

CT SCANNER

Why Would Anyone Want to Be Secretary?

By Gary Bergenty, Secretary, CT Chapter HFMA

Call me nuts. Trust me, I've been called worse. It's a safe assumption that a secretary in any organization holds the most thankless officer position. Not only must you do everything in your power to "beat the crowd" and be on time for any given meeting, you also have to be the most ready. You pretty much begin the secretaring (my word) process by documenting all in attendance, then making your self fully prepared when the President or Presiding officer officially starts the meeting. As soon as the first agenda item is discussed and the note-taking begins, you must be alert to the almost predictable 3-5 late arrivals because of child care issues, roaming deer on the Merritt Parkway, reading and responding to too many early morning emails or God forbid, dealing with the 95/91 merge. Now, the fear of missing an important point or comment creeps in and you just hope to carry on as best you can.

Agendas are a great tool but only when you STICK to them. When a discussion veers off the path or enters new or uncharted waters, a secretary must determine what is real and pertinent to the organization and document accordingly. All the while, you know there's a possibility the individual most vocal about the non-agenda item may ask you how you could possibly not have mentioned them in

the minutes. I've never been a neat writer and was reminded of that fact many times in elementary school. So now, you're hurriedly trying to accurately record the collective input of up to 17 people and there are times where I look at my notes and think, CSI investigators would throw in the towel in attempting to decipher what the heck this guy (or gal) put down on a piece of paper.

You're in the middle of an intense exchange, point/counterpoint is in play, the occasional side-bars are taking place and the secretary must capture what's real versus what's not. Sometimes, my thought at these moments is: what would Machiavelli say or do? Then, all of a sudden, you have what you believe to be a great idea/suggestion you must definitely share with your peers and BOOM, you lose it because you are obsessed with your minutes. My advice here, shut-up and just write.

At some point (and personally I get very antsy when the clock starts to creep close to the agreed upon end time) you begin to look at or even ask a higher source to end this meeting ontime NO MATTER WHAT. Well, too bad, you totally forgot about the

Continued on page 13

The Nominating Committee of the CT Chapter of HFMA is accepting nominations for the Board of Directors and Officers of the CT Chapter of HFMA. Please contact Jim Harris, President with a nomination. If you are interested in running for a Board or Officer position we welcome your interest. Jim's email address is: JHarris@stfranciscare.org.

I am sure Gary's light-hearted look into one of our many volunteer roles will be an encouragement to step up and become an HFMA volunteer.

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President's Corner

By Jim Harris, Chapter President

With the New Year rapidly approaching I cannot believe it's the end of 2009. It certainly doesn't seem that long ago we were all working on the Y2K project. This past decade sure has changed the way we communicate. Ten years ago we talked on the phone and now we text.



If you asked me ten years ago what social networking was, I would have said that it was party with your colleagues. Now social networking as defined by Wikipedia is "a social structure made of individuals (or organizations) called nodes, which are tied (connected) by one or more specific types of interdependency, such as friendship, kinship, financial exchange, dislike, sexual relationships, or relationships of beliefs, knowledge or prestige."

During a recent HFMA audio Web cast for social networking, they stated that "The Medium is the Message" and listed the three of the most popular social networking Web sites:

LinkedIn – Professional discourse via online discussions, job postings and news feed.

Facebook – Social discourse via photo and video sharing, message board and wall.

Twitter – News/Update discourse via short messaging (answers must be 140 characters in length).

Based on member feedback and our goal of continuing to make the Connecticut Chapter of HFMA a valuable resource for you and another way to stay connected with your peers, the Connecticut Chapter of HFMA selected LinkedIn because of the professional nature associated with this social networking Web site. Anyone with interest in CT HFMA can join our group: just go to www.linkedin.com; create your own user profile and search LinkedIn 'Groups' for 'HFMA – CT Chapter,' and join!

"We want LinkedIn to go wherever your business network would go. If it's social, we'll leave that to Facebook. But if it's about money, then it's LinkedIn."


LinkedIn Co-founder Konstantin Guericke

We are now in the middle of our current chapter year and I hope you had the opportunity to attend one of the educational programs. However, if you have not yet had the opportunity we have a few more exciting educational programs planned. One program that is new for our Chapter, but has been praised by other HFMA Chapters is a 4 ½ day HCPRO Medicare Boot camp that will be offered on April 26-30, 2010 at the Water's Edge in Westbrook, CT. I would like to give a special thanks to all the program Chairs, Co-Chairs and members of our Educational Program Committee for volunteering their time to make our Chapter's educational sessions a success.

As you contemplate the New Year and set personal or professional goals, consider volunteering in HFMA. Every effort, no matter how great or small, is meaningful and enhances the value of our membership. And, most of all, the personal rewards are immeasurable!

I would like to wish you all very happy holidays and I hope you all have a wonderful and exciting 2010!

