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AHIOS Wins Significant Increase in U.S. Government's Photocopying Reimbursement Rate

*—More Equitable Compensation Beginning in 2004 for
Health Information Management Outsourcing Industry —*

WASHINGTON, D.C., December 16, 2003 — The Association of Health Information Outsourcing Services (AHIOS) has played a key role in persuading the federal government to increase its reimbursement rate for photocopying Medicare recipients' medical records. Effective January 5, 2004, the reimbursement rate will rise from 7 cents to 12 cents a page, a 40 percent increase that reflects in part the increasing complexity of safeguarding confidential patient information.

“AHIOS invested a solid three years supporting this effort, and we are pleased by this interim victory in our efforts to ensure appropriate reimbursement for our services,” said AHIOS legislative chair Jan McDavid, who is also general counsel for SMART Corporation.

Quality Improvement Organizations (QIOs), which contract with the federal government to review Medicare hospital stays, request copies of patients' records to evaluate the quality of care they receive. Typically such requests are fulfilled by health information outsourcing companies, which had been reimbursed for their services at a rate originally set in 1992.

“By factoring in inflationary changes in labor and supply costs, the adjusted reimbursement rate begins to close the gap between what the government had been willing to pay and the actual cost that service providers incur in fulfilling requests for confidential patient information,” said McDavid. “Appropriate information release involves an elaborate set of checks and balances governed by myriad regulations. Therefore, our work continues to ensure that reimbursement accurately reflects the complexity and risk involved in releasing patients' medical information.”

In addition, the final rule, promulgated by the Centers for Medicare & Medicaid Services of the Department of Health and Human Services, provides for the periodic review and adjustment of the reimbursement rate without the requirement of future rule-making.

According to AHIOS president Richard C. Logan, who is also president of Medical Record Associates, Inc., “We see in this rule the growing recognition that the release of confidential patient information — even to authorized requestors — must be performed with great precision and care, making it more than a straightforward photocopying procedure.”

The new reimbursement rate also applies to other healthcare organizations that serve Medicare patients and are reviewed by QIOs, including skilled nursing facilities and home health agencies.

For a copy of the final rule, please visit <http://a257.g.akamaitech.net/7/257/2422/14mar20010800/edocket.access.gpo.gov/2003/pdf/03-30096.pdf>.

About the Association of Health Information Outsourcing Services

Established in 1996, AHIOS promotes, strengthens and enhances the health information management outsourcing industry while ensuring excellence in the handling and dissemination of confidential patient-identifiable information. Its goals are to increase awareness of the value, importance and complexity of the industry’s services; establish standards of excellence for the industry of health information management outsourcing; pursue fair and equitable treatment of the industry through legislative, regulatory and legal processes; and create educational and networking opportunities for members.

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