

Philippines sees big growth in outsourced medical services

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Leaders of the Philippine outsourcing industry said Monday they expect a big increase in business as the result of a new, highly detailed medical diagnosis coding system adopted by the U.S. for insurance claims.

The Philippines is the world's leader in international call center services. Its information technology and outsourced services <u>industry</u> is expected to employ 1.3 million people by 2016, when annual earnings are seen to reach \$25 billion. The industry has been growing 15-18 percent yearly, earning \$18.9 billion last year.

Dan Reyes, <u>chairman</u> of the IT & Business Process Association of the Philippines, said the new U.S. coding system will open up more processing jobs and the Philippines stands to gain because of its large pool of graduates in medical-related fields.

Earnings have jumped 30 percent a year for the Philippine sector providing medical billing and other services to U.S. companies, making it the fastest growing of outsourced services, said Jose Mari Mercado, the association's president and CEO. It is followed by <u>information</u> <u>technology</u>, finance and accounting, and contact center operations.

Under the new system, the roughly 14,000 codes used by U.S. health providers to represent diagnoses have been expanded to about 68,000 codes to capture more details of a patient's chart.

The codes, for example, can now distinguish between whether a goose or



a parrot nipped a patient.

The U.S. government said the changes should help health officials better track quality of care, spot early warning signs of a brewing outbreak or look for illness or injury trends.

Mercado said the industry is coming up with a new roadmap from 2017 to 2022 that will consolidate plans for different sectors such as health care, animation, contact centers, finance and accounting, and game development.

The likelihood of maintaining or surpassing current growth rates "is very, very strong," he added.

The new roadmap will identify opportunities and what needs to be done to address challenges including the lack of infrastructure, the loss of Filipino workers for better-paying jobs abroad, and adjusting to new business models that require more automation and robots, the industry leaders said.

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