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MISSED OPPORTUNITIES?

The Labor Market in Health Informatics, 2014

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The Labor Market in Health Informatics, 2014

Health care reform depends on the better management of medical information—"health informatics"—yet the labor market is not keeping up with the demand for workers with these skills.

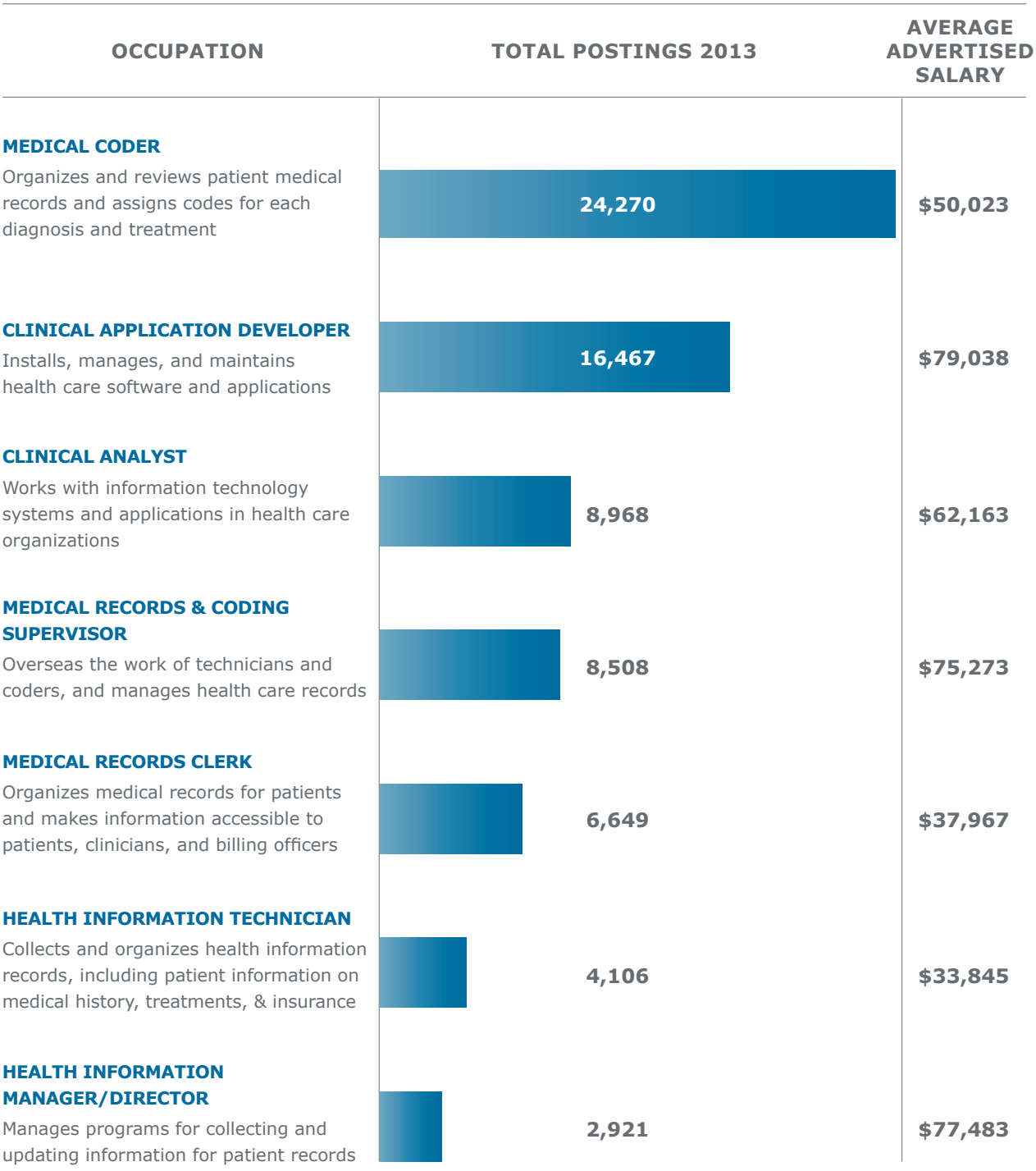
The demand for health informatics workers is projected to grow at twice the rate of employment overall, but there is strong evidence that the nation already faces a shortage of qualified workers in this field. A recent Accenture employer survey on middle-skill jobs found that health care employers consider medical coders—the largest health informatics occupation—to be one of their hardest-to-fill positions.[1] According to a Burning Glass Technologies analysis of job postings nationwide, health informatics jobs remain open longer than many others, a clear sign that employers struggle to fill these positions.

