technology.



Source: DEV INFOSYS Technology Consultants  
<http://devinfosys.co.za/webdesign.aspx>



### **Benefits of Centralization**

Healthcare facilities could benefit from incorporating the centralization of HIM operations into its long-term strategic organizational plan. The benefits of centralizing HIM operations are greater than any hurdle encountered during the transition.

#### **Improves Operational Efficiency**

Moving from a fragmented system to a model that streamlines operations improves efficiency and decreases administrative and operational costs.

#### **Eliminates Redundancies and Reduces Errors**

Centralization helps to standardize processes, procedures, and forms across a healthcare system to ensure they are the same throughout facilities. Standardization helps eliminate redundancies and reduce errors which negatively impact the bottom line.

#### **Improves Financial Performance**

Financial savings are gained from organizational restructures as a result of a decrease in errors and elimination of redundancies. Additionally, restructuring improves productivity and efficiency as resources are centrally located which positively impacts productivity and workflow.

#### **Fosters Collaboration**

Centralization eliminates silos of communication that cause a stagger in the flow of information, ultimately affecting patient outcomes. Eliminating silos and replacing them with high-performance, centralized teams helps improve communication, optimize patient outcomes, and foster collaboration. Centralization facilitates communication, visibility, and sharing.

#### **Increases Accessibility**

Having the right information readily available at the right time is critical to patient outcome. Additionally, centralization provides the benefit of system-wide accessibility to patient information for release of information purposes such as billing and coding. AHIMA is working toward a future in which health

information is fully electronic, comprehensive, and readily accessible from every healthcare facility regardless of the health system.

#### **Optimizes Workflow**

Centralizing HIM operations allows for opportunities to reexamine workflows for optimal efficiency across the HIM continuum bringing business value. Standardized workflows can be designed and implemented throughout HIM operations resulting in collaboration, shared best practices, and optimized resources. Technology is a common driver for HIM centralization promoting automation and eliminating redundancies. Integrated, interconnected, electronic systems are the future of HIM, transforming the way, and how, HIM professionals do what they do. Healthcare facilities will benefit from a higher level of interconnectivity through centralization.

#### **Driving the Transition to Centralization**

Transitioning to centralized HIM operations is a journey that can be completed with preparation and strategic execution. HIM professionals must establish processes that foster opportunities for consolidation and standardization resulting in reduced cost, mitigation of risk, and overall improved patient care.

What HIM Professionals Can Do To Move Towards Centralization<sup>1</sup>:

- Acquire executive sponsorship by educating leadership on the need for centralization
- Establish a multidisciplinary steering committee that addresses centralization, the organization's information policy, and aligns resources with strategy
- Identify challenges, gaps, risks, and opportunities
- Work with collaborators to achieve goals for improvements
- Define and establish standards
- Develop processes and procedures
- Serve as steward for patient health information
- Identify and articulate the benefits of centralization
  - Reallocation of resources
  - Process improvement/efficiency
  - Reduction in cost



## **Executive Sponsorship**

As with any strategic initiative, executive sponsorship is necessary in order to ensure success. Executive sponsorship provides direction, support, budget, and resolution to potential problems that may arise. Executive leadership supporting and promoting more effective HIM functions, for example the release of information, strengthens information governance and gives way to discussions on centralizing HIM operations. An efficient staff and well-managed processes enable healthcare facilities to achieve patient satisfaction and compliance.

Executives understand that every interaction with the healthcare facility is part of the patient experience. To garner executive sponsorship, HIM professionals must focus on the healthcare system's strategic priorities such as cost reduction, quality improvements, and increased patient satisfaction. HIM professionals will need to build a case for the need to centralize, and thus should be aware of vulnerabilities and the strategic landscape of the healthcare facility. Clearly articulating the need for centralizing HIM operations and how it impacts the facility will help gain executive sponsorship.

Questions to Consider for Executive Sponsorship<sup>2</sup>:

- What is the vision for centralization?
- What drives the decision?
- What are the benefits and challenges?
- What will be achieved?
- How will success be measured?

