

# **The Potential Impact of Money Follows the Patient and Universal Health Insurance on Clinical Coding in Ireland**

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## **Abstract**

The Irish government's vision for healthcare is a single-tier system with universal access to healthcare for all based on need, which is underpinned by compulsory Universal Health Insurance (UHI). Transition to a transparent funding model that drives efficiency and ensures fair allocation of resources is essential to achieve this vision. The introduction of a Money Follows the Patient (MFTP) model where hospitals are paid based on the services they provide in accordance with defined quality standards is the first step. This type of case-based (or Diagnosis Related Group [DRG]) reimbursement model requires consistent and unambiguous communication between the service provider and the payer, which is achieved through clinical coding of the patient's medical record. The objective of this research is to ascertain the potential impacts that the introduction of MFTP and UHI will have on clinical coding in Ireland.

The current state of clinical coding in Ireland was investigated using an online questionnaire with staff from public and private hospitals, while a literature review presented the international perspective. Interviews were conducted with six key stakeholders including clinical coders and a representative from a private non-coding hospital, insurers, the HSE, and the ESRI. Given the similarity with Australia, a case study was carried out to determine what lessons Ireland could learn from their experience of transitioning to a DRG-based reimbursement model. As insurers in Ireland will play a key role in the move to UHI, a second case study was undertaken to assess their challenges in relation to clinical coding.

It was concluded that MFTP and UHI will impact on clinical coding in Ireland. Operationally process change will be required, the coding workforce will expand and adapt to its escalated profile, all public and private hospitals will have to code, additional services will necessitate coding, and increased clinical interaction will ensue. Senior management commitment will be vital to the success of this transition. The quality of coded data, and the underlying clinical documentation, will achieve unprecedented significance as providers strive to maximise income and payers introduce measures to ensure appropriate pay out. In addition to funding, coded data will continue to experience an upsurge in consumption as awareness grows of the value that can be derived from it. Coded data will be used by a variety of stakeholders for an increasingly diverse range of purposes including performance management, benchmarking, price setting, policy development, resource allocation and contract negotiation. Streamlining of data collection and national datasets, which require government mandate, will be crucial.