THE CHANGING HEALTH INFORMATICS LANDSCAPE

Health informatics includes positions involved with the collection, handling, and processing of health care information for a variety of purposes, from billing to medical quality assurance. Accurate coding of patient records is fundamental to the entire health care system, both to providing treatment and ensuring providers get paid by insurance companies. This field once was primarily clerical, but "big data," electronic record-keeping, and a shifting regulatory environment have reshaped it, and now these positions often involve sophisticated, judgment-based work. This has resulted in a more diverse set of health informatics roles just as demand has exploded.

[1] Accenture, "Finding the Middle: How businesses can manage the talent pipeline to close the middle-skills employment gap," Ravi Chanmugam, David Smith and Laila Worrell, 2014. www.accenture.com/us-en/Pages/insight-finding-middle-how-businesses-manage-talent-pipeline-close-middle-skills-employment-gap.aspx

HEALTH INFORMATICS ROLES, BY NUMBER OF POSTINGS AND SALARY



Making better use of medical information has huge potential for lowering costs and improving quality, and is one of the few areas in health care where providers, insurers, and policymakers of both parties agree. This is also one of the few areas of consistent job growth since the Great Recession began in 2008. The Bureau of Labor Statistics projects that the number of jobs in this field will grow 22% by 2022, twice as fast as employment overall.[2]

In addition, the field is being transformed by the shift to a new, international-standard coding system called ICD-10, set to be complete in October 2015. The conversion will increase the number of codes from roughly 18,000 under the old system to more than 150,000.[3] That will make coding much more precise, but also increase the demand on (and for) coders.

The original deadline for ICD-10 conversion was October 2014, but it was pushed back by a year to give the industry more time to adapt. A recent industry survey found that only 46% of health care billing companies are "very confident" they will be ready for the change.[4]