I would like to give a special thanks to all the program Chairs, Co-Chairs and members of our Educational Program Committee for volunteering their time to make our Chapter's educational sessions a success.



Connecticut Chapter — Healthcare Financial Management Association

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The **HFMA CT SCANNER** is published quarterly by:
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Bringing Value to Your Membership

Upcoming Education Sessions

<u>Day</u>	<u>Date</u>	<u>Time</u>	<u>Location</u>	<u>Education Session</u>	<u>Presenters</u>
Tuesday	January 5, 2010	8:30-12 noon	CHA Wallingford	Basic Medicare Cost Reporting	Frank J Miceli, CPA & MBA, Saslow, Lufkin & Buggy, Shannon St. Hilaire Middlesex Hospital and Mary Sheehy, Yale-New Haven Hospital
TBD	January	TBD	TBD	Medicaid Update including Medicaid Integrity Audits	Medicaid Representatives
Thursday	March 4, 2010	9am-4pm	Water's Edge, Westbrook	Revenue Cycle Characteristics of Top Performing Hospitals , Understanding the Dynamics of Self Pay and Patient Friendly Update	Suzane Lestina, National Director HFMA Patient Financial Services and Revenue Cycle
TBD	April	TBD	CHA	Corporate Compliance Update Joint Program with CHA	
Monday thru Friday	April 26-30, 2010	Monday thru Thursday 9am-4pm, Friday 9-12 noon	Water's Edge, Westbrook	Medicare Boot Camp , 5-day workshop on Medicare reimbursement and billing issues	HCPRO

You will receive detail registration information approximately 45 days before each program. For further details, call 860-586-7510 or go to www.cthfma.org.

HFMA Offers E-Learning

What Is e-Learning?

Web-based training delivered over the Internet or Intranet.

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Looking for self-study programs to boost your professional development? Courses are available 24/7 and you have six months to complete them.



Dale Baker presented the annual Wage Index update at CHA recently. Dale is shown with several "fans," including Terry Surh (third from left and next to her) Cheryl Coyle.

Medicare Boot Camp for Hospital Employees

By Joe Pajor, President-Elect

We are pleased to announce that CT HFMA is sponsoring a nationally recognized Medicare education program. The HCPRO-developed 4½ day education session, Medicare Boot Camp for Hospitals, will be offered on April 26-30, 2010 at the Water's Edge in Westbrook, CT.

This session is usually offered at sites which require additional cost of travel and lodging. By sponsoring the session here in Connecticut, our Chapter is helping hospitals spare the cost of air travel and for hospitals within commuting distance, lodging. By reducing these costs the price has been set to encourage hospitals to permit staff to attend a superb nationally recognized program.

HFMA Chapters that have sponsored the program indicated this session receives unusually high scores from participant surveys. The program provides a solid framework to insure that staff understand and are able to deal with the maze of Medicare reimbursement, billing and compliance issues.

The cost of the seminar is discounted for both HFMA members and/or early registrants. While registration fees are higher for non-HFMA members, the cost of HFMA membership may be offset by the savings in registration, thereby providing greater value to your staff. So we urge you to consider becoming a member of HFMA to benefit from our fine programs and publications.

The learning objectives for this 4 ½ day program are:

- Medicare Research: End your confusion over the Medicare Web site and find what you need
- UB-04, ICD-9-CM, NPI, OCE and Other Must-Know Billing Fundamentals
- OCE, MCE, and Other Medicare Claims Fundamentals
- Medical Necessity and Non-Coverage: What you need to know when Medicare is not paying the bill
- NCCI, MUEs, Modifiers and Other Must-Know Coding Fundamentals
- Tools for Understanding and Predicting Medicare Outpatient Revenue: Overview of the OPPTS
- The Requirements and Operation of the Recovery Audit Contractor (RAC) Program.
- Hot Topics: Medical Necessity of Inpatient Admissions and Observation Services
- Hot Topic: Outpatient Coverage, Coding and Billing
- The Medicare Appeals Process
- Tools for Understanding and Predicting Medicare Inpatient Revenue: Overview of the IPPTS Module
- When the DRG Payment Is Not What You Expect: Special IPPTS Payments and Adjustments

The registration fee schedule is:

Early bird HFMA Member (Deadline February 26, 2010)	\$1,399
Early bird non-HFMA member (Deadline February 26, 2010)	\$1,599
HFMA Member Registrations After February 26, 2010	\$1,599
Non-HFMA Member Registration After February 26, 2010	\$1,799

Registration fees include all learning materials **except** a CPT-4 Code Manual, continental breakfast, coffee breaks, and lunch (Monday thru Thursday). Participants will be asked to bring a CPT-4 manual or can purchase one at an additional cost. The daily room rate for those attendees that plan on staying at Water's Edge during the conference is \$135.

To insure a high quality learning experience, the class size is limited to 26 individuals. Therefore, only the first 26 registrations will be accepted.

To register, go to the Connecticut Chapter Web site, www.cthfma.org.

