



# The GemStatement



## President's



The theme of HFMA's 2009-2010 National Chair, Catherine A. Jacobson, FHFMA, CPA, is

*Making it Count.* As Catherine outlined at the Annual National Institute in Seattle, Healthcare finance professionals have a passion for making it count: applying their professional skills to the cause of building the best possible healthcare system. Our chapter leadership team is working hard to assist you in making it count by providing excellent low cost educational opportunities with perspective and clarity to the industry's complex issues. In addition, we are working hard to provide an open and comfortable environment to network and learn from our peers. We are also making this year count by providing additional educational opportunities while continuing to pro-

vide our traditional quarterly meetings. Our strategic plan includes providing the following educational/networking events:

- ◆ Three free web based one-hour presentations.
- ◆ Traveling educational seminar
- ◆ Partnering with the Washington Chapter of HFMA with a Joint meeting in Spokane, WA.

I also wanted to take a moment to thank our 2009-10 HFMA leaders. I really appreciate their commitment, energy, and support of the chapter. I also want to thank our terrific sponsors! Without their support, we would not be able to provide such value added educational opportunities.

Lastly, it is our commitment to you to that we will work hard at providing content that is valuable and worthwhile. If you have any suggestions for topics, or if we could be doing something

different, please do not hesitate to let me know. We want to help you make this year count!

Upcoming Events:

- Summer Meeting, July 22nd-24th –McCall, Idaho
- IHA/HFMA Meeting October 4th-6th, Sun Valley, Idaho
- Winter Meeting, December 2nd-4th, Boise, Idaho
- HFMA Road Show, March 8-9th, Eastern Idaho
- Spring Joint Washington/Idaho Meeting, May 26th-28th, Spokane, WA

- One hour educational Webinar, TBD
- One-hour educational Webinar, TBD



Inside this issue:

Electronic Medical Records: Friend or Foe?	2
Job Search Survival 2009	4
Making a Difference	5
Using a Frontline Offense to Mitigate Financial Risk	6
Not Your Boring Lockbox Anymore!	9
Tricare News	12
Chapter Officers and Directors	14

Special points of interest:

- Electronic Medical Records
- Job Search Tips
- Lockbox Information
- Chapter News and Events
- Help Wanted

## Electronic Medical Records: Friend or Foe?

By Carol Sue Janes, Senior Attorney, Bennett, Bigelow & Leedom, P.S.

Reprinted with permission from the Washington Healthcare News. To learn more about Washington Healthcare News visit [wahcnews.com](http://wahcnews.com)



*Hypothetical:* A medical malpractice lawsuit alleges a failure to diagnose the aortic dissection that caused the sudden death of the patient. Two days before his death, the patient had visited a medical clinic, where the patient had shown normal vital signs except for a slight fever, and a mild shortness of breath. Based on the initial clinical presentation, the tentative diagnosis was pericardial rub

or possible systolic murmur. The clinic's electronic medical records (EMR) showed that the clinic had promptly ordered blood work, a blood culture, and an echocardiogram, with a follow-up appointment in one week.

*Benefits of EMR.* EMR are becoming more and more common for health care providers. Providers are recognizing that EMR offer many advantages over handwritten records. They can be accessed quickly and easily by multiple providers at different locations. A provider can obtain all types of medical information (e.g., chart notes, test results, pharmacy records, and radiographs) from a single access point. Some EMR systems provide cross-checks for error reduction, such as notifying the provider regarding possible drug interactions. EMR systems may also prompt the provider and office staff to document follow-up after a patient appointment, such as documenting review of test results or radiographs, follow-up notification to the patient, and scheduling of any additional appointments. EMR are more legible and safer from destruction. EMR systems can protect confidentiality by password access and other appropriate safeguards quite well. EMR are searchable by content, both for use for patient care and for appropriate research purposes. They can result in cost reduction by reducing paperwork. Some systems also allow for patients to view their medical records directly via online access.

### **Litigation with EMR**

*Production of records.* Certain features of EMR deserve

special attention from a litigation perspective. As an initial matter, providers using EMR need to consider how records will be produced for litigation. Production of an EMR patient record takes more careful consideration than merely making a photocopy of the chart and duplicates of any radiographs. Legal counsel and the health care provider will likely work with in-house IT staff or IT consultants to determine how to access and produce the EMR correctly.

*User ID and time stamp features.* The EMR likely contains information showing the "footprint" of when and how the provider and other staff created and accessed the EMR. The information may be visible to the provider, or may be invisible and stored in the form of "metadata" within the system. The metadata may be accessible and subject to disclosure in medical malpractice litigation. The existence of the electronic "footprint" makes it important for each individual to have a unique log-in credential rather than, for example, a physician and the physician's medical assistant sharing the same credential, so that it is clear after the fact which individual was accessing and making entries in the record. Disclosure of metadata should exclude the data showing when the provider reviewed the EMR with a risk manager or counsel for purposes of litigation.