EMPLOYERS ARE STRUGGLING TO FILL HEALTH INFORMATICS JOBS

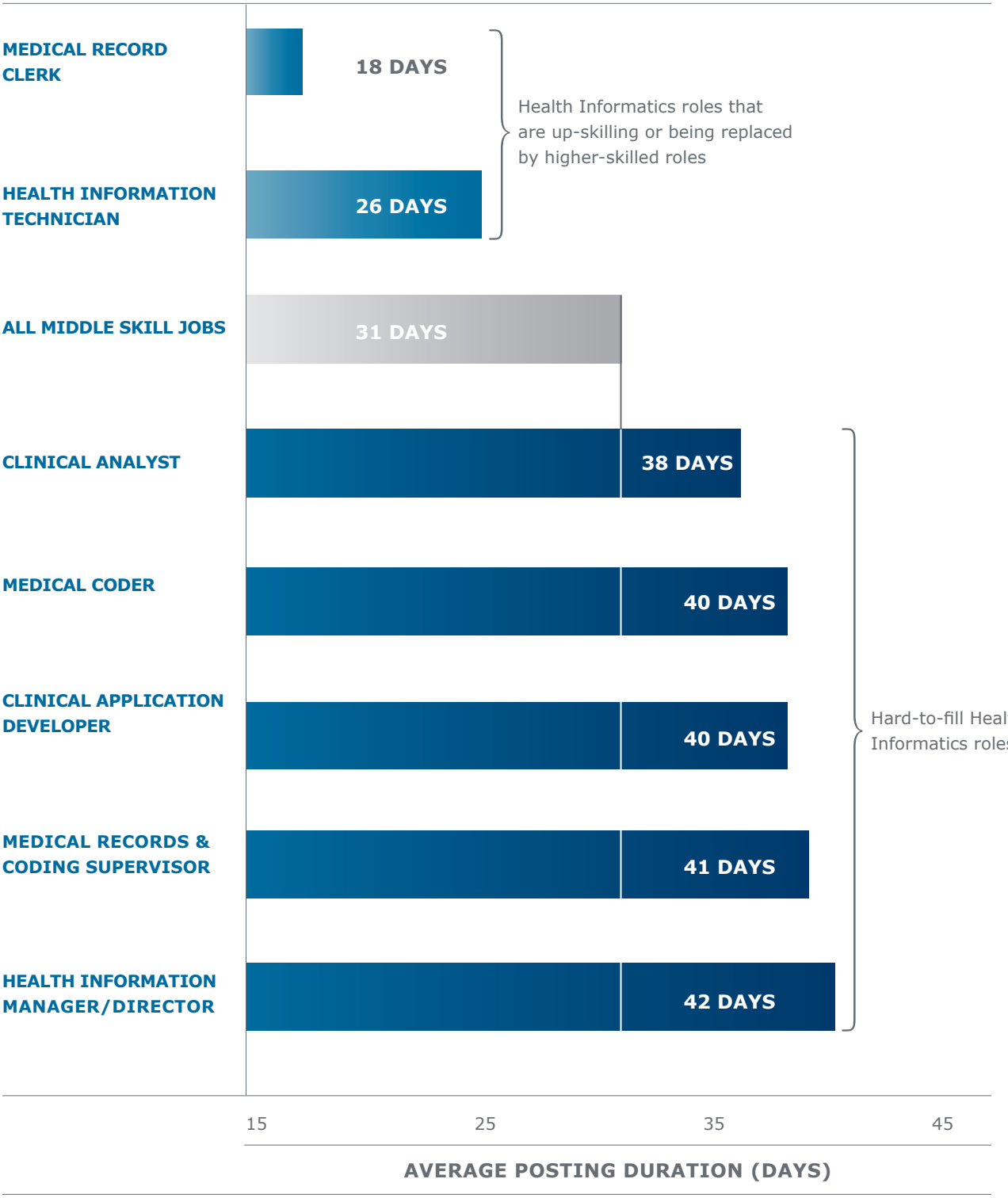
As a result of the rapid evolution and growth in health informatics, employers are struggling to fill many of these jobs. On average, health informatics positions stay open for 35 days – two days longer than the national average posting duration of 33 days. Even more striking is the fact that new and emerging health informatics positions stay open twice as long as the ones they are replacing. Postings for Medical Records Clerks, an older position, stay open for 18 days on average, compared to 38 days for its newer successor, Clinical Analyst.

2 Employment Projections Program, U.S. Department of Labor, U.S. Bureau of Labor Statistics, www.bls.gov/emp/

3 American Medical Association, "ICD-10 Code Set to Replace ICD-9," accessed Nov. 17, 2014, www.ama-assn.org/ama/pub/physician-resources/solutions-managing-your-practice/coding-billing-insurance/hipaahealth-insurance-portability-accountability-act/transaction-code-set-standards/icd10-code-set.page

4 "ICD-10 Readiness Results," Healthcare Billing and Management Association, Sept. 2014, www.hbma.org/news/compliance/icd-10/latest-news.

AVERAGE POSTING DURATION FOR HEALTH INFORMATICS POSITIONS



The big question here is why. This has potential implications not just for employers but also for efforts to improve health care in general. These record-keepers and analysts are the foot soldiers in the effort to create a digital, information-rich, seamless care system. A shortage of talent qualified to undertake these jobs can impede key improvements to America's health care system—let alone the basic ability of the system to pay bills.

One reason is that technology is changing the field so rapidly. Some of these informatics positions are classic examples of jobs created by new technology. For example, the position Clinical Software Applications Specialist, which involves managing applications that track medical data, simply did not exist 20 years ago. Other changes, including payment reforms, privacy requirements, and conversion to ICD-10, are making these emerging health informatics positions more complex.

Another, perhaps even more important, contributing factor in this shortage is revealed through Burning Glass's analysis of the skill requirements of these roles. Specifically, our research finds that many of these new jobs are hybrids, requiring skill sets from different disciplines and which therefore are not typically trained together. That means that people trained in any one required area of expertise are unlikely to have some of the other skills demanded in these new jobs. One example is the role of Clinical Analyst, which assists clinical staff with IT systems, interprets data, and manages patient records. That requires some of the skills both of a registered nurse and of an IT technician—at present, an uncommon combination. As a result, Clinical Analyst positions stay open 15% longer than the national average, a symptom of a shortage that could hamper the industry.