We hope you have the opportunity to take advantage of this outstanding program.

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CT HFMA New Members

We extend a sincere welcome to the following individuals who have chosen to join the Connecticut Chapter of HFMA. We hope our new members will contact one of the Chapter Officers or Directors with any questions they may have and also let us know if they have an interest in becoming involved or participating on one of our committees.

Ryan Atwood

Director, Managed Care Contracting
Stamford Hospital

Timothy Bateman

Vice President
Lincoln Healthcare

Thomas R. Brandenburger

Managing Partner
EMIRisk Services, LLC

Heather M. Cascio

Credit and Collections Manager
Lawrence & Memorial Hospital

Patrick Dooling

Audit Manager
Deloitte & Touche LLP

Chris Durbin

Strategic Advisor
MedPricer.com

Gregory Flynn

Genpact

Priscilla Fretz

Reimbursement Analyst
UCHC

Leesa George

Financial Analyst
Mercy Community Health, Inc.

Cynthia Henry

Association Resources, Inc.

Christopher Manzi

Manager of Finance
Pequot Health Care

Cassidy Meister

Manager of Projects & Analytics
Revera Health Systems

Michelle Melin

William Backus Hospital

Theresa Pacapelli

Senior Revenue Cycle Analyst
Saint Francis Hosp & Med Center

Guergana Rangatcheva

Audit Manager
UHYLLP

Adam Thier

CTO
Blue Line

Kevin Tupper

Director, Information Systems
Windham Community Memorial Hosp

Members Transferred from Other Chapters

We extend our welcome to these HFMA members who have moved into Connecticut and who recognize the value that the local Chapter has to offer.

Stuart M. May

Mergers & Acquisitions
Eastern Connecticut Health Network, Inc.

Transferred from the New Jersey Chapter

Membership Directory

By Steve Vargo

The Connecticut Chapter of the Healthcare Financial Management Association has released the membership directory for 2009-2010 in PDF format. All members should have received the electronic directory in an email on November 9, 2009. There are a few members that do not have an email address included in their profile. For these individuals we mailed a CD of the directory file. We hope you find this format convenient and easy to use. We had not heard of any compatibility issues with the file, but in case you had an issue with using the file please contact us. The Membership Committee welcomes your comments and suggestions. Please email us at CTHFMA@arheadquarters.com.

The Membership Directory is an important resource used by our members to contact each other throughout the year. The information published in the directory was obtained from HFMA's National Database. Please check the directory for the accuracy of your personal information. If anything needs to be changed, you may use the following link to update your personal information <https://www.hfma.org/msc/login.aspx>. Once you log in, simply follow the link and click on your name/profile to review your membership profile and edit any information that is not correct. If you have difficulty logging on, you may call HFMA at (800) 252-4362, ext 2.

Besides the listing of the Chapter members the directory also contains information about the Chapter and your membership in HFMA.

It is important that we all remember that this directory is to be considered a confidential document and is intended only for our personal use. It is never to be shared with anyone, even another HFMA member.

HFMA Membership Benefits

By Mary Sheehy

HFMA is a member-focused, value-driven, forward-thinking and innovative association that together with its members is constantly defining, realizing and advancing the profession of the financial management of healthcare.

Being a member of HFMA provides you with access to a wealth of information for both your individual career as well as your job. As a member these resources can provide you with ready ideas, tools and solutions to save you time and improve the financial health of your organization and the healthcare industry. Being a member also demonstrates your commitment to the healthcare industry and the willingness to enhance your skills and abilities to be a valuable member of your employer organization's team.

Some of the key benefits of membership are:

National Benefits:

- Monthly *hfm Magazine*
- "HFMA Wants You to Know" weekly email newsletter
- Weekly news highlights emailed to you
- Buyer's Resource Guide – over 40 categories of products/ services for your purchasing needs
- HFMA special interest forums and communities of practice
 - Revenue Cycle Community (Formerly the PFS Forum)
 - Healthcare Chief Financial Officers (CFO) Forum
 - Compliance Forum
 - Managed Care Forum
 - Future Leader Community
 - Small and Rural Provider Community
 - Medicare Payment Community
- Professional Development – seminar series, audio Web casts, e-learning
- Resource Library – includes the following areas:
 - Revenue cycle management
 - Cost control
 - Corporate responsibility
 - Financing the future
 - Patient friendly billing
- Access to all archives of HFMA publications
- Access to all 68 Chapters and their available resources
- Reports on Peer Reviewed Products and assurance that they are quality products

Local Benefits:

- Career Development Resources – job postings, self-assessment tools, résumé referral services
- Professional Designations and Certifications
- Public Policy Initiatives
- Premium Web Content – research reports, job descriptions, presentations
- Quarterly Chapter Newsletter
- Chapter and Regional Educational Sessions
- Local Networking with your peers in Connecticut and surrounding areas

Member-Get-A-Member

By Steve Vargo

The Member-Get-A-Member program for Chapter Year 2010 is in full swing. To participate in this program all you have to do is recruit a new member or get a former member to rejoin. You will earn the same credit for both. Whether you recruit a new member or a former member the same prorated dues applies. The difference is a new member must also pay an application fee of \$30. The prorated dues schedule is:

December 2009	\$144
January 2010	\$126
February 2010	\$104
March 2010	\$89

By joining HFMA, a new or reinstated member will immediately be eligible for the discounted educational session rates afforded to our members.