## **Establishing a Multidisciplinary Steering Committee**

The steering committee consists of a broad representation across the facility's departments and functions and may include executive leadership. Primary responsibilities include setting goals, approving and enforcing policies and procedures, allocating resources, establishing working groups to offer a multidisciplinary perspective, and measuring results.

## **Information Governance**

Healthcare facilities that have not centralized HIM operations often have silos of information and fragmented processes that makes tracking patient information difficult. Transitioning to an enterprise-wide system approach through centralization consolidates the ROI process and enforces information governance through standardized processes and procedures. Errors are costly and cause delays in retrieving critical information and impacts how quickly physicians treat patients. Every misstep adds inefficiencies and delays progression.

HIM professionals driving the transition to centralization should provide policy framework for information management which includes governance decisions, standards, and best practices. Inconsistent information governance practices result in data loss, unauthorized access, and breaches which are violations under the Health Insurance Portability and Accountability Act (HIPAA). Having well-documented policies and procedures are important components of an information governance plan and help mitigate risk. Working with your compliance team to create the plan is fundamental to ensure policies and procedures are available to all employees and reviewed, evaluated, and updated regularly to work with your ROI processes.<sup>3</sup>

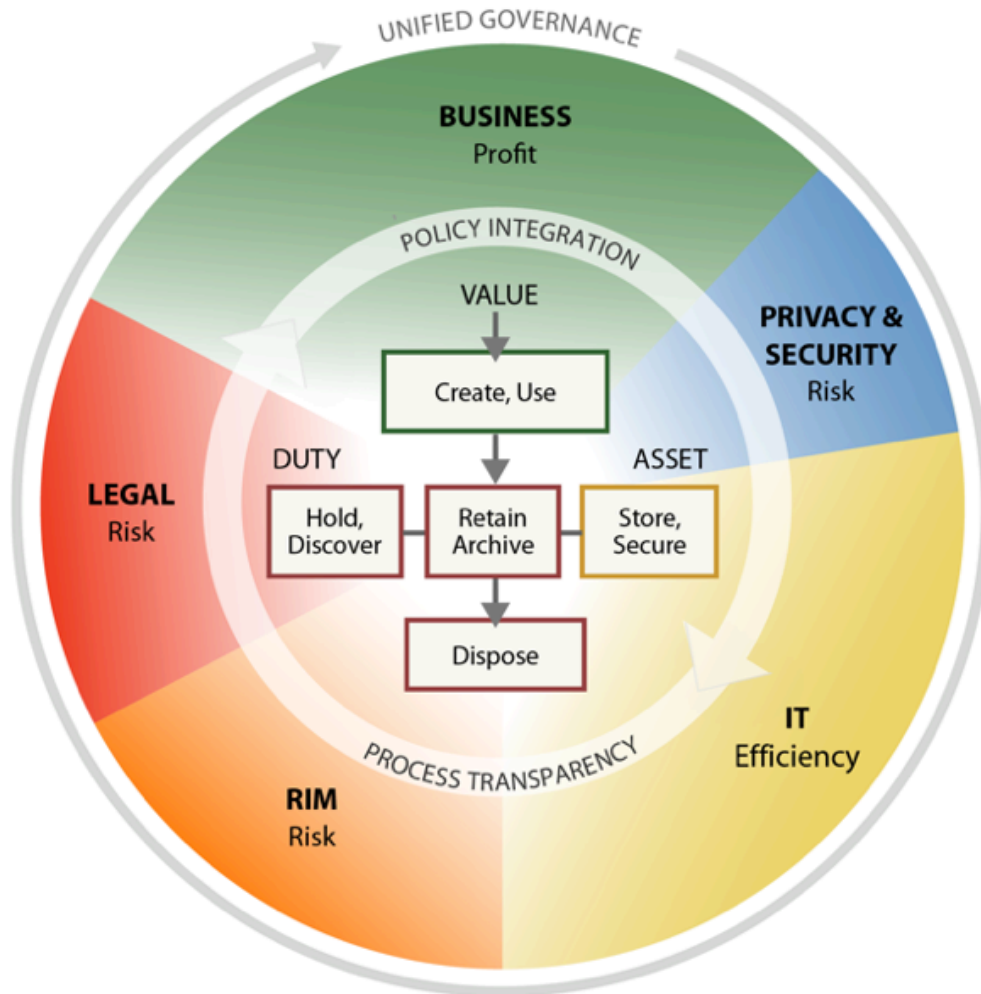
## **Communication**

Communication to executive leadership and stakeholders throughout the entire centralization process and beyond is critical. Not everyone will be open to change; therefore, communication is necessary to help ease concerns and build trust. HIM professionals are well positioned to lead centralized teams by providing information, education, and training to nurture collaboration and create an easier transition. Managing information as a resource, HIM professionals would benefit from creating content libraries for their organization. The creation of content libraries adds value by helping physicians improve outcomes and quality which provides facilities with a competitive advantage.



# Information Governance Reference Model (IGRM)

Linking duty + value to information asset = efficient, effective management



**Duty:** Legal obligation for specific information

**Value:** Utility or business purpose of specific information

**Asset:** Specific container of information



### Creating an Enterprise Model

Historically, healthcare has been organized with silos at the macro (continuum of care) and micro (departments and functions) levels. Transforming HIM to an enterprise model through centralization breaks down the silos and improves productivity.<sup>4</sup> Having an enterprise focus of the centralization of HIM operations allows healthcare facilities to find consistency through streamlined processes, optimized capabilities, and reduced cost. Additionally, the standardization of processes results in best practices that directly impact and improve clinical quality measures and patient satisfaction across the organization.