Providers should pay careful attention to how any time stamp feature functions in the EMR systems they use. The timing of the provider's review of records may be important, particularly in the context of litigation. If a provider viewed a record twice, the software may only maintain a footprint record of one viewing and not the other. In addition, certain "preview" modes of review may not trigger the time stamp footprint, even though the provider in fact reviewed the information and took action on it. In the hypothetical case above, the EMR record only showed a time stamp for the physician's last review of the patient's lab work, after the patient's death, but did not document the physician's review of the lab work the day after the clinic visit because she had viewed it that day by looking at it in an e-mail in the "preview" mode. The time stamp feature was able, however, to accurately show when the physician had reviewed the patient's prior records, and when and who had promptly scheduled the patient's echocardiogram, lab tests, and follow-up appointment.

*System prompts and default entries.* EMR systems often include prompts for documentation, which can provide helpful reminders to ask key ROS and diagnostic questions, can simplify the thorough documentation of pertinent findings and negative findings, diagnoses, and

## Electronic Medical Records: Friend of Foe? (Continued)

---

indications for treatment, and can facilitate complete documentation for billing purposes. In the hypothetical case, although the plaintiff's counsel had asserted that the patient had experienced prior episodes of syncope, which might have led to a different tentative diagnosis, the EMR demonstrated that the physician had asked about associated symptoms and the patient had revealed no relevant symptoms, and the ROS showed that the patient's systems were negative for syncope.

EMR systems can even make suggestions for diagnostic options, suggested treatment plans, and patient instructions for post-treatment. Many of these features, particularly for primary care providers, may be triggered by the documentation of the patient's initial presenting symptom, so the provider may need to be particularly thoughtful with this documentation in order to make the best use of the software's features. The provider should also be prepared to probe outside the software's templates and suggested chart entries.

Some EMR systems provide default field entries for certain automated fields. For example, a field might have three possible options for the provider to choose from: normal risk, low risk, or high risk. The system might default to the normal risk entry. But if the provider overlooks that field, and the system automatically generates a "normal risk" entry that is not accurate, then it may appear that the provider entered inaccurate data, or did not identify a risk level that should have been considered. The provider should become very familiar with what the software's default settings are, and develop documentation habits regarding these settings. This may require additional typewritten notes to provide more detailed explanations than entered inaccurate data, or did not identify a risk level that should have been considered. The provider should become very familiar with what the software's default settings are, and develop documentation habits regarding these settings. This may require additional typewritten notes to provide more detailed explanations than the default settings may offer.

*Effect on patient interactions.* A provider may want to consider how the use of the EMR system affects their personal interactions with a patient during an appointment. If the system is designed for use during the patient appointment, it may provide many benefits, with prompts and automated entries. It can also distract from personal interaction with the patient, including eye contact and opportunities to make medical observations of the patient. The provider may want to develop new interaction

habits around the use of EMR to prevent any loss of opportunity to build personal rapport with the patient.

*Secured access.* Those keeping EMR must also undertake appropriate safeguards to prevent loss of the EMR from computer failures or access by unauthorized users. Washington law allows juries to make an adverse inference against a health care provider whose health care records are no longer available. In addition to the federal HIPAA protections for the security of health information, state law requires notification to individuals whenever the keeper of "computerized data that includes personal information" reasonably believes that an unauthorized person has acquired access to the information. RCW 19.255.010.

*Stark and anti-kickback considerations.* Hospitals wanting to offer EMR access to outside physician clinics must also be aware of federal physician self-referral ("Stark") and anti-kickback laws under which the hospital's information sharing may be viewed as a benefit conferred in exchange for referrals. Hospitals should review such arrangements so that they fit under a Stark law exception or anti-kickback safe harbor.

EMR are an important development in providing medical care and documentation. They can provide valuable assistance with defense of a medical malpractice action, as they did in the hypothetical case. But providers must be aware of the challenges as well as the benefits of using EMR, in order to provide the best care for the patient and the best defense in any litigation.

*Carol Sue Janes is a Senior Attorney with Bennett, Bigelow & Leedom, P.S. This law firm represents a full spectrum of health care clients including physicians, hospitals, and academic medical centers. She can be reached at 206-622-5511 or [csjanes@bblaw.com](mailto:csjanes@bblaw.com).*



*A study published in the New England Journal of Medicine showed that, as of early 2008, only 4% of physician practices had a fully functional electronic medical record system, and only 13% of physician practices reported having a basic system. Cost was viewed as having the greatest effect on the decision to implement EMR.*

# Job Search Survival 2009

---

By Deborah Walker, CCMC

Undoubtedly, this is the toughest year on record to land a new job. Reaching your career goal will take courage and nerves of steel. Are you up to the challenge? Here are three tips for job-search endurance that will keep you on the right track toward your employment goal.

