

# MEDICAL CODERS in the SAN FRANCISCO BAY REGION



Healthcare is one of the largest employers in California, providing a wide range of well-paying career opportunities for residents. In 2014, the Centers of Excellence partnered with the Health Workforce Initiative (HWI) and the California Hospital Association (CHA) on two healthcare surveys to **assess workforce needs** at both state and regional levels. The surveys targeted three healthcare sectors:

- **Hospitals** provide medical, diagnostic, and treatment services to inpatients and some outpatient services.
- **Ambulatory Healthcare Services** provide healthcare services to outpatients in settings such as offices of physicians, outpatient care centers, and laboratories.
- **Nursing and Residential Care Facilities** provide residential care combined with either nursing, supervisory, or other types of care as needed.

Statewide, 190 hospitals responded to the hospital survey and 1,600 clinics, labs and facilities responded to the ambulatory and residential care survey, providing an excellent sample to analyze healthcare workforce demand across the state and in several regions. The research focused on identifying: (1) labor market demand for key occupations in healthcare industries, (2) training supply supporting healthcare industries, and (3) key issues impacting supply and demand.

This report is one in a series of reports profiling healthcare occupations in the San Francisco Bay region.<sup>1</sup> There are ten occupational profiles in the series: registered nurses, certified nursing assistants, licensed vocational nurses, medical assistants, medical coders, physician’s assistants, healthcare social workers, medical laboratory technicians, occupational therapy assistants and home health aides.

## Labor Market Demand

In the San Francisco Bay region, there are approximately 2,700 medical coder jobs in the ambulatory and residential care subsectors. Over a 12 month period (April 2014 to March 2015), employers in these subsectors will need to fill 380 openings created by new job growth and replacement needs.

### Projected Employment for Medical Coders<sup>2</sup>

Ambulatory & Residential Care Industries (n=151)	2014 Employment	12-Month Growth	Replacement Jobs	Total Openings (Growth + Replacements)
	2,702	83	297	380

California Hospital Association members that responded to the survey employ approximately 145 medical coders. This sample does not include an estimate of total hospital employment because only 41% of hospitals in the region provided information about medical coders.

### Current Employment for Medical Coders

Hospitals	Current Employment*	Full-time Positions	Part-time Positions	Per Diem Jobs
	145	130	15	8

\*Ending headcount for the 4<sup>th</sup> quarter of 2013.

### Labor Market Trends

#### Ambulatory & Residential Care

- Ambulatory and residential care employers project a 3% increase in new medical coder jobs over a 12 month period (Apr 2014 to Mar 2015).

#### Hospitals

- 90% of medical coders employed by hospitals work full-time.

<sup>1</sup>The Bay region includes the following 12 counties: Alameda, Contra Costa, Marin, Monterey, Napa, San Benito, Santa Clara, San Francisco, San Mateo, Santa Cruz, Solano, and Sonoma counties.

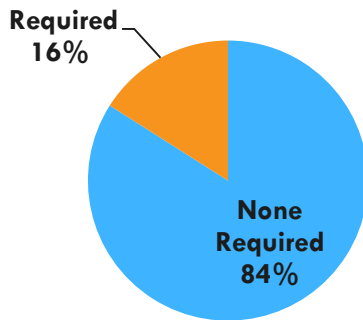
<sup>2</sup> Ambulatory and residential care and hospital employment counts include full-time and part-time employment. Additional data on per diem employment for hospitals is totaled separately.

## Hiring Trends

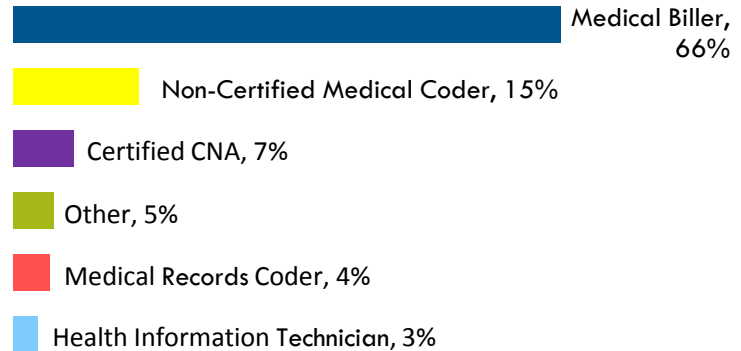
In the ambulatory and residential care survey, employers were asked about preferences for industry certification. A significant percentage of employers (84%) do not require certification. For employers who do require certifications (16% of total), Certified Coding Associate (CCA) is the most popular certification with 31% of employers preferring it. 19% of the employers preferred CCS-P, and 13% preferred Certified Coding Specialist (CCS). Only 6% of employers prefer medical coders to be registered Health Information Technicians (RHIT, RHIA).