With an increase in penalties and fines for breaches of health information, HIM departments are tasked with evaluating processes and putting additional safeguards in place to protect the privacy and confidentiality of patient medical records. Records

must remain secure within the confines of the facility, but also when they are transferred to requesting entities. The ultimate goal of centralization is to build a secure and expedient process. Standardizing release of information processes offers security.

HIM professionals can drive the transition that will ultimately strengthen an organization's performance in managing information.

#### Key Steps to Centralizing HIM Operations<sup>2</sup>:

- Establish guiding principles
- Identify functional areas
- Identify critical success factors
- Establish goals
- State expectations
- Develop a roadmap
- Plan the transition
- Implement and report on milestones
- Monitor post implementation



Source: Centralization of HIM Operations: Changing the Landscape with a Shared Services Model; Diann Smith; California Health Information Association, AHIMA Affiliate, June 10, 2015.



### Best Practices

The transition to centralizing HIM operations is a significant change to a healthcare facility's structure. As with any transition, change is a disruption of what is considered normal. Executive support is needed to centralize HIM and ensure staff responds in a positive way to promote productivity.

#### Best Practices Tips<sup>5</sup>:

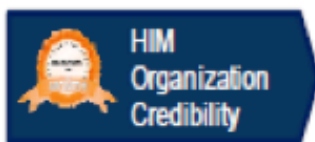
- Work collaboratively. Create a team to assist with the transition and develop a process that works well with everyone involved.
- Be open-minded to change. Reactions impact how others will react. Reluctance to change hinders growth and causes division.
- Consider different points of view.
- Understand the needs and concerns of the healthcare facility and how to address them.
- Ensure transparency with stakeholders. Communicate with everyone involved the status of the transition and what to expect.

The transition can be difficult; however, it can bring additional attention to work performed which is useful when identifying areas of improvement and evaluating best practices. Sharing best practices improves care coordination, clinical quality measures, and patient satisfaction across the organization. Additionally, shared knowledge helps foster workflow redesign and innovation.

#### Things to Consider<sup>2</sup>:

- *HIM Organization Credibility*: Establish standardized policies, procedures, and workflows.
- *Employee Retention*: Ensure employees know how and where they fit.
- *Physician and Leadership*: Gain executive support and sponsorship.
- *Time, Skills and Training*: Standard use and leveraging technology.
- *Competing Priorities and Resources*: Share staff across the enterprise to meet demands.

