5 WAYS RURAL HOSPITALS CAN **FIND SAVINGS IN HIM**

REDUCE **INFORMATION MANAGEMENT** EXPENSES

Introduction

Rural hospitals are an integral part of our nation's healthcare infrastructure providing critical services – from primary to long-term care – for nearly 57 million Americans. Recent years have presented countless challenges for rural hospitals. Factors such as rising cost of care, increased competition, lower reimbursement rates, unbalanced payer populations, reduced patient volume, uncompensated care, increasing labor costs and increased regulation have constricted operating margins for rural hospitals. These challenges require hospitals to focus on efficiency to survive. While most savings initiatives focus on revenue cycle and care partnerships, our experience working with hospitals has uncovered innovative approaches to reducing the administrative load of Health Information Management (HIM) departments. The following are five ideas rural hospitals should consider to reduce their Information Management expense.

1

Optimize Retention

Don't keep physical records longer than required. Many rural hospitals keep physical records too long because of the way they are organized. For example, it is common to store medical charts alphabetically or by medical record number. This extends the amount of time a given record set is stored by mixing records of varying retention. Generally, organizations don't have a file level inventory of the records they have; making it hard to find records when they are needed and almost impossible to keep up with retention. The complexity of retention laws makes the problem worse, as the risk of making a mistake is very high, so most HIM teams default to storing them indefinitely. Upfront discovery enables you to keep the most useful information and offload older records that are already eligible for destruction, lowering management cost, reducing risk, and improving compliance. Additionally, employee productivity is boosted, as maintaining legacy records systems often requires additional staff to support paper-driven processes. Optimizing retention can also help you reclaim valuable clinical space to generate revenue.

2   Eliminate Legacy Systems

Ongoing costs associated with legacy record sets aren't limited to paper form. Most hospitals have used more than one electronic medical record (EMR) system. As hospitals and their technology needs evolve, EMR and business software system upgrades are necessary. Legacy systems aren't actively used going forward, but retention requirements and access needs for the legacy data remain. Maintaining old systems comes at the expense of software licenses and technical support. We recommend extracting data from proprietary systems and moving into a secure, HIPAA-compliant static management platform, eliminating the complexity of straddling multiple systems and reducing the expense of ongoing licensing and maintenance.

3   Outsource Release of Information

In a healthcare environment where everyone is overstretched, simple processes can sometimes turn into never-ending complications. Streamlining Release of Information (ROI) can both reduce expense and improve outcomes. While providing reliable access to patient records is important for many reasons, the cost of an internal Release of Information (ROI) program isn't justified for the volume of the standard rural hospital. ROI services generate little to no income, as the ability to charge patients for records requests is limited by statute, and the cost of payroll, benefits, software, storage, and other overhead costs to run the program often exceed the revenue it generates. Outsourcing ROI can significantly reduce your administrative load, while improving the patient experience.

4   Scan Smarter

Scanning can become a black hole of payroll if not managed properly. Digitization is important to fully adopt your EMR, access records remotely, and eliminate delays in patient care due to misplaced charts or incomplete health information. However, the way you scan is important. First, you should consider what you scan, and when. By prioritizing files you need to access frequently or on an ongoing basis, you will reduce the labor required to clean up a backlog of paper. Using this strategic approach, you may find that some records will meet their retention before you get to scanning them, or won't ever be needed. These can be managed with a scan on demand process, in which you only incur the cost of scanning when you need the file. As you review your scanning strategy, review outsourced solutions. Workforce participation is at an all-time low, and labor shortages across industries, especially healthcare, are at an all-time high. Outsourcing can speed up the timeline to complete a scanning project and reduce your need for full-time employees once your conversion is complete.

5 **Evaluate Space**
Audit your use of in-house space and outside storage to manage hardcopy records. You can repurpose in-house storage space for revenue generating activities. Additionally, external space such as rented warehouses and storage units increase the risk of a breach and the cost for your staff to maintain and access the records. Often the facilities team bears the brunt of this management expense. By optimizing internal space and eliminating external storage, you can both reduce expense and increase compliance.

As you evaluate spend in your HIM department, ask yourself these questions:

> *• Do you have a retention policy?*
> *• Do you have multiple EMR systems or legacy records sets?*
> *• Are you storing records in file rooms or offsite storage buildings?*
> *• How many FTEs are required to manage ROI and day-to-day scanning?*
> *• Are you responsible for records from closed practices or retired physicians?*

Depending on your answers to these questions, you could save tens of thousands of dollars in your HIM department's monthly budget. Need help implementing some of the strategies shared above? Visit **SecureRecordsSolutions.com/HIM** to explore how your HIM Department can reduce expense.

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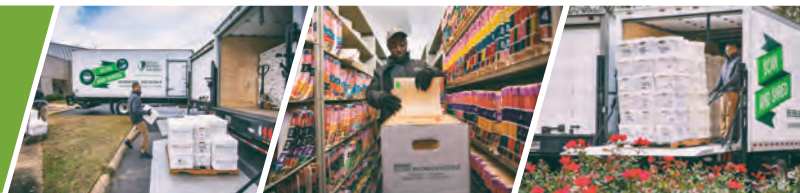
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