2014 Activity report

258591005
White blood cell sample
Muestra de leucocitos
Leukocytpørve
Leukocytprov

309195009
Abnormal biochemistry finding
Hallazgo bioquímico anormal
Abnorme biokemifund
Onormalt biokemiskt fynt

51633007
Multistage scaffolding site
Lugar para andamiaje multigradual

10200004
Liver structure
Estructura del hígado
Struktur af leveren
Lever, struktur

Glucose free hemofiltration
Solución para hemofiltración
Table of Contents

3 Chairman’s Report
4 CEO Report
6 Background
7 Development in Activities and Financial Position
8 Strategy, Objectives, and Future Prospects
10 Activity Report
12 2014 Accomplishments
14 Financial Report
Our organization experienced significant progress internally and externally in 2014 and received recognition from international health-care communities. In addition to welcoming two new Members, India and Portugal, we have also talked with representatives in several other countries interested in membership.

Growth and improvement
We have grown in size and now have close to 40 employees. Don Sweete came on board in early 2014 and under his leadership the Management Team has professionalized further. His spirit of determination and his continuous efforts have contributed to improving and strengthening the organization greatly.

IHTSDO continues to be in good financial health. Our 2014 negative operating results were entirely covered by surplus funds accumulated from the positive net operating results of previous years.

Head of Terminology retires
I would like to express our collective appreciation and gratitude to Kent Spackman, who retired at the end of 2014, having served the organization since its inception and as a major contributor to the medical profession over the past several decades.

Implementation
As mentioned in our 2013 report, we continued to communicate more directly with the vendor community to establish working relationships to promote and facilitate the implementation of SNOMED CT.

Most future Member countries will be non-English speaking, which is why we have adopted a program to facilitate initial translation efforts of SNOMED CT into local languages and thereby promote implementation.

A word of thanks
I would like to express my appreciation to the CEO and his team for their tireless efforts to enhance the quality of the organization’s work. I also want to thank my fellow Management Board members for their efforts, including their travels on behalf of IHTSDO, realizing that it is in addition to their own professional day jobs. Finally, a special thanks to our General Assembly representatives for their support in advancing the work of the organization.

John Van Beek
Chairman of the IHTSDO Management Board
As Chief Executive Officer of IHTSDO, it is an honor to present the 2014 IHTSDO Annual Activity Report to all of our Members and stakeholders who have contributed greatly to the success of the organization. I would like to express my thanks and appreciation to the Board and the staff for their hard work, leadership, and support of the organization.

In 2014, IHTSDO saw a major change in direction with the move to a greater focus on our products, service, and customers. We have established lines of business to work concordantly to meet goals and objectives and to produce scalable services to position us for future growth.

In the area of human resources, we developed principles and value statements and established a new organizational chart. We are currently working to provide our staff with consistent human resource policies and benefits.

We also put solid controls in place for financial transactions, procurement, contract management, metrics, and forecasting. To the credit of everyone in the organization, we achieved our ambitious budget and the Work Plan targets set for 2014. This was the first time this has occurred for a number of years. The implementation of a new budget process allowed us to effectively listen and respond to our Members’ priorities.

The administrative team was also highly successful in planning and hosting two conferences in 2014. Their hard work and dedication led to record attendance at the October event, positioning us well for upcoming endeavors. The administrative team also worked to complete the Quality Management System and stabilized our policies, making our processes and requirements transparent and understandable for all staff and stakeholders. In 2015, we will endeavor to begin the work of auditing key policies to ensure that they are an integral part of our everyday work.

In the areas of customer relations and collaboration, new operational plans were developed and implemented, resulting in three new agreements with HL7, International Council of Nurses (ICN), and Kaiser Permanente, providing a clear direction for the work to be accomplished in the coming years. The administrative team was also instrumental in implementing a new Help Desk service to monitor issues, provide transparency in contacts with IHTSDO, and to supply workable solutions in a timely manner.

Content development and mapping have progressed greatly, as evidenced by the international releases that include material from the Global Medical Device Nomenclature (GMDN), Logical Observation Identifiers Names and Codes (LOINC), and Orphanet. The work of past years on substances and other content projects is now under review to provide a more accurate scope and direction to ensure that resources are focused on achieving success. International Statistical Classification of Diseases and Related Health Problems 10th Revision (ICD-10) maps were completed in 2014, allowing this line of business, both with regard to authoring and mapping, to devote dedicated resources for the first time to change requests and mapping requests.
Education was one of the big success stories of 2014, with the initiation of the development of an online education platform and the provision of both Member training and course development for terminologists.

