

NORTHEAST

NOTES

2003/2004 ISSUE ONE

Goodbye, Northeast Notes...

At least as you've known it. Over the last 10 years, it has grown from a one-page, two-sided, two-color flyer to an 8 to 12-page, four-color newsletter. Most recently, it has made the transition to an electronic format. Now, it is time for a fresh new look and a name to go with that look. Stay tuned....your newsletter will soon be coming to you with a lighter, more "personal" image.

HFMA's Northeast Ohio Chapter Receives National Awards

The Healthcare Financial Management Association's (HFMA's) C. Henry Hottum Award was presented to the Northeast Ohio Chapter in

June, 2003, during the 50th Annual Chapter President's Dinner and Meeting at HFMA's Annual National Institute in Baltimore, Maryland. The C. Henry Hottum Award recognizes chapters that achieve a significant increase in educational performance from one year to the next.

(cont'd on page 3)



Phyllis Cowling, Jim Hutchinson, & David Canfield.

HFMA/NEO Chapter Introduces "The Class of 2004"

HFMA/NEO celebrated the hard work of last year's leaders and formally presented this year's chapter leaders at the annual golf outing at Sleepy Hollow Golf Course in June, 2003.

Please join us in congratulating this year's leaders as they carry on the success of our chapter.

(cont'd on page 7)

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hfma:
it's personal



President's Message

from David T. Kilmer

What You Do with Your Spare Time is MY Business....

Our Chapter's new fiscal year officially kicked off June 1st, but there was plenty of behind-the-scenes activity going on well before that.

As early as April, several members attended the HFMA Leadership Training Conference and exchanged ideas with four hundred of their peers from around the country. As you may notice, some of those ideas have been incorporated in this month's newsletter. Chapter volunteers on our various committees are already well into planning this year's educational programs, Annual Institute and networking events (I know because they keep sending me the tabs from their meetings!).

As you look over the listing of this year's chapter leaders, you'll get a good snapshot of who makes

up our organization: established members, some new faces, some young and some old(er), plus representatives of health systems, hospitals, payers, consultants, non-acute care facilities and physician group practices... everyone but people from Michigan. The collective knowledge of our members is perhaps the greatest resource our chapter makes available to you. I encourage you to become involved in our chapter's activities and enjoy the professional and personal relationships that result.

I want to thank all those who volunteered their time to chapter

activities over the past year. The fact that you chose to devote part of your spare time to HFMA indicates the value you perceive in your membership. I especially want to thank last year's Chairman, **Rich Fox**, and President, **Jim Hutchinson**, for their leadership and countless hours of service. A special thanks also goes to **Lori Mitchell** who served as Newsletter Chair for more years than any human being should ever have to. Well done.

Dave Kilmer

“ become involved in our chapter's activities and enjoy the professional and personal relationships that result.”

Annual Leadership Institute: Sawmill Creek - September 25-26, 2003

by Steve Rybka

The Gerry Haggerty Annual Leadership Conference is returning to one of Ohio's best meeting places.

Come benefit from the expected – prominent speakers, education, 8 CEUs, a 9-hole golf scramble and networking. **Come experience the unexpected** – a very special evening that journeys into the subconscious mind with Raven.

This year's event promises to be a fun-filled educational institute with surprises, too. On Thursday night, bring your luck, as there will be a drawing. One lucky person will “Win a Trip for Two to Anywhere in the U.S.” Mark the dates and we'll see you there.



Northeast Ohio HFMA Welcomes Its New Members

by Steve Rybka

New members are the lifeblood of our organization. In the spirit of “making it personal,” please welcome our newest members to HFMA. Look for them at our next meeting and welcome them to our organization.

Richard Gentile

Special Projects Coordinator - MetroHealth Medical Center

Rick joined HFMA for professional development.

Alexander Chernyak

System Designer - Medical Mutual of Ohio

Alexander joined HFMA because of the alignment with his current work in finance for medical facilities. One of Alexander’s personal interests is skiing.

Diane Diedrick

Senior Accountant – EMH Regional Medical Center

Diane joined HFMA for education and CPE credits. She enjoys biking.

Michelle Crawford

Senior Accountant - Humility of Mary Health Partners

Michelle’s new position in health care reimbursement led her to HFMA. Her previous experience was in general finance. Michelle keeps very busy with her three little boys.