Everyone should have received the Member-Get-A-Member materials from National, but to highlight the program:

- Share the benefits of membership with your colleges and convince them to join
- Make sure they complete the application and include your name and member number
- Do the same for any former member that has not rejoined for 2010 (they avoid the application fee and retain all points and status previously earned)

HFMA National will notify you and thank you for your commitment to HFMA. National will also send you a thank you:

1 – 2 Members

Choice of an HFMA apparel item or a \$25 Fuel Visa® Prepaid Card.

3 – 4 Members

Receive a \$100 Visa Prepaid Card and entry to win a \$1,000 cash prize.

5+ Members

Receive a \$150 Visa Prepaid Card and entry to win a \$2,500 cash prize.

For each sponsored member you will receive an entry for the other major prizes.

Help your colleges and peers to further their value to their company and enhance their career growth by experiencing the benefits of membership. Check out the selected list of the benefits membership gets you elsewhere in this newsletter issue or for a more comprehensive list visit www.hfma.org.

Remember the more members you sponsor, the greater your chance to win!

A Strategic Approach to Managed Care Negotiations and Contracting

By Jeff Geoghegan and Cassandra Mitchell

The year's Managed Care Seminar, back by popular demand, was well-attended by a multidisciplinary group of Health Care Professionals on October 19, 2009. Sponsored by the CT Chapter of HFMA, directors from the firm of Alvarez and Marsal's Healthcare Advisory Group, Chris Kalkhof and Paul Gallese, led an education session focusing on reducing leakage and increasing the sustainability of managed care revenues.

The session was divided into primary components such as:

- Contracting Trends and Influences
- Revenue Optimization & Relevant Solutions
- Managed Care Strategy Formulation

Utilizing data either publicly available or developed via the firm's client experience, the speakers emphasized that if a provider's managed care revenue exceeds twenty-five percent of the total mix, it is imperative to have both an automated denial management process along with an integrated payer negotiation strategy. Employing this process will assist any provider in reducing denials, alleviating downgrading and managing "slow pay" processes. Developing relevant data points in the form of benchmarks and dashboards can safeguard revenue by addressing issues on a real time basis as they cross finance, clinical care, charge capture and case management responsibilities.

Effective revenue cycle advocates within the provider would be essential to this process. Internal assessments to both find and collect cash will allow providers not only to manage their cash, but also to grow their revenue streams.

Speaking to an audience mixed with hospital providers, skilled nursing facilities (SNF) and payer representatives, Chris concluded with advice for the audience — a general contracting strategy focused on covering fully costs with a modest target margin should be a starting floor for negotiations and that this planned approach tends to be more advantageous than using traditional market-driven approaches.



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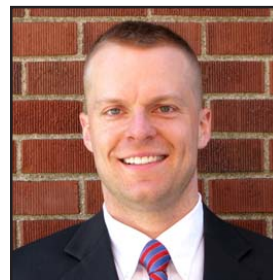


2009 Scholarship Recipients

Scholarship Award Recipients receive a cash award, an HFMA CT Chapter membership for one year, a one-year subscription to *hfm Magazine*, all HFMA CT Chapter program fees waived for one year, and membership on the Connecticut Chapter HFMA Scholarship Committee.

FIRST PLACE RECIPIENT

Joshua Keagle



Josh Keagle is a first-year student in the Masters in Public Health program at the Yale School of Public Health. His particular academic tract is Health Management. His previous professional experiences include teaching middle school for Detroit Public Schools, and working as an import/export analyst for JPMorgan Chase Global Trade Services. Josh served in

Iraq & Kuwait with the US Marine Corps Reserve in 2003, in Kuwait with the US Navy Reserve in 2007, and is currently serving as a Navy Reserve intelligence officer at Newport, Rhode Island. Upon completion of his MPH in 2011, he aspires to work in hospital administration. Josh's interests include improving care in low-income communities and reducing non-clinical costs.

SECOND PLACE RECIPIENT

Amy Livezey



Amy is a Madison, Connecticut native who received her B.A. magna cum laude in sociology from the University of Hartford in 1987. She spent five years with the State of Connecticut's Department of Social Services before joining Danbury Hospital in 1993. She is the Supervisor of Financial Counseling at Danbury, and is pursuing her Masters in Public Health, with a concentration

in Health Policy & Management, from New York Medical College. Amy resides in New Fairfield with her husband of 20 years, and their teen-aged daughter.