The vendor engagement strategy, completed in late December, was the first step toward initiating relevant and meaningful discussions with groups of vendors from the Electronic Health Record (EHR), Electronic Medical Record (EMR), Pharma, Mobile, and Genomics verticals to understand, support and solve their issues, further accelerating adoption of SNOMED CT. The new Vendor Forum and its two co-chairs will play a key role in driving and guiding this development. The maturation of our release management and open tooling offerings will also positively influence the vendor community.

The technical line of business also made great strides in 2014, with progress made on licensing, documentation, and the website’s internal infrastructure. The open tooling strategy and operational plan are on track, and 2014 saw the release of the browser and mapping tools. In 2015, work on other tools in the suite and on enhancement of functionality for existing tools will continue. 2015 will see the release of the translation tool, thus providing our Members with even more value.

I look forward to continuing to work with the many talented individuals at IHTSDO, in our Member countries and, with our cooperating partners, to carry on the valuable work we do to improve the health of humankind.
The International Health Terminology Standards Development Organisation (IHTSDO®) is a non-profit association established under Danish law. Its Purpose is to:

(a) acquire, own and administer the rights to SNOMED CT®, other health terminologies and/or related standards, and other relevant assets (collectively, the “Terminology Products”);
(b) develop, maintain, promote and enable the uptake and correct use of its Terminology Products in health systems, services and products around the world; and
(c) undertake any or all activities incidental and conducive to achieving the Purpose of the Association for the benefit of the Members.

The objectives of IHTSDO are to:

• enhance the health of humankind by facilitating better health information management;
• contribute to improved delivery of care by clinical and social care professions;
• facilitate the accurate sharing of clinical and related health information, and the semantic interoperability of health records;
• encourage global collaboration and cooperation with respect to the ongoing improvement of the Terminology Products; and
• provide the foregoing on a globally coordinated basis, thereby enabling the Members and the related organizations within their Territories to pool resources and share benefits relating to the development and maintenance of, and their utilization of and reliance upon, the Terminology Products.
Development in Activities and Financial Position

Around the world, there is increasing recognition that electronic health records can foster improvement in health outcomes and in the efficiency of health services. Patients can benefit, as can healthcare providers and health systems. These gains depend on the safe and accurate exchange of clinical information. Standardized clinical terminology is a key to moving forward. With this in mind, in March 2007, nine countries joined together to launch IHTSDO. At the end of 2014, membership consisted of 27 countries.

The Income Statement in this report, which reflects the period from January 1 – December 31, 2014, shows IHTSDO’s financial position as of December 31, 2014. Overall, the results for the period show a deficit after tax of USD 2,903k.

Surplus reserves from previous years were used to fund the deficit the organization incurred during 2014. This approach was decided upon to allow the organization to accelerate the delivery of approved objectives.

In comparison to the previous year, IHTSDO increased its income by USD 1,183k in 2014. This resulted from additional membership fees from two new Members, India and Portugal, as well as additional income from Affiliates.

The total income available, USD 11,371k, enabled the organization to fund further development of SNOMED CT content, mapping, and tooling and to continue its implementation and education program, data release management, customer engagement, collaboration, and quality management initiatives. Of the total expenditure of USD 14,241 reported on the Income Statement, USD 9,324k was invested in these activities.

The remaining expenditure consisted of general overhead expenses relating to organizational management.

These overhead expenses, including financial expenses, amounted to USD 4,950k, in line with budget. It should be noted that to create a more resilient operating model, the organization has been investing in the establishment of its own resources. A recruitment drive took place in 2014, resulting in IHTSDO reporting 39 employees by the end of the year.

Overall, IHTSDO remains in a healthy financial position, having reported cash and cash equivalents of USD 8,347k at the end of the fiscal year. These funds are earmarked for specific items of future expenditure included in the Work Plan for 2015 amounting to USD 3,300k. The remainder, USD 5,047k, is assigned to specific and general reserves deemed necessary to enable the organization to guard against unforeseen events.
Strategy, Objectives, and Future Prospects

In 2014, IHTSDO’s Management Board approved that organizational focus for the next 3-5 years should be to broaden use of SNOMED CT within and across countries and professions. A new strategy was developed to give the organization a position of strength in the areas of data analytics, genomics, and mobile health.

In 2014, IHTSDO membership grew to 27 countries, with additional countries expressing an interest in joining the organization. The 2015 Work Plan outlines activities and projects dedicated to Member countries’ priorities as well as the needs of the organization. Work Plan activities include authoring and release of SNOMED CT and its derivatives (such as mappings, Reference sets, Spanish translation, and the continued work on LOINC and medical devices), in addition to completion of the new Open Tooling Framework, including authoring functions.