Leigh Brock

Senior Contracting Manager -Cleveland Clinic Health System

Kim A. Shoup

Patient Account Analyst - Aultman Hospital

Deanna Slimak

Supervisor, Physician Billing - Cleveland Clinic Foundation

HFMA’s Northeast Ohio Chapter Receives National Awards

(cont’d from front cover)

In addition to the C. Henry Hottum Award, the Northeast Ohio Chapter also received the Bronze Award of Excellence for Membership Growth and Retention, which recognizes chapters that achieve outstanding performance in membership growth.

HFMA President and CEO, Richard L. Clarke, says, “The Northeast Ohio Chapter provides a great example for HFMA’s 2003-04 Chairman’s theme - “HFMA: It’s Personal.” So many of its

members are actively involved in contributing, sharing, and making a difference. Everyone applauds their family spirit, which shines through their many accomplishments.”

HFMA President and CEO, Richard L. Clarke, says, “The Northeast Ohio Chapter provides a great example for HFMA’s 2003-04 Chairman’s theme — HFMA: It’s Personal”.

Save the Date

Listed below are some of the dates and events for the 2003/2004 program year.

<u>Date</u>	<u>Event</u>
September 25-26, 2003	Gerry Haggerty Annual Leadership Institutes
October 24, 2003	Meeting: Healthcare & Economic Trends in the 2004 Election Year
November 20, 2003	Meeting: Medical Group Practice
December, 2003	Annual Holiday Awards Banquet
February 26, 2004	Meeting: Patient Financial Services & New Member Breakfast
March, 2004	Meeting: Legislative Update
April 29, 2004	Meeting: Post Acute Care
May 27, 2004	Meeting: Managed Care Program
June, 2004	Meeting: TBD

April 29, 2003, HFMA Meeting

by Bettie Royce

Rising Liability Costs for Nursing Facilities

Carol Rolf, Senior Principal and Managing Shareholder of Rolf & Goffman, explained how Ohio's tort reform dollar limits and recent (court) case outcomes impact the rising liability costs for nursing facilities. Ms. Rolf also discussed several common long-term care compliance shortfalls including:

- Lack of compliance programs.

- Nonexistent marketing, gift, fundraising and contracting policies.
- Inadequate internal audit systems and poor monitoring of effectiveness.

For more information on these issues and help with meeting key HIPAA target dates, contact Ms. Rolf at (216) 514-1100 or rolf@rolfgoffman.com.

How will Ohio's Medicaid Budget Impact your Long Term Care Reimbursement?

J. William Kutschbach, Senior Principal and Director of Long Term Consulting for Howard, Wershbaile & Co., reviewed Ohio Governor Taft's budget proposal. Some hot issues were:

- The removal of the current Medicaid payment formula and the creation of a new payment system.
- Imposing a two-year rate freeze.
- Eliminating cost reimbursement for new capital projects or beds acquired after June 30, 2003.

- Paying new providers at the state median rate.

Mr. Kutschbach next described the House budget proposal that preserves the existing Medicaid payment system by establishing "rate increase ceilings" for all formula components. To discuss the final outcome of the proposed state budget, call Mr. Kutschbach at (216) 831-1200 or at kutschbach@hwco.com.

Critical Steps for Successfully Managing Accounts Receivables

Pam Skrzynski, Vice President of Billing Operations with Altercare of Ohio, outlined the following critical steps for successfully managing Accounts Receivable:

- Evaluating the current process.
- Identifying your "future target state" by establishing goals and objectives.
- Providing training to improve employee skills.
- Communicating measured progress towards goals.

Ms. Skrzynski also shared valuable tips for billing under HIPAA regulations. For example, always bill using the most current version of the Health Care Provider Taxonomy Codes, the proper relationship codes and the correct physician tax identification number. To get more information on these topics, as well as the pros and cons of centralized versus decentralized accounts receivable management, please contact Pam at (330) 498-8061 or pam.skrzynski@schroergroup.com.

May 30, 2003 HFMA Meeting

by Kimberly Pytlak

Health Care & Financial Planning in Anticipation of Incapacity and Long Term Care

Janet Lowder, a principal with the firm of Hickman & Lowder Co., LPA., discussed health care and financial planning options for our senior years. Ms. Lowder suggested we:

- Discuss family members' wishes and concerns in anticipation of incapacitation in their senior years. Do they want to stay at home or go into a nursing home? To what extent do they want to prolong life when quality of life is compromised?
- Create documents that protect family member wishes and their assets when they become incapacitated.
- Understand differences between a living trust, conservatorship and guardianship. Be specific in powers given to agents when creating one of

these trusts.