Additionally, many medical coding professionals work under a variety of job titles. 66% of medical coders work under the job title of medical biller. Employer responses about the most common job titles for medical coders are displayed in the chart below.

**Medical Coders: Required Certifications**

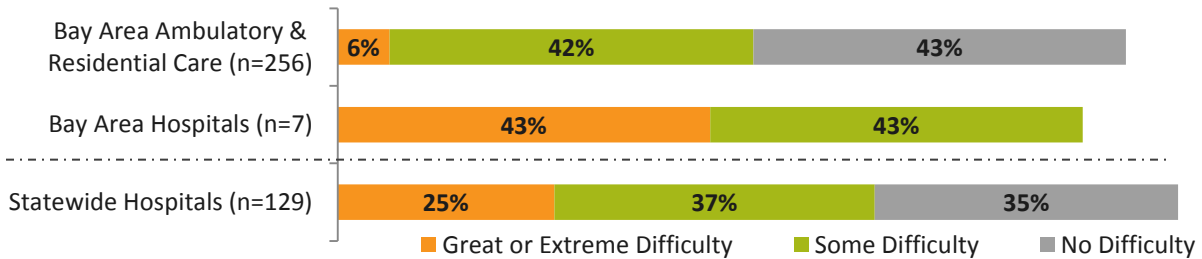


**Medical Coder Job Titles**



## Difficulty Hiring

Almost half of the employers (48%) in the **Bay region ambulatory and residential care** subsectors reported difficulty finding qualified applicants for entry-level medical coders. Of the seven **Bay region hospitals** who responded, 86% reported difficulty finding qualified applicants. Six out of ten **hospitals statewide** are reporting difficulty finding qualified applicants for entry-level positions.



## Training Supply

There are six medical coding programs in San Francisco Bay region. Canada College, City College of San Francisco and four other private educational institutions offer programs in health information medical records technology and medical insurance coding. There are other related programs at community colleges under different TOP codes besides Health Information Coding (HIC). Santa Rosa Junior College offers an Associate degree in Medical Assisting, Coding and Reimbursement, and Solano College offers a Medical Office and Coding Specialist Associate degree and Certificate of Achievement under Office Technology.

Degrees or Certificates on TOP 1223.10 (HIC) or CIP 51.0707 (HI/Med Records)	Associate Degrees CCs	Certificate 2<4 years CCs	Certificate 1<2 years CCs	Certificate <1 Year CCs	Total All Community Colleges	Certificate 1<2 years Private	Certificate 1<years Private	Total Annual Average
3 Yr Annual Ag 2010-13 % of Total	11 6.3%	53 30.1%	10 5.7%	39 22.2%	113 64.2%	37 21.0%	27 15.3%	177

These estimates are based on data reported to the California Community College Chancellor's Office Data Mart and National Center for Education Statistics (NCES). Higher education institutions are required to report completion data to NCES if they participate in any federal financial assistance program authorized by Title IV of the Higher Education Act. Completion data not reported to the NCES or CCCC Data Mart were not included in the estimate.

**Medical Coder Programs:  
SF Bay Region**

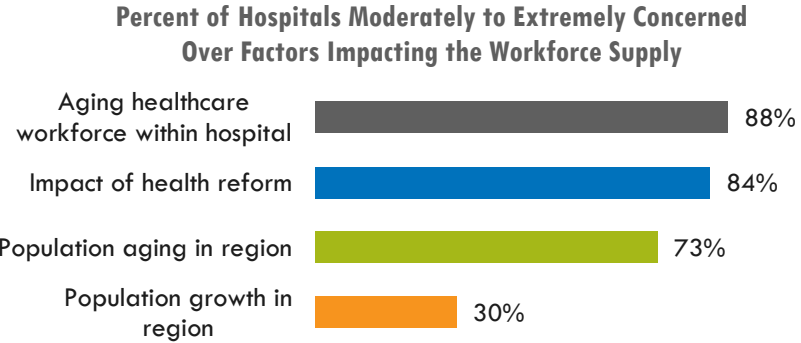
**Community Colleges (2)**  
Canada College  
City College of San Francisco