THE TALENT PIPELINE IS LEAKING

Even with these trends, there should be enough workers, at least in theory, in the field of medical coding. According to federal statistics, there are 125,000 workers currently in these jobs. All of them could compete for the roughly 45,000 open postings for nonclinical coders tracked by Burning Glass, and another 34,000 graduates of medical coder training programs enter the field every year. [5]

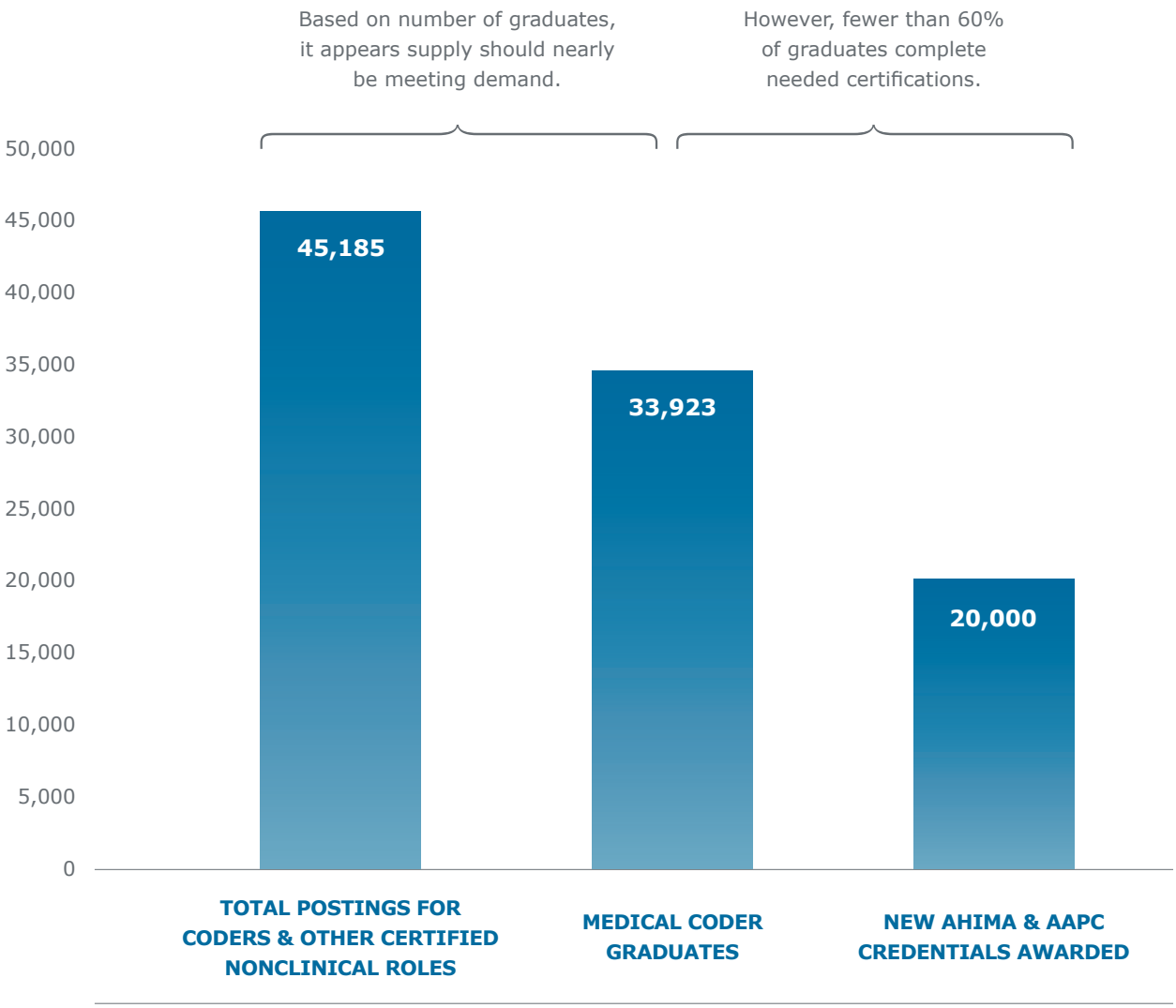
The number of graduates is deceptive, however. Certifications are all but mandatory in the medical coding field, and the tests are stringent. Only some 68% of those who take the exam pass, according to the American Health Information Management Association.[6] That's a passing rate comparable to the bar exam.[7] More than 40% of program graduates do not obtain the needed certifications, so it seems possible that many graduates aren't even being directed to the certification exams.