## 1. Keep your career goal realistic.

This is not the time to strike out in a risky career direction. Following your heart toward a career in which you have little qualifications could yield months of frustration as you find yourself competing against legions of candidates far more qualified. Unless you are in the position to hold out for a very long job search, concentrate on positions where you are best qualified.

## 2. Realize it will take longer to land your next position.

If you've never experienced a lengthy job search, set your expectations out several months and practice patience. You will apply for many positions as the perfect candidate, and get no response. Expect that. You will conduct perfect interviews and hear nothing back. Expect that as well. Just remember that eventually the right company with the right job at the right time will come your way if you stay calm and focused and don't let discouragement keep you from moving forward. Just keep with it.

## 3. Write a better resume than your competition.

Less jobs and more applicants equals extremely high competition. The quality of your resume has never been more important. For the best possible resume keep these guidelines in mind:

- Focus your resume. Avoid a one-size-fits-all resume.
- Showcase your best information in the top half of page one.
- Include accomplishments that illustrate your ability to solve today's business challenges.

## 4. Sharpen your interview skills.

With employers interviewing only the best of the best, when you are chosen to interview be sure you are your competitive best. You CANNOT “just wing” an interview and expect to be called back for a second. Today it takes solid interview strategy to earn a second round of interviews. Interview books are helpful, but they usually fall short of teaching you how to read the interviewer's mind to understand his/her hiring motivations. A study in the art of selling is more effective to achieve great interview performance. A few basic selling strategies include:

- Asking the right questions to understand the interviewer's “hot button” motivations.
- Formulate answers around the interviewer's motivations.
- Know your accomplishments well enough to weave them effectively through your interview to achieve top candidate status.

Throughout 2009, the best jobs will go to those who persevere and stay focused. Keeping your expectations and goals realistic will help prevent the emotional ups and downs. Prepare for your job search as if you were competing in a marathon. With patience, endurance and skill you will win your next job.

## Job Search Info

For the latest information on available positions as well as valuable tools and resources to aid in the search, please visit:

<http://jobbank.hfma.org>



# Making a Difference

---

**By Keith Truax, Senior Revenue Cycle Strategist, SearchAmerica**

As I meet and work with healthcare organizations around the country, I am often reminded of how important what we do on the business side of healthcare is. When I think back in time to my first financial position in healthcare, I quickly realized that we are truly blessed. We don't have the skills and talents to provide direct health care to a patient, that has been reserved for those with that calling, but we do have the business skills and talents to ensure that physicians, nurses and all direct care professionals can continue to focus on providing the level of care that is needed.

Early in my healthcare career I realized when organizational decisions are contemplated that purely focus exclusively on either the medical or the business aspects, the outcome most often misses the mark. Balancing both sides of the equation is what works best. It requires business and medical professionals to consistently work together.

## **A Balancing Act of Teamwork**

Another balance that is equally important in our line of work is between mission and margin. Healthcare organizations have a unique mission, different than any other industry in our economy. This is even more apparent with the degree of not-for-profit and faith-based healthcare organizations, as they are the largest segment within the hospital and clinical industry. Serving their communities in a compassionate manner with a higher calling is a good summation of the mission statements I have run across. But this compassion would quickly disappear if the bottom line was ignored or not paid its appropriate due. In my humble opinion, those organizations that have found that right balance are the ones truly *living up to the mission and optimizing the margin*.

Unfortunately, many healthcare organizations have not been able to strike this balance. Why? Well, it goes back to perspective. Those that have achieved the mission/margin balance have deliberately chosen to align their actions with their missions.

## **Charity Programs Change Lives – My Tale**

From my personal experience (and many of you reading this have stories that come to mind as well), this mission aspect of our business makes a difference in numerous lives each and every day. In all of my engagements with healthcare organizations across the country, I've heard a variety of reasons for providing or not providing charity care respective

to an organization's mission. These reasons range from "well they're just trying to not pay" to "they didn't comply with our policy, so they were declined" to "we give enough charity". Well, I was one of those people at one time. For those that have never been humbled to that degree, I can tell you it is an experience I would not wish upon anyone. But it also taught me a valuable life lesson. No matter how successful, we are not exempt from significant personal and professional challenges in our lives.