- Understand Medicaid eligibility, specifically planning options for Medicaid spend down requirements both before and after placement into a long-term care facility.



To properly plan ahead for your golden years, contact Ms. Lowder at (216) 861-0360 or information@hickman-lowder.com.

Key Reports to Manage Billing Effectiveness and Increasing Practice Revenues

Stan Kasmarcak, a principal with Alta Partners, LLC, discussed the importance of measuring key billing information in the form of reports. Daily reports are critical for setting strong internal controls and managing a practice's accounts receivables. Mr. Kasmarcak highlighted the benefits of :

- Electronic scheduling systems.
- Reports that list missed and canceled encounters,

that are shared with physicians, and

- Day-end reports to manage the front office, ensuring all charges are captured, data is not corrupted and that cash collection is safeguarded.

For more information on the preparation of meaningful reports, contact Mr. Kasmarcak at (440) 808-3652.

Physician Compensation and Recruiting Incentives

James Egleston of Waldheger-Coyne and *Dan Kasinec*, principal with Alta Partners, discussed:

- Fraud and abuse regulations, Stark I and II regulations and the private inurement regulations for non-profit organizations.
- Recruitment incentives that are legal and within safe harbor rules, such as assuming practice expenses for 1-2 years, supporting management and marketing efforts, and supporting physician salaries for 2-3 years at the fair market value.

To discuss legal recruiting incentives for physicians, contact James Egleston at (440) 835-0600 or jim@healthlaw.com.



Kudos...

by Laurie Hammer-Rausser

Dave Acciarri - Dave received a promotion to Manager, Admitting and Registration, at the Cleveland Clinic Foundation.

William L. Malm, RN, ND - Bill was promoted to Managing Partner at Health Revenue Assurance Associates, Inc. of Chapel Hill, N.C.

Frank M. Klaus - Frank was hired July 1st, 2003, as Director of Finance at the Domestic Violence Center.

Cindy Dormo – Cindy has moved into a new role as Director of Operations of Children’s Hospital Physician Associates (CHPA). CHPA is the primary care network of Akron Children’s Hospital.

Eugene M. Killeen – Eugene is currently with Tucker, Ellis & West, LLP on Euclid Avenue in Cleveland.

Don Urbancsik – Don is a new member of our NE Ohio Chapter. Don was an active member of the WV HFMA Chapter. He will be employed as the Director of Fiscal Services at Lake Hospital Systems. He was previously employed as Controller/Director of Finance at Thomas Memorial Hospital in Charleston,

WV. Don served on the WV Chapter board and was Chairperson for Finance, Membership, Scholarship and Special Projects Committees.

Thomas J. Onusko – Tom has left the firm of Arter and Hadden to join the firm of Vorys, Sater, Seymour and Pease where he will continue to practice health care law in Cleveland.

Barb French - Barb was recently promoted to Senior Financial Analyst and Property Accountant within the Department of Financial Reporting at University Hospitals Health System.

David Marangoni - Dave recently accepted a position at UHHS/CSAHS as Director of Revenue Cycle and Patient Financial Services.

Michael Szubski - Michael has recently accepted a new position as Senior Vice President and Chief Financial Officer of University Hospitals of Cleveland.

Have you accepted a new position, published an article or received an award? Let your colleagues know what you’re doing! Send YOUR news by email to: neohfmacalendar@yahoo.com.

Past Presidents’ Appreciation Program

by Rochelle Kalski

Building a Denial Database from the Ground Up

Josh Berman, Cleveland Clinic Foundation, and *Mark P. Atwood*, VP of Cleveland based Paragon Consulting, Inc., discussed steps for building a denial database to track denials. Berman and Atwood advised determining the scope of the system: what do you need, what do you have, and what can you afford?,

plus keep systems as simple as possible.

If you would like more information on evaluating your denial needs, contact Mark Atwood at (440) 684-3101 or atwoodm@paragon-inc.com.