Certification Is for You In 2010

By Bill Wollman, HFMA Certification Committee

According to a survey conducted for HFMA, the majority of HFMA certified and non-certified members believe the HFMA certification will help make them be more competitive in the job market, improve their professionalism, make them more promotable and enhance their personal satisfaction with their achievements. Most employers and search firms surveyed agreed that professional certification helps people land jobs and succeed at them. They also believe that certification increases the value an employee brings to his or her employer.

While most members do not see HFMA certification as being as valuable as CPA certification, many see it as equal to or more valuable than *other* types of certification that members may consider pursuing. The survey found that HFMA certified members are more likely to have higher incomes than those without HFMA certification.

Here is a summary of the steps to become certified in HFMA. Why not start now. For further information please call me at (860) 533-2123.

HFMA Certification Requirements

Two years total as a regular or advanced HFMA member (*Student membership does not fulfill this requirement*)

Two years of professional experience in the healthcare finance industry

60 semester hours of college coursework from accredited institution or 60 professional development contact hours

Successful completion of the HFMA Core certification exam*

Successful completion of one HFMA specialty certification exam*

References from a current elected chapter officer and your CEO or supervisor

Submit conforming application with one-time fee within 24 months of successfully completing the first exam

* Note: Exams may be taken at any time after you become an HFMA member. Specialty exams include Accounting and Finance, Patient Financial Services, Financial Management of Physician Practices, and Managed Care.

Both exams must be completed within 24 months of successfully completing the first exam.

Become a Certified Healthcare Financial Professional (CHFP)

Maintain status every three years by earning 90 professional development contact hours and retaining HFMA regular or advanced membership.

Five years total as a regular or advanced HFMA member (*Student membership does not fulfill this requirement*)

Bachelor's degree or 120 semester hours from an accredited college or university

Reference from an HFMA Fellow or current elected chapter officer

Volunteer activity in healthcare finance within three years prior to applying for FHFMA, including one of the following:

Earn the Follmer Bronze Award

Volunteer in the Chapter and earn two Founders points (under current system) for two consecutive years

Volunteer service for two years in a healthcare industry organization within the past three years

Submit conforming application with one-time fee

Become a Fellow of HFMA (FHFMA)

Maintain status every three years by earning 90 professional development contact hours and retaining HFMA regular or advanced membership.

Current Certified Members of the CT Chapter HFMA:

John M. Ahle, FHFMA, CPA

Carolyn B. Allen, CHFP

Douglas P. Glazier, FHFMA, CPA

Robert J. Haley, FHFMA

Rosemary C. Johnson, FHFMA

Bernard W. Lane, Jr., CHFP, CPAM

Kevin G. Murphy, FHFMA

Joseph M. Pajor, FHFMA

John R. Pakutka, FHFMA

Janet F. Roemer, FHFMA

John A. Roemer, FHFMA

Richard F. Werkowski, FHFMA

William A. Wollman, Jr., FHFMA

David Wurcel, CHFP, CPAM

Please contact one of our certified members if you want to learn more about the experience of taking the exams and maintaining certifications. Ask someone to share the benefits they have received from certification.

CT HFMA Chapter Hosts a Successful RAC Seminar

By Janet Roemer, FHFMA



Day Egusquiza, presenter

Fifty attendees heard Day Egusquiza present “RAC Attack Impact — Better Strategies for Surviving the RAC Audits” on September 18, 2009 at Ahslar Village in Wallingford, CT. Ms. Egusquiza is President of AR Systems, Inc. from Twin Falls, Idaho. Ms. Egusquiza speaks on various revenue-related topics throughout the country. The CT HFMA Chapter thanks fellow Board member Eric Wetherell, for arranging this timely presentation.

As a result of RAC audit activity the MACs are beefing up pre-bill audits because a RAC audit is also an audit

of the MAC. A RAC can be a whistleblower and a RAC employee can be a whistleblower if a RAC audited issue is considered a blatant disregard of the law.

Ms. Egusquiza told the audience to be forward thinking. If you find issues that are billing errors, re-bill if you can. You can re-bill back 22 months. Plan to conduct defense audits on published RAC issues, even if the RAC for CT has not yet listed the issues on their Web site. Do not use statistically valid samples when checking data for potential RAC issues. If you find billing issues that must be self-disclosed, check back six years. First talk to the MAC to work out an accepted methodology to use for the self-disclosure. It is important that this is done, so that the MAC can flag these accounts to prevent the RAC from looking at the same accounts. If billing errors are disclosed, provide mandatory training to prevent future errors. The billers should keep in mind that payment does not drive account status.

When a healthcare provider receives a demand letter for a particular issue, the RAC team should be prepared to take a step back to understand why this particular issue was chosen. One suggestion is to compare key hospital data to national benchmarks. If a healthcare provider is falling substantially outside of national benchmarks, expect an audit issue.