I was and still am appreciative for those in healthcare that showed compassion. They had an impact on my life that I will never forget. Based on that experience, I have intentionally turned my gratitude into a lifelong calling to financially support those organizations. Today, my job is to help healthcare organizations live up to their missions and still improve the bottom line. How could I ask for anything better?

## **It Has Never Been Easier**

By providing charity care for your respective communities, you are making a difference in more lives than most probably ever realize. A Chief of Medical Staff once told me that more than seventy percent of health issues are psychosomatically related. If this is true, just imagine the associated health benefits with letting patients know they have been approved for charity, if they qualify, at the point of service (POS) or even before.

Today's financial clearing solutions are designed to help you achieve your mission and margin goals. For example, they can automate the charity screening process to make "fast-track charity" a reality for your organization and permit you to live up to your *mission*. On the margin side, focused collection can also become a reality for your organization and permit you to optimize your *margin*.

As you can probably tell, I just call it like I see it. I've seen the mission/margin balance become a reality in a number of healthcare organizations; but even more importantly, I've seen it first hand. That's all the proof I need to know it works and makes a difference.

If you'd like to learn more about how your hospital can make a difference, please feel free to contact me. Please join me and we can make some great things come to reality – sooner than later.

Finally, don't forget to thank your staff today; it's their day-to-day efforts that make it happen.

# Using a Frontline Offense to Mitigate Your Financial Risk in Today's Economy

**By Bruce Nelson, Vice President, SearchAmerica, a part of Experian**

It is a usual day at a hospital. A new patient enters an Emergency Room needing care for a broken arm. The treatment process begins... the registrar admits the patient, a nurse preps the receiving room, an X-ray technician readies the equipment, and the financial director sighs as he sees the hospital's finances plunge. Why? In today's economy, every patient entering their facility is more and more likely to be discharged feeling better, but leave the hospital in a weaker financial state than when they entered.

An ever growing number of today's patients are responsible to pay for a portion of their care. Many need financial assistance, charity, or a payment plan, or they may simply default on their financial obligation. The number of underinsured patients is rising rapidly to an estimated 25 million adults in the United States, an increase of 60 percent since 2003 according to a recent study by PriceWaterhouseCoopers. The result is a rise in self-pay patient population, who have become a significant piece of a hospital's revenue cycle. These individuals are often unable or unwilling to pay the high deductibles associated with their plans, leaving the hospital with increasing bad debt. Coupled with decreased financial giving and elective surgeries, the outlook is grim.

However, even in the worst of times the hospital's mission remains the same -- to care for those in need of medical treatment within their communities. Despite its financial woes, hospitals must remain viable to serve its mission.

The economy of today has resulted in capital resources vaporizing and investment income turning negative. This means budgets are stretched and many hospitals are looking to their front-end staff and systems to buffer their organization from today's financial crisis. The following are a few steps that financial executives can take to better financial health that apply to any economy, without significant cash outlay:

## *Step One: Diagnose or Prequalify the Patient*

With today's frequent changes in insurance coverage (due in part to rising unemployment) and medical identity theft, hospitals need to be vigilant in attaining the most recent and accurate information on every patient.

First, hospitals need to be sure the patient is who they claim to be, and the provided coverage (if any) is valid. Then, they must understand the patient's ability to pay

their bill. It may be a question not of if they can pay, but when or how they can pay. Knowing this information at registration establishes a mutually agreed upon relationship and can protect the hospital from undue risk.

Non-emergent medical treatment now requires the hospital knowing its financial risk in serving this individual and then mitigating this risk as much as possible

## *Step Two: Deliver a Personalized Financial Treatment*

The hospital's frontend should have a suite of payment options available that protect the hospital from accumulating bad debt. These may include pre-payment at registration (cash, credit card, or a medical care credit card plan issued by a third party), hospital approved payment plans, charity programs, and government assistance programs, among others. Especially for self-pay patients, appropriate options should be made available to ensure payment using one or multiple options.

Teaming with medical staff, frontend personnel should be able to offer patients approximate costs of proposed treatments, especially those that can be delayed or are elective. This information can change the necessary financial relationship and options available. It also empowers the patient to make educated choices on elective or optional components of their care.

## *Step Three: Act Quickly*

Aging of accounts will worsen in recessions. Collection policies and procedures should be directed at carefully segmented patient populations defined according to a patient's ability to pay their bill and its balance. In addition to frontend collections, some suggestions have included offering incentives for pre-paying or early payment of medical bills to maximize cash balances in the short term. Often the first medical bill to reach a patient may be the first one paid, hospitals should see this as a race and beat other providers to the finish line.