5 National Center for Education Statistics, IPEDS.

6 American Health Information Management Association (AHIMA), www.ahima.org/~/media/AHIMA/Files/Certification/Summary%20of%20Certification%20Activities.ashx.

7 Bar Admission and Examination Statistics, National Conference of Bar Examiners, www.ncbex.org/publications/statistics/.

SUPPLY AND DEMAND FOR MEDICAL CODERS

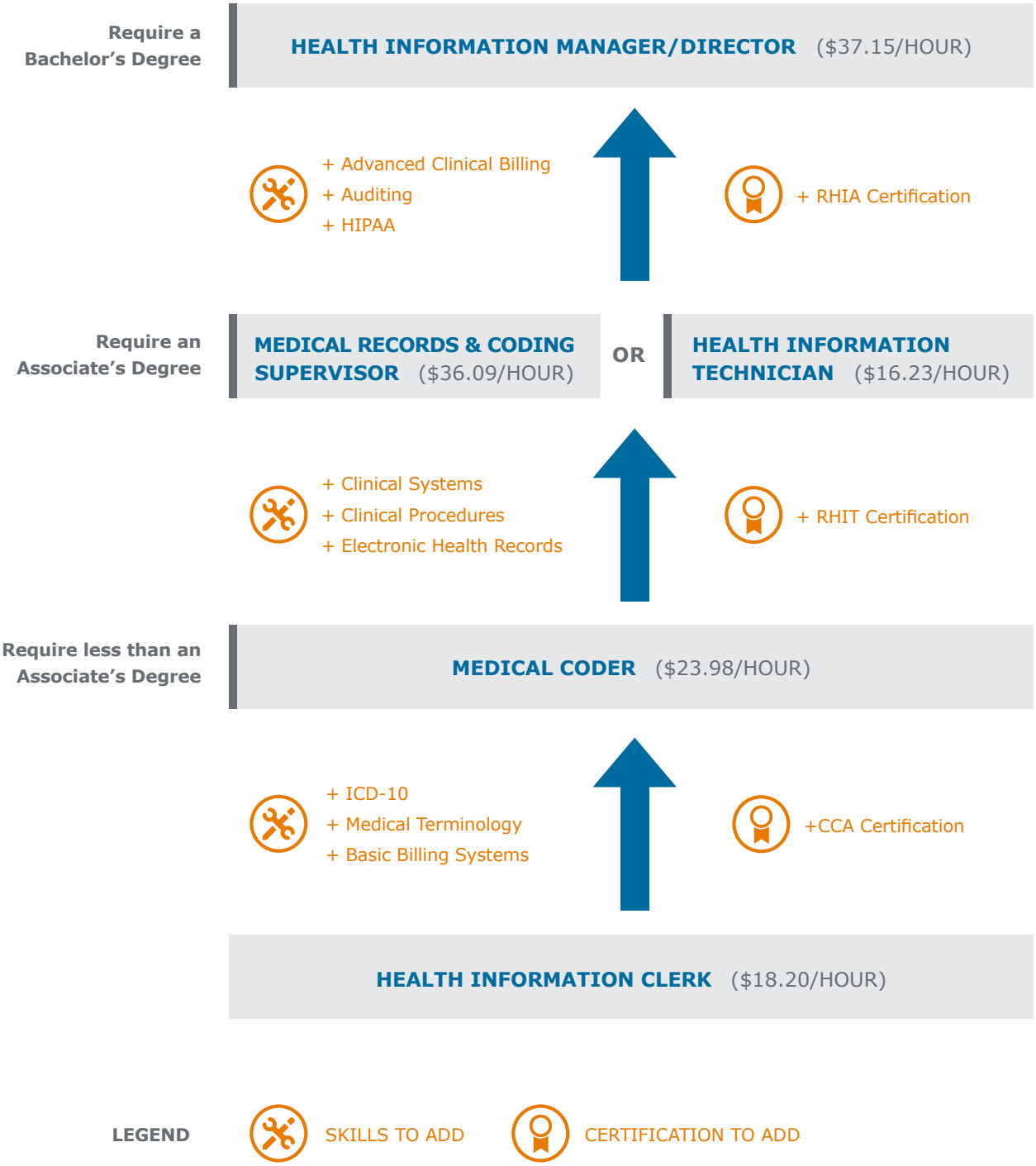


ARE WE MISSING AN OPPORTUNITY TO FILL GOOD JOBS?

Demand for health informatics jobs is likely to remain strong. Not only do these new informatics jobs pay better than their older counterparts, but they are also opening up a whole new set of opportunities for career advancement. Workers starting out as Health Information Clerks or Medical Coders can take advantage of clearly defined pathways that will let them move into more senior roles that pay more. These workers will have to continue to improve their skills and qualifications, of course, but there is an upward trajectory. These are likely to be good careers that can support a decent, middle-class lifestyle—no small thing given the difficult economic trends facing the nation overall and middle-skill job seekers in particular.

HEALTH INFORMATICS ROLES PROVIDE ROOM FOR ADVANCEMENT

Career Progression for Health Informatics Roles



Importantly, these are careers that offer substantial opportunity for job seekers who do not have a bachelor's degree, a group that faces significant challenges as more occupations "upcredential" and require a B.A. even for jobs that were once open to those with less education.[8]

PERCENTAGE OF HEALTH INFORMATICS JOB POSTINGS OPEN TO SUB-B.A. WORKERS

OCCUPATION	% SUB-B.A.
MEDICAL RECORD CLERK	100%
MEDICAL CODER	100%
HEALTH INFORMATION TECHNICIAN	96%
MEDICAL RECORDS & CODING SUPERVISOR	66%
HEALTH INFORMATION MANAGER/DIRECTOR	60%
CLINICAL ANALYST	26%
CLINICAL APPLICATION DEVELOPER	21%

8 See Burning Glass Technologies report "Moving the Goalposts: How Demand for a Bachelor's Degree is Reshaping the Workforce," www.burning-glass.com/research/credentials-gap/, published in Sept. 2014.