A new budget process approved by the General Assembly and Management Board was piloted to guide the development of the 2015 Work Plan in close cooperation with the responsible Management Team members and also featured a new role for the Member Forum. The intent of the Work Plan was to put a clear focus on priorities based on Member countries’ respective e-Health programs. As the development of the Work Plan moved forward, the organization determined that since most work continued for more than a single calendar year, a new three-year budget and planning process would be employed, in congruence with the new inclusive process put in place the previous year.

For the 2014 fiscal period, IHTSDO’s Standing Committees, Member Forum, and Management Board confirmed that the largest single area of activity for IHTSDO should continue to be regular content maintenance and the release process for SNOMED CT, plus new content design and implementation projects and harmonization projects like the SNOMED CT to ICD-10 mapping. Resources were also spent to support development of an online education platform, tooling, and technology for IHTSDO and its Members, as well as customer engagement.
Major areas of activity continue to support IHTSDO governance and advisory structures (including twice-yearly Community of Practice meetings and implementation of newly confirmed approaches that IHTSDO will take to standards development and approval), enhanced project support and direct support to Members, enhancement of internal communications, and harmonization or liaison efforts with other standard bodies and organizations like the World Health Organization, the Global Medical Device Nomenclature Agency (GMDNA), GS1, the World Organization of Family Doctors (WONCA), the Regenstrief Institute, HL7, and Institut national de la santé et de la recherche médicale (Inserm).
In 2014, IHTSDO continued to focus on semantic interoperability, the heightened importance of meaningful use, and the accurate exchange of information in health information systems.

Governments are scrutinizing how they spend money, leading them to focus on large expenditure areas such as healthcare, where costs continue to rise. Healthcare is a particularly challenging area to make cost reductions or execute reallocation, as the demand for services continues to grow year by year and a large percentage of the world’s population has an increased life expectancy. To cope with this increased demand, many countries are moving to adopt the technological revolution of digital health, using IT to provide services at a higher quality and faster to streamline the process of care for a better patient experience.

The push towards digital health with semantic interoperability accelerates the need for a robust clinical terminology to ensure that accurate clinical information is captured about patient events and can be shared by the various practitioners involved in the episodes of care. SNOMED CT is globally recognized as the leading reference terminology in this area.

Quality
The 2014 IHTSDO quality domain focused on Deprecation Policy, Risk and Issues Management, and a Quality Assurance Framework intended to ensure that quality is considered throughout the end-to-end process of Content Development. In addition, a Quality Management System was completed, aiming to provide a mechanism for continuous improvement.

Technical
IHTSDO continued moving forward with a new Open Tooling Framework. The approved framework roadmap takes a modular approach to building a new platform, allowing a much easier way to provide tooling to Members and the organization. The first year of this roadmap saw the completion of a browser and a mapping tool. In June and December 2014, IHTSDO provided
its Members and customers two major releases of the Workbench. As part of the IHTSDO Showcase in October 2014, the organization presented a number of implementation examples from Member countries, provided information on the new tools, and launched a new website.

**Content Development**
In 2014, IHTSDO increased authoring capacity, expanding its internal authoring team to ten terminologists. The Consultant Terminologist Program continued to make important content contributions and also increased capacity. The content team focused on the Work Plan areas, achieving results by completing the budget Work Plan items and ICD-10 maps.

The team addressed a number of substantial areas of content development, including continuing preparation for ICD-11, LOINC work, completion of GMDN Phase 1, and also beginning work on rare diseases in cooperation with Orphanet.

**Mapping**
In 2014, the mapping team published SNOMED CT to ICD-10 maps. They also worked hard to ensure that all new content added to the International Release was in scope, had been mapped, and reduced the existing unmapped SNOMED CT content. The team also continued to publish the ICD-9CM maps, and a review of the use cases for this map will be undertaken through consultation in 2015. In addition, a project was completed to deliver the maps to International Classification of Primary Care-2nd Edition (ICPC-2).

**Education**
Given the increase in interest from both Member and non-Member countries for more education services, the education team began work on the development of an online education platform. At the end of December 2014 the first online education course was launched with overwhelming interest from hundreds of applicants.
2014 Accomplishments

Applications and Architecture

- IHTSDO SNOMED CT Browser containing International Editions and extensions from Members
- Multi-English SNOMED CT Extension Browser for Australia, UK and US Members
- IHTSDO Mapping Tool completed and used in production by IHTSDO mapping team
- drugMatch utility completed and in use in Denmark
- Rebranding and launch of new IHTSDO website
- Completed development of Members Licensing & Distribution Service (MLDS) for IHTSDO use
- Successful Request for Proposal for Terminology Server

Collaboration

- New Collaboration Agreements and joint work signed with HL7 International and ICN
- 2014-2015 Operation Plan approved and way forward identified internally and externally for other collaboration activity
- Established processes for gaining international clinical input to SNOMED CT content review, e.g. for ICD-11 alignment work
- Approved approach to refreshing the IHTSDO/World Health Organization agreement and resulting joint activities