There is no magic to surviving in today's economy, avoiding layoffs and the other cost cutting measures. However the hospitals frontline can minimize risk and improve cash balances if used properly. It is time to equip frontend staff with the technology and processes to identify patients quickly, assess their financial capabilities, and trigger a financial plan made to fit each unique patient.

If a hospital falls into poor financial health, its mission cannot be fulfilled. It is important to the community it serves to be diligent in protecting its financial health.

# Chapter News and Events

## 2008-2009 Chapter Awards

Congratulations are in order! The Idaho Chapter of the Healthcare Financial Management Association was awarded the following:

**John M. Stagl Silver Award of Excellence for Education**

**Award of Excellence for Membership growth and Retention—Bronze**

**Award of Excellence for Certification—Gold**

The Helen M. Yerger Special Recognition Award for multi-chapter education was presented to the Idaho, Arizona, Colorado, Montana, New Mexico, Utah and Wyoming Chapters for the Region 10 Joint Conference

## Leadership Training Conference

LTC was in Fort Lauderdale, Florida this year. The meetings were great, and the location was about as perfect as it gets!



Tom and Heather  
Murphy.

The Hotel

The fabulous beach!



## New Member Spotlight



Please join us in welcoming our newest Chapter Members!

**Welcome! We look forward to seeing you at our next meeting!**

**Daniel Valdez, Healthcare Specialist**

Daniel began his public accounting career with the firm in April of 2008. He is a graduate of Central Washington



University with a Bachelor's of Arts in Accountancy. Prior to public accounting, Daniel worked for over a year in the private industry as a Retail Store Auditor.

**Margaret Ellis, Senior Accountant, St Luke's Regional Medical Center**

**Deirdre Baumgartner, Bonner General Hospital**

**Sally Keeling, Michael R. Bell & Co.**

I started my healthcare accounting career with one of Sutter Health's Affiliate, Memorial Medical Center in Modesto, California in August of 2001. After graduating from University of Phoenix with my Bachelor's I was able to transfer to Sutter Gould Medical Foundation (Sutter Affiliate) and presumed the Staff Accountant position in June of 2006. In August of 2008, my family decided to move to Spokane, Washington and I was given a chance to continue my career in healthcare accounting, at Michael R. Bell & Company, PLLC. Michael R. Bell & Company specializes in healthcare accounting and consulting in eleven states. Currently, I am working on my MBA in Accounting with University of Phoenix-Online (estimated graduation is August of 2010) and working full time as a Staff Accountant.

**Brenda Rowe**

10 years with Blue Cross Blue Shield of Kansas. 5 years with Blue Cross Blue Shield of Arizona. 8 years with SHS as Director Government Payers. 8 years as Principal of BK Consulting specializing in Hospital Operation projects. A member of HFMA since 1986.

## Chapter News and Events (Continued)

Our Annual Spring Meeting was held in Lewiston. The location was beautiful, the speakers were great as was the jet boat ride....not to mention the banquet!!!



# Not Your Boring Lockbox Anymore!

---

By James Moynihan, SVP U.S. Bank, MBA, FHFMA, CTP

## New Solutions to Automate Remittance Processing

Lockboxes are not just about “float” anymore. Banks have moved from simple depository services to producing both image files and posting files. PFS professionals should take a lockbox tour and learn about new solutions to automate remittance processing. What are these new lockboxes and why are they used?

When a bank picks up payments from a post office mailbox and deposits the check, the process is referred to as a “lockbox” operation. The name is not always helpful—it tends to conjure images of an iron box perched atop a stagecoach—but the service can be one of the most efficient tools available to providers. First begun in the late 1940s, lockbox services are now sophisticated mechanisms for managing the receipt, deposit, and posting of payments from health plans and patients.

The decision to use a bank for payment processing, as opposed to handing it internally as some providers do, is often driven by the requirements of their external auditors/accountants who feel safer letting a bank handle money. Outsourcing these functions to a bank improves controls and reduces the risk of fraud by separating cash receipt from the rest of the revenue-cycle process. The bank affords substantial back-up capabilities with redundant facilities to maintain cash flow in the event of a natural disaster. And today’s lockboxes provide specialized services that create posting files and image files for both consumer and health plan payments. Payment posting and processing can now be completely automated and paperless.

This article will lay out the specialized banking services currently available to you. Carefully consider whether your financial institution meets these contemporary standards.