So far, however, supply is not keeping up with demand. To the extent that employers, educators, and workforce policymakers are failing to act to meet this demand, we are missing an opportunity—and that's an expensive proposition, for employers and job seekers alike.

IMPLICATIONS AND OPPORTUNITIES

FOR TRAINING PROVIDERS

- Institutions should focus on aligning programs with the challenging certification regimens required to work in the field in order to increase the passing rates for their students.
- Institutions should develop closer ties between their clinical and IT programs, to produce more of the hybrid skill combinations that the health care field is demanding.

FOR STUDENTS AND JOB SEEKERS

- Job seekers and students should acquire a series of credentials that are both portable—that is, trusted by a broad swath of employers—and "stackable." Stackable credentials build on existing qualifications and enable workers to move up progressively to more advanced, higher-paying jobs.
- Students interested in either health care or IT fields should consider cross-training in order to remain flexible and adjust to the core role informatics will play in health care.

METHODOLOGY

To analyze the size, scope, and dynamics of hiring demand for health informatics jobs, Burning Glass mined its comprehensive database of nearly 100 million unique online job postings dating back to 2007. Burning Glass's spidering technology extracts information from close to 40,000 online job boards, newspapers, and employer sites on a daily basis and de-duplicates postings for the same job, whether it is posted multiple times on the same site or across multiple sites.

For the purpose of this report, health informatics jobs were defined as those that primarily involve the collection, coding, and analysis of clinical information for a variety of purposes, from billing to medical quality assurance. Excluded from this analysis were lower-level medical billing jobs that do not explicitly require coding skills.

The classification of health informatics jobs into seven categories—ranging from upper-level health information managers and clinical analysts, to midrange medical coders and health information technicians, to lower-level medical records clerks—was based on an analysis of job titles, skills, and education qualifications extracted from real-time job postings.