The Sarbanes-Oxley Act: Impact of the Public Disclosure Law

Donald Phillips, a partner and COO in Ernst & Young’s National Health Science Advisory Service practice, reviewed financial statement accountability under the Sarbanes-Oxley Act. Although the act only applies to organizations that publicly trade stock, many non-profit health care organizations are following its guidelines.

There are some restrictions emanating from the Sarbanes-Oxley Act.

- The person conducting an audit on a company

cannot go to work for that firm for a period of one year.

- Anyone with whom the company does business cannot sit on the board of directors for that company.

Violation of the Sarbanes-Oxley Act constitutes a felony. If you’re concerned about a situation that may be a violation of the Sarbanes-Oxley Act, please discuss it with Donald Philips at (419) 321-6756 or donald.philips@ey.com.

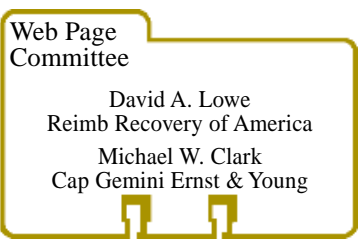
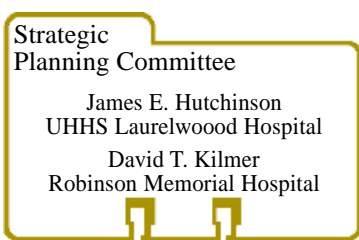
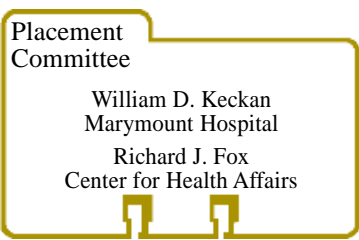
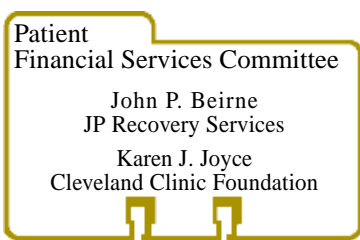
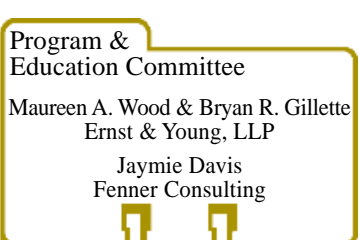
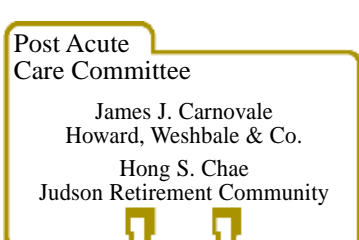
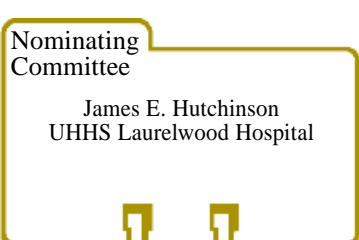
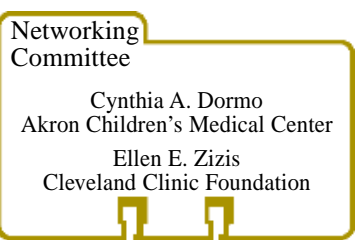
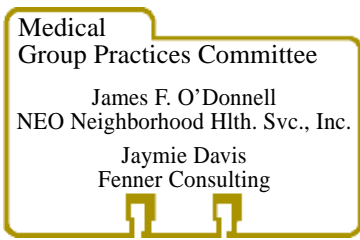
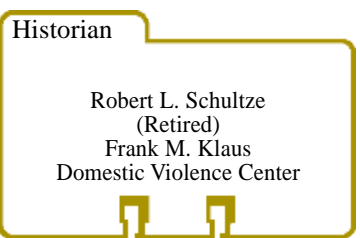
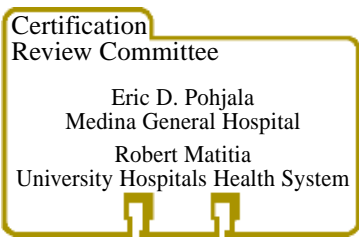
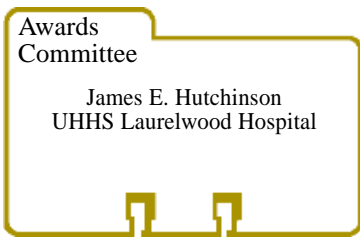
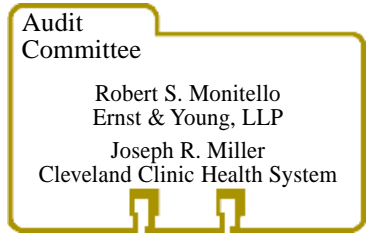
2003-2004 NEO HFMA Chapter Officers & Committee Chairs