## Lockbox Evolution

The most basic service functionality of any bank lockbox operation is the early-morning pickup of checks and correspondence from a P.O. box, with check deposits early enough to obtain the fastest “available funds” for investment. The first lockboxes provided by banks to major corporations in the late 1940s served to reduce both “mail float” and “clearing float.” Here’s how it worked: a company in California receiving payments from customers on the East Coast would set up a lockbox service back east to eliminate the week it might take to get mail across the country (“mail float”). As time moved on, banks began to compete on speed; which institution could process the checks and get them to the issuing bank fastest (“clearing float”). Faster “availability” through a more aggressive

clearing capability was a competitive factor among banks. Earlier availability allows the customer to invest funds or pay down debt sooner. These factors are still significant, but their relative importance has declined as banks have added new services.

## Consumer and Corporate Payments

The core lockbox service is about mail and check management, but over the last few decades, lockbox operations have featured customized solutions that provide different technologies for consumer and corporate payments. As detailed below, consumer payments are processed in “retail” lockboxes and corporate payments are processed in “wholesale” lockboxes. In healthcare, that translates into patient-statement payment processing (retail) and health plan EOB/RA (explanation of benefit/remittance advice) processing (wholesale).

## Retail Lockboxes

The typical consumer bill is what you are familiar with from your household finances. Your utility bill, your credit card bill, your department store bill, and other repetitive invoices are generally sent to your house with a stand-alone or a tear-off coupon. If you pay by mail, you are instructed to enter the amount being paid on the coupon and return it and a check in the return envelope provided. Another option allows you to enter a credit card number to be charged.

The bank picks up your payment from the post office, but what happens next is a marvel of modern processing. Banks have very specialized machinery that allows checks and coupons to be processed in a high-speed, automated environment with little human intervention. The machines are amazing to watch, as each envelope is weighed and opened, and then each check is read and encoded for the dollar amount, endorsed, imaged, and sent for collection to the issuing bank. The same machinery is simultaneously processing the *coupon* from the same envelope. Each coupon is read to capture the account number to be credited, imaged, and validated against the related check amount. Based on the information from both the check and the coupon, a posting file is created and passed to the lockbox customer for automated posting.

Related image files are available for research. Thanks to this automation, banks are often able to complete consumer payment processing at a much lower cost to the provider than can be achieved through in-house processing. Your banker refers to the “coupon” and the “consumer.” The provider speaks about the patient statement with a tear off portion on the bottom rather than a “coupon.” No matter, the machinery designed for “consumer coupons” works just as well for “patient

## Not Your Boring Lockbox Anymore!(Continued)

---

statements.”

### Wholesale Lockboxes

Wholesale lockbox is the general term used in the banking industry for processing business-to-business invoices. There are no coupons involved. That is generally true across all industries where businesses are billing other companies for goods and services. It also applies when healthcare claims are submitted to insurance companies and claim payments are mailed to the provider’s pay-to-address.

Different machinery is used in a wholesale lockbox operation from that in the retail operation described earlier. Dedicated work stations within the bank to allow operators to process mail; encode, deposit and copy a check; and route the related remittance information—often with a check copy and a deposit ticket copy—to the wholesale lockbox customer. Customers can ask their banks to process remittance data according to customized instructions. *Multiple* post office boxes help organize work for processing at different locations or subsidiaries within the customer’s organization.

In recent years, banks have supplemented this core competency with the use of high- speed image-capturing machines. This impressive technology allows the bank to scan all remittance documents and correspondence and forward the images to the customer, eliminating the work of scanning at the customer’s site. Image creation at the bank also enhances the disaster-recovery capabilities for customers, because no physical documents at the provider site will ever be lost due to natural disaster. As many providers who faced fire and flood will report, the offsite computer back-up worked fine, but the paper was impossible to replace.

The latest enhancement to this service allows some banks to turn scanned EOBs/RAs into posting files in the ANSI ASC X12 835 format mandated by HIPAA. This is done by a combination of the image scanning service and “IOCR,” or Intelligent Optical Character Recognition. IOCR can extract text data from an image file. The output from this service is both an image file for providers to use for research and customer service as well as an 835 file that can be used for automated posting, secondary billing, and standardized denial management.

A trend should be obvious here. Lockboxes are not just about “float” anymore. Banks have moved from simple depository services to producing both image files and posting files for both consumer payments (retail) and corporate payments (wholesale).

### The EDI Lockbox?

Providers should realize that banks have an important role to play in the receipt of electronic data interchange (EDI) files as mandated by HIPAA and related electronic payments. Most providers have only a fraction of their payers supporting electronic remittance advice (ERA) and EFT (electronic funds transfers). As ERA volume increases, the challenge of matching related funds transfers becomes more time consuming. EFT payments and ERA files may be sent days apart by health plans. Banks have robust reporting services, and some offer reassociation services so that remittance advices are passed to the customer only after they have been matched to a funds transfer. Reassociation services eliminate an onerous manual reconciliation process. This is particularly difficult for health systems with many bank accounts to which EFT is directed by payers.