CMS is still struggling with making a final determination of record count. As of September 14, the NPI is still the driver. Ms. Egusquiza suggests that providers read the RAC 50-page Scope

of Work. Look at Connolly/HDI Web site for issues. They are the experienced auditors and have already received approvals. Look at three-day stays used to qualify for SNF. Make sure that the three-day inpatient stay is medically necessary.

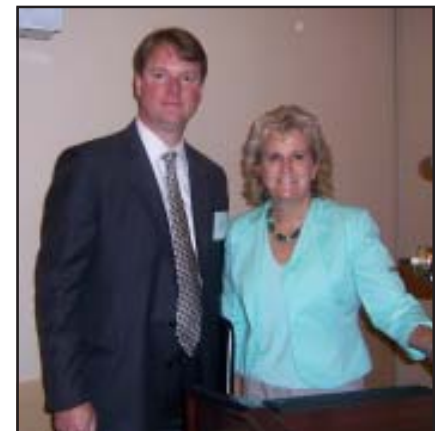
There are some differences in the permanent RAC program from the demonstration program. RACs will now be compensated for underpayments. Make sure the business office does not create credits if underpayments are recouped from RAC. The business office will be extensively involved in the recoupment process. The MAC will send letters to patients if they are entitled to receive refunds from recoupments. Expect telephone calls on this. The patient or secondary payer/payers must be refunded. Healthcare providers should have their own letter ready to send to patients and possibly have a dedicated person at the call center with a script on the issue. This could cause a great deal of confusion to Medicare recipients.

Keep in mind that automated reviews are based on “always rules.” There is no limit on the number of automated recoupments. Insufficient documentation to support an issue can also be the result of records that are not legible. Be sure to supply all the record. The new code, N469, found on remittance advice is for a pending recoupment; code N432 is for the recoupment. Interest charged by CMS is 11.4% if the recoupment is not paid within 30 days. This will also be applicable to accounts that are appealed and the healthcare provider loses the appeal. Carefully value accounts that are worth appealing and consider the cost associated with the appeal.

The best source of information from CMS on RAC issues can be found in the frequently asked questions on the CMS Web site. Providers should also become familiar with the DCS Web site at www.dcsrac.com. Ms. Egusquiza also has an information line and sends out informative emails on RAC issues every few weeks. If you want to be added, please contact her at Daylee1@mindspring.com.



Cassandra Mitchell, Joshua Keagle, Amy Livezey



Eric Wetherell and Day Egusquiza

The Credit Card Accountability, Responsibility and Disclosure (CARD) Act

A Bitter Pill for Healthcare Providers

By Mitch Patridge, CEO, San Diego-based CSI Financial Services

Though few of us can remember what life was like without credit cards, a certain percentage of us may soon be forced to return to those bygone days. Thanks to the CARD Act, the popular commercial of the last century, “Don’t leave home without it,” may be more of an anachronism than we could have ever imagined.

According to many industry sources, restrictions imposed by the CARD Act on the credit card industry will hurt consumers more than it helps them.

Over the last 18 months, healthcare providers have witnessed first-hand the financial stresses placed on their patients. Faced with a massive economic downturn and a doubling of credit card default rates since 2006, credit card issuers began tightening credit and raising standards even before the CARD Act was proposed. During the past year, issuers cut the number of issued cards by 82 million, or 19%, while also slashing credit limits by \$721 billion. Even more dramatic, the number of new cards issued decreased from 4.7 million in June 2008 to 2.6 million in June 2009.

Credit tightening strategies will become even higher priorities for lenders when the CARD Act takes effect. Because lenders will no longer be able to charge fees and higher interest rates to their borrowers with impaired credit, their yields will suffer. To make up for the shortfall, credit card issuers are expected to limit credit for existing borrowers, impose higher rates overall, and require larger minimum monthly payments to further reduce their risk.

How the CARD Act Will Hurt Providers

- Lenders will reduce available credit to patients, only lending to individuals with good credit – many patients that used to pay with credit cards will no longer have that option
- Qualifying borrowers will face increased interest rates and larger minimum monthly payments – making them reluctant to use credit cards to pay for healthcare obligations
- Healthcare providers must seek alternative strategies such as internal payment plans or partnership with a third party

Furthermore, only individuals with pristine credit (above 700 one industry expert predicts) will receive new credit lines, leaving people who might have gotten credit in the past out in the cold — and often unable to pay healthcare bills. That means that healthcare providers will have to create viable repayment options, or partner with a lender that understands healthcare and can effectively lend into this market.

How the CARD Act Will Help Patients:

- Increases in interest rates will only be allowed in certain situations
- Limitations on penalties relating to late fees
- Restrictions on low annual percentage rates that change unpredictably
- Tighter regulation on late billing practices, which will make it easier for consumers to pay on time

Healthcare providers like Florida Hospital readily attest to the benefits of planning ahead. As Coy Ingram, Director of Self Pay Management, notes, “We implemented a patient loan program in April 2007, making revolving lines of credit available to patients at all points of patient access and from the financial ser-

vices business office. In the first 12 months, we qualified approximately 15,000 patients for the program, increased cash collections and significantly reduced bad debt write-offs.”