Content Development

- Publication of General Practice/Family Practice (GP/FP) subset and ICPC-2 map candidate baseline
- GMDN content alignment and first release of the SNOMED CT/GMDN linkage table
- SNOMED CT/LOINC technology preview
- Content enhancements to support Ebola virus monitoring
- Content quality improvement activities, e.g. abbreviations, spelling corrections
- Continued content enhancements based on ICD-11 review and Convergent Medical Terminology (CMT) donations
Customer Relations Management

• Customer Relations Operational Plan and regional roadmaps completed
• Customer Management and Help Desk systems implemented
• SNOMED CT business case study completed
• Participation in key regional events such as: Healthcare Information and Management Systems Society (HIMSS) Middle East, United Arab Emirates; Latin American Conference on Medical Informatics – INFOLAC 2014, Uruguay; Asia eHealth Information Network UHCICT conference, Philippines

Delivery

• Release Management department established
• Two International and two Spanish SNOMED CT Editions delivered to IHTSDO Members and Affiliates
• Four SNOMED CT Products in development released for feedback
• Significant improvements to release production and quality validation, prerequisites to replacing the Workbench

Education

• SNOMED CT Starter Guide and IHTSDO National Release Center Guide published
• E-Learning Reference Group formed to enable Member engagement with E-Learning development
• SNOMED CT E-Learning Foundation Course developed
• Initial invitation for Foundation Course attracted 880 applications from 50 countries
• SNOMED CT Implementation Showcase program for Amsterdam developed and delivered – including two keynotes, one panel session, 45 reviewed presentations, and 12 tutorials
• Six people successfully completed the SNOMED CT Implementation Advisor Scheme and made major contributions to new draft documents on SNOMED CT Analytics, Compositional Grammar, and Terminology Binding
The financial and business processes of IHTSDO must ensure a sustainable and robust organization capable of responding to stakeholder requirements. The 2014 audit was unanimously approved by the General Assembly on April 29, 2015.

### Income Statement
**January 1 – December 31, 2014**  
**USD:**

<table>
<thead>
<tr>
<th>Income</th>
<th>USD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Membership fees</td>
<td>10,434,058</td>
</tr>
<tr>
<td>Voluntary contribution fees</td>
<td>300,000</td>
</tr>
<tr>
<td>In-scope licenses</td>
<td>0</td>
</tr>
<tr>
<td>Affiliate licenses</td>
<td>384,238</td>
</tr>
<tr>
<td>Other income</td>
<td>252,773</td>
</tr>
<tr>
<td><strong>Income</strong></td>
<td><strong>11,371,069</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Expenditures</th>
<th>USD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Staff expenses</td>
<td>- 5,240,172</td>
</tr>
<tr>
<td>Office and facilities</td>
<td>- 1,076,156</td>
</tr>
<tr>
<td>Travel expenses</td>
<td>- 1,169,342</td>
</tr>
<tr>
<td>Other costs</td>
<td>- 1,182,056</td>
</tr>
<tr>
<td>Work plan</td>
<td>- 4,793,318</td>
</tr>
<tr>
<td>Amortization, SNOMED CT IP</td>
<td>- 780,000</td>
</tr>
<tr>
<td><strong>Expenditures</strong></td>
<td><strong>- 14,241,044</strong></td>
</tr>
</tbody>
</table>

#### Profit/Loss before Financial Income and Expenses

<table>
<thead>
<tr>
<th>Profit/Loss before Financial Income and Expenses</th>
<th>USD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial income/expenses, net</td>
<td>- 33,512</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Profit/Loss before Tax</th>
<th>USD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tax on profit/loss for the year</td>
<td>0</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Profit/Loss for the Year</th>
<th>USD</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Profit/Loss for the Year</strong></td>
<td><strong>- 2,903,487</strong></td>
</tr>
</tbody>
</table>
87588000
High altitude
Altitud elevada

51797001
Ultrasonic wave
Onda ultrasónica

372130007
Malignant neoplasm of skin

363346000
Malignant neoplastic disease
Malignant neoplasm
Malignant tumor
IHTSDO
Gammeltorv 4, 1st floor
DK-1457 Copenhagen K
Denmark

Telephone +45 36 44 87 36

General information: info@ihtsdo.org

A registered Danish association,
IHTSDO is a not-for-profit entity
established on 23 March 2007.

CVR #30363434, FMBA.

IHTSDO®, SNOMED® and SNOMED CT®
are trademarks of the International Health Terminology Standards Development Organisation.

www.ihtsdo.org