The upshot of all this is to reconsider the role of the banking system as you seek to automate your remittance processing operations. Banks have evolved from 1940s deliverables to 21<sup>st</sup> Century deliverables. Providers are also migrating to new and better ways to do business and they have the opportunity to improve timeliness, accuracy, and efficiency while reducing overall costs by adopting the “best practices” of today’s banking system.

*James Moynihan,, SVP U.S. Bank, MBA, FHFMA, CTP, is senior vice president at U.S. Bank in Agoura Hills, California. He can be reached at [james.moynihan@usbank.com](mailto:james.moynihan@usbank.com).*



## HFMA Membership

### HFMA National's On-line Membership Directory

Have you visited HFMA National's On-line Membership Directory lately? Here's the link: <http://www.hfma.org/login/index.cfm>. When you select "HFMA Directory", not only can you search for members of our chapter, you can also search for all of your HFMA colleagues by name, company, and location - regardless of chapter! Using an on-line directory instead of a printed directory ensures that you always have the most up-to-date contact information.

While accessing HFMA National's On-line Membership Directory, you may view your current contact information and make edits to your profile. You can also view any products you have ordered, events you have registered for, your CPE credits, your Founders points, and more!

It is vital that HFMA has your correct information, so please take a moment to review your record now. By doing so, you will ensure that HFMA continues to provide you with valuable information and insights that further your success.

## Tricare News

---

### Online Referral/Authorization Submission Now Available

You asked for it and now you have it! All registered providers on the secure provider portal at [www.triwest.com](http://www.triwest.com) now have the ability to submit referrals/authorizations online.

This enhancement is the preferred way to submit a referral/authorization request to TriWest. In most cases, the requests process to completion with a status available to the referring provider, the servicing provider, and the TRICARE beneficiary immediately.

To take advantage of this and many other benefits, you must become a registered user of the secure provider portal. Just go to the "Register Now" section on [www.triwest.com/provider](http://www.triwest.com/provider) to sign up to enjoy these benefits:

- Verify patient eligibility
- Submit referrals/authorizations online
- Determine status of referrals/authorizations
- Submit claims online
- View claims and check claim status

Download Explanations of Benefits

Once you are registered, you can log in to the secure portal by clicking on My Account. Then go to the Referrals & Authorizations section and click on the "Learn to Submit Requests" button. There is a short online tutorial to assist you with getting started and answer common questions about using the tool. Additional online help is also available.

For more information, go to [www.triwest.com/provider](http://www.triwest.com/provider) or call 1-888-TRIWEST (874-9378).

### Share Your E-mail Address with Tri-West

TriWest Healthcare Alliance is developing a more effective and efficient means of communicating with providers by collecting provider e-mail addresses. The goal is to obtain provider e-mail addresses that will allow TriWest to communicate the right information to the right person at the right time.

For example, it will allow TriWest to inform you about:

- TRICARE program changes
- New TriWest processes, policies and/or resources to help you care for TRICARE beneficiaries

Educational opportunities or events in your community

TriWest will not sell or distribute your e-mail address to other companies, with the exception of your local network representative. TriWest will not send spam e-mails as all communications will be TRICARE/TriWest-related information only, and TriWest will not overload your e-mail account.

You can share your e-mail address(es) with TriWest by registering for the TRICARE eNews on our Web site at [www.triwest.com](http://www.triwest.com), by contacting your local representative, or by calling TriWest at 1-888-TRIWEST (888-874-9378).



# Career Opportunities!

---



## WESTERN MONTANA ~ BEAUTIFUL BIG SKY COUNTRY

Minutes away from a growing, upbeat, university town of about 90,000 and main city of Western Montana about 1 hour from Glacier National Park – located in the heart of some of the most beautiful scenery known in the Northwest! This is an ideal haven for the outdoor enthusiast. Nestled in the Rocky Mountains amongst historical lakes and rivers with a mild 4-season climate allows for year round hiking, fly fishing, river rafting, hunting, boating, camping, snow skiing and other winter sports.

### Job Title: DIRECTOR OF RURAL FINANCING

#### HOSPITAL INFORMATION:

Faith based organization, 22 bed critical access hospital with one specialty unit, adult and pediatric. They are part of a larger Health System with their sister hospital only a short drive away with 195 acute-care beds and 18 transitional-care beds.

#### BRIEF JOB DESCRIPTION

Working mainly in one location but also working along with Director of Rural Financing at sister hospital. Matrix reporting relationship system between both facilities will be expected. Organizes and directs the fiscal services departments. Has responsibility for Accounting & Patient Accounting Services, prepares and directs preparation of hospital budget, detailed analyses of financial statements etc.