(cont'd from front cover)

President	David T. Kilmer	Robinson Memorial Hospital
President-elect	Barry L. Franklin	Parma Community General Hospital
Vice President	Maureen A. Wood	Ernst & Young, LLP
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Chapter Coordinator	Kathleen A. Much	Segue Enterprises



Vision Statement



July 31, 2003, HFMA Meeting and Baseball with the Lake County Captains

by Anna Sulewski

Malpractice Insurance Crisis

D. Thomas Paterson, Senior Vice President with Willis National Healthcare Practice, proposed ways to aggressively manage malpractice claims in light of the future environment. The Willis National Healthcare Practice anticipates that:

- The current malpractice environment will not change in the near term.
- Double-to triple-digit increases will occur for the next few years.

- The malpractice insurance industry is cyclical so improvement should come in the long term.
- Exciting developments will reduce patient injury awards in the future, for example, evidence-based patient safety.

To strategize a plan that addresses your organization's increasing malpractice costs, contact Mr. Paterson at (216) 861-9100 or thomas.paterson@willis.com.

Play Ball...

The July 31 meeting was held at the new Lake County Captains Ballpark in Eastlake. HFMA members watched as the Lake County Captains finished-off a four-game sweep of the Augusta Green Jackets.

Lake County (28-12) recorded its sixth home series sweep in the club's inaugural campaign. The Captains out-scored Augusta (10-27) by a combined tally of 29-11 in four games. The final score was 6-2 in front of a crowd of 7,161 at Eastlake Ballpark on Thursday night (source: www.captainsbaseball.com).



The HFMA team enjoys the Captain's game.



Jim Hutchinson, Frank Klaus, & Jeffrey Kampman.



Kelly Sheehan, Mary Lou Martin, & Tim McCauley.



Jack Bailey & Claudio Zanin.

Past Presidents' Outing

by Rochelle Kalski



Diane Lilko & Kathy Much.



Dave Pletcher & Dave Kilmer.



Mike Vehovec, Bill Emrhein, Mike Szubski, & Mike Minnaugh.



Sib Mallik, Randy O'Donnell, & Edgar Silalahi.



Some of last year's HFMA Newsletter Committee Members: Cyndee Shirk, Bob Kaliszewski, Joe Rigler, & Lori Mitchell.



Josh Berman (one of the presenters from CCF), Karen Joyce, Suzanne Tschetter, Jaymie Davis, Mark Atwood, & Ellen Zizis.

**HFMA
Northeast Ohio**

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PUBLICATION SCHEDULE 2003-2004

<u>Issue</u>	<u>Deadline for Articles</u>	<u>Publication Date</u>
One	August 4, 2003	September 7, 2003
Two	October 27, 2003	November 18, 2003
Three	January 12, 2004	January 26, 2004
Four	March 29, 2003	April 12, 2004
Five	April 30, 2004	May 21, 2004

Northeast Notes strongly encourages submission of material for publication. Articles should be composed in single-space format as a MS Word or rich-text document, and emailed to the committee at the address listed above. The editor reserves the right to edit materials and accept or reject contributions whether solicited or not. HFMA Founders points are granted for any articles published in *Northeast Notes*.

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“Making 24” Puzzle Contest

by Jennifer Hahn

One lucky entrant will receive a \$25.00 gift certificate. Use any operation: \times , $+$, $-$, $/$, $($, or $)$ to make each row of four numbers equal 24. All four numbers have to be used. Numbers can be rearranged if needed. All correct entries will be included in a drawing. Good luck!!!!

- | | | | | |
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| B. | 5 | 1 | 3 | 2 |
| C. | 4 | 5 | 6 | 2 |
| D. | 2 | 5 | 2 | 1 |
| E. | 8 | 4 | 8 | 7 |
| F. | -3 | 6 | -2 | -4 |

Email or fax your answer to Jennifer Hahn at Robinson Memorial Hospital:
 neohfmacalendar@yahoo.com
 or Fax: (330) 297-8689