

# Closing the EMR donut hole

## How to address the disclosure management gap in critical capabilities.

By Steve Hynes, president elect, AHIOS, and president, MRO; and Matt Rohs, past-president, AHIOS, and VP and GM, ROI Services at HealthPort, December 2013



While electronic medical record (EMR) software adoption is ramping, many of these systems offer a simplistic release of information (ROI) module for managing the complex and highly regulated process of disseminating thousands of medical documentation requests from various third parties. In fact, many of these EMR modules have a “disclosure management donut hole” or gap in capabilities when it comes to addressing the regulatory, revenue optimization, and productivity aspects of protected health information (PHI) disclosure management. Key areas that comprise this disclosure management donut hole include:

**Compliance gap.** EMR vendors have a laser focus on meaningful-use incentives to drive software adoption but have paid less attention to addressing strict new privacy and security regulations – from the HIPAA Omnibus rule increasing provider penalties for breaches up to \$1.5 million per year to the proposed Accounting of Disclosures (AOD) rule that may expand AODs to all electronic disclosures, including those for payment, treatment, and operations. EMRs have a large compliance gap that can put institutions at risk for financial penalties, lawsuits, and reputational damage.

**Connectivity gap.** EMRs enable providers and patients to access medical information through HIEs and patient portals, but this access only accounts for about 10 percent of all requests to providers. EMRs lack the connectivity and distribution capabilities to fulfill requests from the other 90 percent of stakeholders, including attorneys, government entities such as CMS, commercial health plans, and other auditors and requestors.

**Pricing and billing gap.** EMRs lack the pricing tools and billing engines to address the high volume and variation of ROI requests. Pricing regulations for ROI requests vary from state to state as well as by type of requester (e.g., workers compensation attorney rates may be different from personal injury attorney rates, and government entities pay regulated or fixed rates). Without flexible pricing and billing capabilities, providers cannot bill accurately and collect all revenue due, and they risk overcharging, which can lead to significant amounts of bad debt, liability, denial of payments, and even litigation.

## EMR's FALL SHORT IN MEETING CRITICAL RELEASE OF INFORMATION REQUIREMENTS

**Reporting gap.** EMR systems lack the capability to monitor ROI productivity and financial metrics. Therefore, providers are unable to optimize the management and results of the disclosure management process. Because EMRs are deficient in providing disclosure management reporting, the economic benefits of the ROI process are difficult and labor-intensive to attain.

**Customer service gap.** EMR vendors are in the software business and lack the in-depth customer service capabilities required to address the nuances and complexities of regulations involved with fulfilling ROI requests.

To address the donut hole in EMRs, hospitals and health systems need to look to expert disclosure management outsourcers (DMOs) who have a core competency in understanding existing and emerging regulations along with a proven business model. Unlike EMR software, DMOs have the compliance-savvy staff and sophisticated disclosure management technology systems to:

**Optimize compliance.** DMO staff are continually trained on the latest regulations, including state pricing laws, that are keys to optimizing revenue and reducing litigation risks from non-compliant charges.

**Provide connectivity to all stakeholders.** With the requisite connectivity networks and interfaces as part of their core infrastructure, DMO experts can properly fulfill all ROI requests, including those from government, payers, auditors, and attorneys.

**Eliminate revenue shortfalls.** DMOs have the robust billing engines and specialized tools to track, collect, and manage the high volume of \$40-average invoices to minimize write-offs.

**Offer better control.** DMOs eliminate the need to build one-off interfaces to EMR data by providing powerful tracking and reporting systems that put you in control, optimize financial returns, and mitigate risk.

**Deliver faster turnaround times.** Unlike EMRs, DMOs provide systems with alerts and alarms to drive efficiency, expedite payments from payers, and reduce risks of missing audit deadlines and losing opportunities to recover critical revenue streams.

As EMR adoption continues to soar, providers must act now to address this pervasive PHI disclosure management donut hole. DMOs are an industry best practice with the regulatory knowledge, sophisticated tracking, reporting, and billing systems, along with the high-touch service capabilities to optimize revenue and productivity while mitigating institutional risk. With an EMR and a DMO, you can create an end-to-end records management initiative that supports your clinical, compliance, and financial goals. You may also sleep better the next time you see a donut hole.

Learn more at [www.ahios.org](http://www.ahios.org).

### About the authors

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