#### REQUIREMENTS:

- Bachelors degree in applicable degree field required. CPA, MBA, MHA preferred
- Minimum of 5 (five) years of Hospital experience is desired & Supervisory experience preferred
- Strong time management skills
- Demonstrated ability to work in a team environment
- Concise, accurate, polite verbal and written communication skills
- Personal management skills such as self-motivation, self-discipline and self-starting are required
- Excellent interpersonal and problem solving skills are essential
- Must maintain a high degree of confidentiality

Competitive salary DOE, Performance Bonus Program can be negotiated, Relocation Package and Benefits to include Healthcare, Retirement, Vacation and Continuing Education Reimbursements. **Please contact Rod @ 509.891.2552 ASAP for more information or send me an email rod@nwmedicalrecruiters.com! All inquiries and documents are handled in strict confidence.** Facility is EOE.

# Chapter and Vendor Information

## HFMA Idaho Chapter

2009 – 2010

### President

Chris Brazil, Outreach Services  
[cbrazil@outreachservices.com](mailto:cbrazil@outreachservices.com)

### President-Elect

Darci Linstrum, Lincoln Hospital  
[linstrd@lhd3.org](mailto:linstrd@lhd3.org)

### Secretary

Jennie Pipoly, Kootenai Medical Center  
[pipolyj@kmcmail.kmc.org](mailto:pipolyj@kmcmail.kmc.org)

### Treasurer

Tom Murphy, Weiser Memorial Hospital  
[tmurphy@weiserhospital.org](mailto:tmurphy@weiserhospital.org)

### Board Members

#### Past President's Council

Susan Colburn, St. Joseph Regional Medical Ctr.  
Luke Zarecor, Dingus, Zarecor & Assoc.

#### Membership Committee

Kate Homan, St. Alphonsus Regional Medical Center

#### Newsletter Committee

Rosa Bowling, Weiser Memorial Hospital

#### Sponsorship Committee

Carla Terry, Idaho Hospital Association

#### Certification Committee

Norlina Harvel, Bonner General Hospital

#### Region 10 Conference Committee

Kevin Smith, Eide Bailly LLP

#### Founders Award Committee

Lenne Bonner, St. Mary's & Clearwater Valley Hospitals & Clinics

#### Ex-Officio Board Member

Carla Terry, Idaho Hospital Association

#### Website Editor

Rosa Bowling, Weiser Memorial Hospital

#### Directory Committee

Michele Marcum, St. Alphonsus Medical Center

#### Joint WA/ID Meeting Committee

Darci Linstrum, Lincoln Hospital

Paul Smart, Franklin County Med. Ctr.

#### Yeager Award Chair

Tom Safley, St. Joseph Regional Medical Ctr.

#### NOMINATING COMMITTEE

Carla Terry  
Luke Zarecor  
Calvin Carey

Editorial Policy : Opinions expressed in signed articles or features are those of the author and do not necessarily reflect the view of the Chapter, HFMA, or the newsletter committee. The committee reserves the right to edit material and accept or reject contributions whether solicited or not. All correspondence is assumed to be a release of information for publication unless otherwise indicated. Send correspondence to:

#### Rosa Bowling

Weiser Memorial Hospital  
The GemStatement Editor  
Phone: 208-549-4493  
Fax: 208-414-4267  
Email: [rbowling@weiserhospital.org](mailto:rbowling@weiserhospital.org)

## PLATINUM SPONSORS

Cardon Healthcare Network, Inc.  
Dingus, Zarecor & Associates  
Eide Bailly LLP

Healthcare Outsourcing Network  
Idaho Health Facilities Authority  
Moss Adams, LLP  
Outreach Services

## GOLD SPONSORS

Regence Blue Shield of Idaho

## SILVER SPONSORS

Bennett, Bigelow & Leedom, P.S.

Chivaroli & Associates

CNA Health Pro

Healthcare Resource Group

Michael R. Bell & Company

PacificSource Health Plans

Perot Systems

Professional Finance Company

3M Health Information Systems

Valley Health Resources

Wachovia Bank, National Assoc.

## BRONZE SPONSORS

AR Systems, Inc.

Blue Cross of Idaho

CareMedic Systems

Chapman Financial Services, Inc.

Creditwatch Services, LTD

Deloitte & Touché, LLP

Emdeon Business Services

Idaho Community Health Network

Idaho Hospital Association

NHI Billing Services

Outsource Receivables Management

NHI Billing Services, Inc.

QUE Financial

The SSI Group, Inc.

Triage Consulting Group

Washington Casualty Company

**THANK YOU CORPORATE SPONSORS! WE APPRECIATE YOU!**