

# Hibbing software developer reaps reward of daring rewrite of healthcare billing system

By MANJA HOLTER

The Iron Range economy is known for taconite, timber and tourism. Can technology be added to that alliterative mix? The folks at IRCS, Inc. in Hibbing sure seem to think so. The small business has been around for more than 30 years, ever since Roger Freeman founded the company in 1982. Since then, it has been active in various areas, from selling mini-computers to managing pull-out functions for mining companies. But it's most renowned success stems from the development of software for the behavioral healthcare industry. Today that's what IRCS's core business is all about and the company devotes 100 percent to the product.

"We create and support software that helps behavioral healthcare professionals and organizations schedule, document, admit insurance claims and payments, track services, communicate with clients and adhere to numerous federal and state requirements. Our software is a very large business execution aid for small to large behavioral healthcare organizations," explained COO Chris Freeman, who joined IRCS in 2004.

So whether it is the registration at the front desk, the scanning of the insurance card or the documentation by the doctor, all information is processed by the software. Typical clients who work with it are either providers of mental health in community mental health centers, chemical dependency agencies or crisis providers. They could be the staff of large multi-location agencies or sole operating

therapists.

The software that IRCS has distributed for the last decade was called 'Iris,' but Freeman and his four-headed management team – which includes his uncle and founder Roger Freeman, father and CFO Gregg Freeman and chief of customer care and quality control Brenda Manthei – oversaw the transition from the old client-server, PC-focused application to the modern, hosted web application 'Vireo,' which can be used with any kind of device.

"Going mobile" is a trend that hasn't been shied away from by the behavioral healthcare community. But it proves particularly challenging from an application developer standpoint because device screens and input methods vary dramatically. Luckily, due to the large amount of information that needs to be visible for a behavioral healthcare provider, the use of PCs is still prevalent.

So why was the rewrite of the software necessary? Well, it all started with the American Recovery and Reinvestment Act of 2009, which enacted the Health Information Technology for Economic and Clinical Health Act, abbreviated HITECH Act under Title XIII.

The 'five health enhancing goals' of HITECH are:

- Improve the quality, safety, and efficiency of care while reducing disparities.
- Engage patients and families in their care.
- Promote public and population health.
- Improve care coordination.
- Promote the privacy and security of

patient information.

These goals are hoped to be reached via the nationwide implementation of electronic health records (EHR) through "meaningful use."

According to the U.S. Department of Health and Human Services Health Resources and Services Administration's website, "meaningful use" means:

- The use of a certified Electronic Health Records (EHR) in a meaningful manner.
- The electronic exchange of health information to improve quality of health care.
- The use of certified EHR technology to submit clinical quality and other measure.

What all this means is that "providers need to show they're using certified EHR technology in ways that can be measured significantly in quality and in quantity." Hand-in-hand with this goes the fact that the federal regulation on how diagnoses have to be reported changed from ICD-9-CM code to ICD-10-CM code - an IT revolution all healthcare providers had to go through.

So if EHR are required to be implemented by the federal government why does it take a special software for behavioral healthcare? Freeman explains that behavioral healthcare billing and documentation requirements are more complicated and differ to such an extent that they simply cannot use the EHR software that are used in medical facilities such as hospitals or clinics.

A fact that Joe Wivoda, a Hibbing based healthcare IT consultant, con-



Photo submitted by IRCS  
IRCS's COO, Chris Freeman, joined the company in 2004. Since then, him and his management team have overseen the transition from a pc-focused, client-server software model to 'Vireo', the modern web hosted application for behavioral healthcare.

firmed: "Behavioral health IT was not directly affected by some of the government programs. Behavioral health organizations were brought in on the tail end of that 'meaningful use' movement." So while some behavioral healthcare IT vendors are now struggling to incorporate the changes, IRCS was wise to stay

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