Cedars-Sinai Outpatient Cancer Center implemented a similar program in mid-2006. According to the Center’s Patient Accounts Manager, Dennis Hacela, “The program we chose was simple to integrate into our existing revenue cycle. It quickly reduced the number of accounts we had previously referred to collections and, most importantly, also increased patient satisfaction.”

The CARD Act is scheduled to take effect in February 2010. As the two previous examples illustrate, hospitals should be strategizing *now so that they are in a position to help their patients — and also help themselves.*

CT HFMA and Social Networking

LinkedIn is a tool that has many potential benefits for our Chapter. Being on LinkedIn will help increase CT HFMA’s presence on the Internet. Anyone with

interest in CT HFMA can join our group, and from this community, CT HFMA hopes to draw in new Chapter members. LinkedIn will also serve as a tool to broadcast Chapter news and events to individuals with interest in our Chapter, but aren’t yet full-fledged members.

LinkedIn also offers services to existing Chapter members. There are tools on the Web site for sharing news articles and a message board for discussion. Members can also visit our group page for information on upcoming Chapter events.

How Do I Join?

- Go to www.linkedin.com
- Create your own user profile
- Search LinkedIn ‘Groups’ for ‘HFMA – CT Chapter,’ and join!

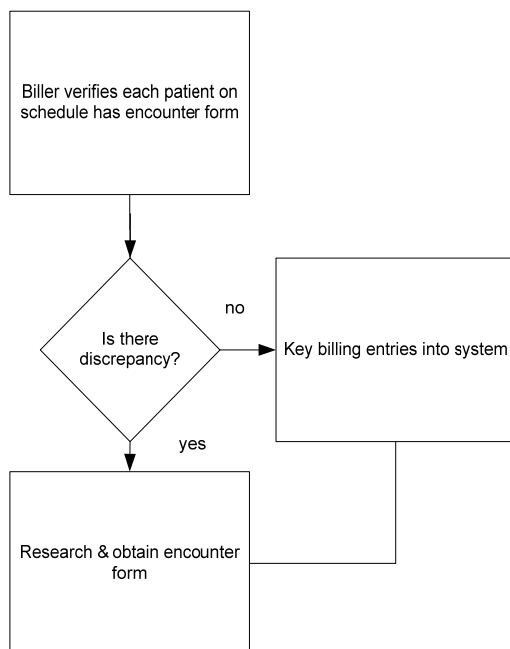
Designating Financial Operational Goals through Process Evaluation

By Laura Nicoletti, M.S.A., C.S.S.B.B.

Financial operational goals are set to hold people accountable for performance. Setting optimal goals starts with having dependable baseline data. This should be combined, when possible, with comparing best practice or industry benchmarks. The task of setting goals then becomes reasonable and increases the likelihood of improved financial outcomes.

A manager can identify goal opportunities through standard reports. Common financial markers to review include denial and revenue trends. Examining days to charge or code and time to final bill by department will point to goal options as well. Managers may be unsure how to proceed after they have baseline information. For example, a manager may find that one department in a division has low revenue given the number of patients in the service database and compared to industry standards. A process flow map, a standard Lean and Six Sigma tool, will help with the problem analysis. The process flow map shows the different steps in a process but, more importantly, where there are extra steps with no value and where the process is breaking down due to rework. In some cases, it may show an essential process step is missing.

The manager talks with staff in each step of the workflow and puts together a process map. He identifies that no one is assuring each patient on the schedule has an associated charge. He therefore adds a reconciliation step to the process to assure revenue capture (see diagram).



Another important outcome of the manager’s interviews with employees was getting their theories on process breakdowns. Understanding that this “tribal knowledge” is often valid, the manager noted the theories, and then went back to management reports to validate the feedback. While the underlying problem the manager identified was indeed lack of revenue reconciliation, there were related problems. Charging was delayed because the coder was finding encounter forms long after service dates. Coder’s productivity was compromised when she had to stop in key the charges into the billing system. Department statistics on days to code and final bill were poor. Revenue was not consistently entered in a timely fashion. Technical staff was sometimes at fault for delays in encounter form submission or not submitting encounter forms. Process was changed and goals (at the end of article) were selected based on accurate, timely charging.

Designating financial operational goals can be a daunting task. Using a process flow map combined with department data and tribal knowledge will point the manager to meaningful goals. The end result will be improvement in staff performance and financial outcomes.