**Private Education Institutions (4)**  
Institute for Business & Technology  
Everest College: Hayward & San Francisco  
Empire College School of Business

## Supply Challenges

The healthcare sector is facing a variety of factors that may have a direct impact on the workforce supply. Across California, the majority of hospitals are concerned that health reform, the aging hospital workforce, and the aging population will have a significant impact on the state's ability to keep up with healthcare workforce demand. Healthcare reform is expanding coverage to thousands of previously uninsured residents, which is increasing demand for healthcare services across the board. The aging population will expand demand for certain types of services, creating additional need for skilled workers.

The impact of healthcare reform has created an immediate supply challenge for medical coding professionals. All medical coding professionals are required to learn a new coding system (ICD-10) by October 1, 2015. This new coding system will expand the current number of medical codes from 17,000 to approximately 140,000. As a result of the changes, all existing medical coders will require training on the new coding system. To accommodate this need, employers are using a variety of methods to re-train workers. 26% of employers are using an offsite vendor to provide training, while 46% are providing internal on-site training.



## Employer Perspective

63% of ambulatory and residential care facilities provide professional development (either in-house or sponsored training) for medical coders. Some of the training topics include: Comprehensive medical billing claims and coding, policies and procedures, and software training. Ambulatory and residential care employers also provided topics community colleges could offer or improve upon to support professional development for their existing staff. The following suggestions were offered:

**Sidebar Discussion**

Many employers identified customer service as an area for improvement in existing professional development offerings.

How can community colleges incorporate customer service into medical coding curriculum?

Offer	}	<ul style="list-style-type: none"> <li>• Courses on Anatomy and Physiology</li> <li>• Training on new medical coding system (ICD-10)</li> <li>• Customer services, clerical, and broad office software skills for medical coding professionals</li> <li>• Training for patient interviewing techniques</li> <li>• Training on improving accuracy and efficiency</li> </ul>
Improve	}	<ul style="list-style-type: none"> <li>• Greater knowledge of large insurance companies, differences between them in terms of coding policies, and navigation of their websites</li> <li>• Medical Terminology, including dental</li> <li>• Classes specific to medical billing</li> <li>• Offer shorter certificate programs</li> </ul>

## In Summary

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Changes in the medical coding profession are creating an immediate need for updated curriculum and education to train incumbent workers and maintain a supply of skilled coding professionals. Some of the key factors impacting the medical coder workforce include:

- 48% of **Bay region ambulatory and residential care** employers report difficulty finding qualified applicants for entry-level medical coding positions. 62% of **hospitals statewide** are reporting difficulty finding qualified applicants for entry-level positions.
- The new medical coding system (ICD-10) requires re-training of existing coding professionals and a curriculum change for existing medical coding programs.
- Employers have a need for medical coding professionals to be proficient in medical billing practices.
- Hospitals are concerned that health reform, the aging hospital workforce, and the aging population will have a significant impact on the state's ability to keep up with healthcare workforce demand.

Community colleges can play a role in removing barriers in the training supply by working with healthcare employers to address key issues such as implementation of the ICD-10. There is an identified need for short-term certificates and professional development training that community colleges in the Bay region are well-positioned to offer.

In the short-term, ambulatory and residential care employers suggested that community colleges augment their existing programs by (1) integrating more training on large insurance companies and their websites, (2) offering training on the ICD-10 coding system and (3) providing training to increase accuracy and efficiency.

## For More information

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This document and others are available to download at [www.coecc.net/health](http://www.coecc.net/health). For more information on this study, contact:

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Health Workforce Initiative



**More about the Health Workforce Initiative:** The HWI provides education and training programs to meet emerging demands for healthcare industry workers; to determine needs, facilitate development of innovative solutions and to locate resources to implement planned responses; to evaluate and initialize health-related educational programs. More information about the Health Workforce Initiative is available at [www.ca-hwi.org](http://www.ca-hwi.org).

**More about the Centers of Excellence:** The Centers of Excellence (COE), in partnership with business and industry, deliver regional workforce research customized for community college decision making and resource development. This information has proven valuable to colleges in beginning, revising, or updating economic development and Career Technical Education (CTE) programs, strengthening grant applications, assisting in the accreditation process, and in supporting strategic planning efforts. More information about the Centers of Excellence is available at [www.coecc.net](http://www.coecc.net).

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