### Things to Consider



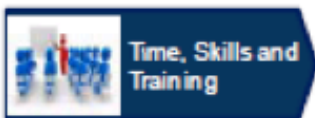
1. Enterprise productivity and quality standards
2. Clear roles and responsibilities
3. Standardized policies, procedures and workflows



1. Ensure employees know how and where they fit
2. Consider retention bonus and career ladder
3. Consider work from home options



1. Leadership support and buy-in (including physicians)
2. Manage issues quickly as they arise
3. Clearly defined and executed communication plan



1. Standard use and leveraging technology
2. Training and education program to support workforce
3. Clear IT workflow, standardized forms



1. Managing time and workload expectations for staff
2. Manage resources to meet transformational needs
3. Share staff across the enterprise to meet demands



### Centralization: The Decision is Yours

By being proactive, HIM professionals can determine organizational vulnerabilities and address them immediately. Breaking down barriers that add risk ultimately drives down costs and improves efficiencies. The decision to centralize should be weighed heavily. If in doubt, consider the following questions<sup>6</sup>:

1. Is it mandated?
2. Does it add significant value?
3. Are the risks low?

Centralizing HIM operations reduces operational costs, establishes consistent processes, and eliminates redundancies by fostering lean organizations. Standardization of processes eases the burden on requesters, pulls information together at one location, and advances healthcare's Triple Aim goals. Communication is essential during the centralization process and beyond. Everyone may not support the

transition. Executive sponsorship and collaboration between staff, departments, and facilities is essential. Additionally, HIM professionals must understand the culture of the departments involved and how to leverage technological capabilities. The longer an organization functions with silos, the more difficult it will be to rid it of them, as well as more costly and risky.

The work of healthcare professionals is being reshaped by the centralization of HIM operations. The opportunity is open to eliminate silos that have impeded performance and impacted population health. To succeed during the ambiguity of change, HIM professionals must be proactive and lead the drive. Being proactive will enable them to leverage skillsets, redefine HIM's role, and identify the connections between their expertise and the healthcare system's strategic goals.

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### References

<sup>1</sup> <http://www.ahima.org/topics/infogovernance/igbasics?tabid=overview>

<sup>2</sup> Smith, Diann. California Health Information Association, AHIMA Affiliate. *Centralization of HIM Operations: Changing the Landscape with a Shared Services Model* (June 2015). Retrieved from <http://californiahia.org/sites/californiahia.org/files/docs/events/handouts/convention/wed-three-920.pdf>

<sup>3</sup> Schaeffer, Juliann. *How to Outsmart ROI Challenges*. For The Record (August 2015). Retrieved from <http://www.fortherecordmag.com/archives/0815p16.shtml>

<sup>4</sup> *Breaking Down Silo: Building High Performance Care Team*. Patient and Family Centered Care Methodology and Practice: PFCC Innovation Center. Retrieved from <http://www.pfcc.org/breaking-down-silos-building-high-performance-care-teams/>

<sup>5</sup> Kraynak, Andrea. *Reap Unexpected Benefits by Centralizing Your HIM Department*. HCPRO JustCoding News (April 14, 2010). Retrieved from <http://www.hcpro.com/HOM-249433-3288/Reap-unexpected-benefits-by-centralizing-your-HIM-department.html>

<sup>6</sup> Campbell, Andrew; Kunisch, Sven; Müller-Stewens, Gunter. *To Centralize or Not?* McKinsey & Company (June 2011). Retrieved from [http://www.mckinsey.com/insights/organization/to\\_centralize\\_or\\_not\\_to\\_centralize](http://www.mckinsey.com/insights/organization/to_centralize_or_not_to_centralize)

<sup>7</sup> Washington, Lydia. *Analyzing Workflow for a Health IT Implementation: an Often Short-shrifted Step is Essential in Successful IT Deployments*. Journal of AHIMA (January 2008). Retrieved from: [http://bok.ahima.org/doc?oid=77538#.VyEN\\_fkrlDv](http://bok.ahima.org/doc?oid=77538#.VyEN_fkrlDv)