1. Charging and coding elements will be entered within the following time frames (includes all research, reviewing of record and data entry)*:

- Base – 15 to 19 accounts per hour
- Target – 20 to 29 accounts per hour
- Excellent – 30 accounts per hour & up

*HFMA standard is 150 to 230 outpatient charts coded per day

2. Department will reduce days to code (compared to baseline data) by:

- Base – 5%
- Target – 6 to 9.9%
- Excellent – 10% or greater

3. Department has process to assure all services completed were charged:

- Base – Review of schedule documents 99% of services completed were charged
- Target – Review of schedule documents that 99.5% of services done were charged
- Excellent – Review of schedule documents that 100% of services done were charged

4. Technical staff will accurately designate correct billing entries on encounter form or in billing system (errors of omission are included):

- Below base – > 4 errors per month
- Base – 2 to 4 errors per month
- Target – Only one per month per tech
- Excellent – 100% accuracy

Why Would Anyone Want to Be Secretary?

Continued from page 1

dreaded last agenda item, Other Business. You know what, this has to be eliminated from all future meetings. We all receive an agenda well in advance of any given meeting and there's more than ample time to submit your recommendations to the President or President-Elect. Other Business invariably means an additional fifteen minutes to a meeting. I hereby cast my vote (unfortunately, one vote doesn't count). **THROW IT OUT!**

So in all seriousness, considering the aforementioned, can anyone provide meaningful input why any of us ever volunteer to be a secretary? I'll try.

- By becoming an officer for a respective trade organization, you can catch a break from the routine of your daily tasks and responsibilities. Don't ever underestimate the value of getting away from your desk for 3-5 hours per month.
- You work and more importantly, network with peers from throughout the state of Connecticut and sometimes even outside of New England. Don't tell me we all don't appreciate hearing what others are doing in their shops and let's be honest, in today's operating environment, "misery loves company." Hey, we also all want to share the good news when this tide finally turns, don't we?
- Upon conclusion of a meeting, a secretary returns to their office and hopefully has all their notes in some kind of order. The key is to prepare minutes as promptly as possible while everything is fresh in your mind. When you're done and push that send button, you now have the comfort, not the curse of 15 plus sets of eyes reviewing, commenting, editing and assisting you with producing comprehensive, accurate and meaningful Chapter minutes. You're creating a history and timeline for all activities of the organization. Tell me that's not important.
- We are all called to serve and volunteering your time and talents is honorable and a privilege. By being a secretary for the local Chapter of a dynamic organization such as HFMA, you have the opportunity to serve with a talented group of individuals who always have the best interests of our membership in mind. You can make a positive difference and enhance all the activities of the CT Chapter. That's your number one reward.

If anyone feels at some point they might want to be a secretary, call or email me and just as soon as I complete my minutes, I'll share with you everything you want to know.

Notes from the Editor

I have been reading that the recession has run its course. I have also read that Wall Street is returning to its old ways and plans on awarding billions of dollars in bonuses after the government bailed them out with our taxpayer dollars. We are still waiting for Healthcare Reform to be molded into one cohesive bill — but the debate continues. The Governor of the State of Connecticut introduced a Deficit Mitigation Plan that will cut over \$65 M dollars from hospitals if enacted. People are still losing their homes, there are fewer jobs and children are going hungry.



I have to ask myself why does all this happen to our great country? Think about it. We are a country that wants it all, wants it now and wants it no matter the cost to others. As we approach this holiday season step back and help someone in need. Be grateful for what you have.

I know there have been many times in my life I looked around at what others have and asked myself why I can't have that life style. Do I really need it? Does it make me a better person? I don't think so. I realize that having a wonderful marriage, great children, four beautiful grandchildren and a good job. I am indeed fortunate. I also realize that I need to give back more to the community where I live, not just at Christmas but throughout the year. It's time for me to be grateful for what I have and help those that have not been blessed as I have been.

So as we approach this special season I wish all of you much happiness and urge you to open your hearts and appreciate all you have and reach out to someone in need. John and I wish you all a very Happy Holiday and a Healthy and Happy New Year!

Janet F. Roemer, FHFMA

I would like to thank Megan Budd for her contributions to the Newsletter Committee. Megan is a new Mom and does not have the time to be an active volunteer at this time. We look forward to the time she can return to the committee. I am pleased to announce that Cassandra Mitchell has agreed to replace Megan on the Newsletter Committee. Cassandra has written numerous articles for our Newsletter and is very active on LinkedIn with Marko Pavela. Welcome Cassandra!!

Editorial Policy

The statements and opinions appearing in articles are those of the authors and not necessarily those of the CT HFMA Chapter, or the editor. The editor reserves the right to edit material and accept or reject contributions, whether solicited or not. All correspondence is assumed to be a release for publication unless otherwise indicated.

Article Submission

CT Scanner encourages submission of material for publication. Articles should be typewritten and submitted electronically to the editor by the deadline listed below. The editor reserves the right to edit, accept or reject materials, whether solicited or not. HFMA Founders Points are granted for any articles published in the *CT Scanner*.

**March/April Newsletter
Deadline for Submission: April 9, 2010**

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