



The Gem Statement



President's Message



Time flies when you're having fun! It also flies when you are very busy! Both of these statements apply to my year as President of Idaho HFMA. As I enter the last quarter of my term, I find myself reflecting on the goals the Board of Directors set out to accomplish; some were realized, some weren't, and still others a work in progress. Overall though, I am happy with, and proud of the work we've done to make this last year a successful one!

We take our accomplishments and failures seriously and value your opinions and feedback! From the recent Chapter survey conducted by HFMA National, we found that there are areas that we need to improve upon. With this information, the Board worked with National to bring a

CAT (Chapter Advancement Team) member to our April meeting to facilitate chapter and strategic planning. Brian Greene, an HFMA member from Nebraska who will work with the Board to identify our strengths, weaknesses, opportunities for change and revitalize and energize this chapter. Einstein said "Stop trying to figure out how to solve your own problems...it ain't working!" This is our chance to have someone else assist us in creating a better experience for our chapter members.

What a great chance this is to transform our Chapter! This also gives *you* a chance *as members* to get involved! I recently heard a quote: "If you're not seated at the table, you might be on the menu." Although this might be a bit extreme, the context is meaningful.

You, as members and stakeholders of this chapter can join us at the table to ensure that the menu is our agenda for a better quality organization. I hope you will take the opportunity to get involved; volunteer your time and talents to enrich not only the Idaho Chapter of HFMA, but yourself as well!

As we close the books on one year and open a new set for the year to come I would like to recognize and thank the Board members: Chris Brazil, Susan Colburn, Kate Homan, Lenne Bonner, Kevin Smith, Jason Gibbons, Paul Smart, Nathan Coburn, Michelle Marcum, Tom Safley and Larry Tisdale; and Officers: Jennie Pipoly, Tom Murphy and Norilina Harvel, who have given their support and dedication to this Chapter. Volunteers are often driven by a need to contribute, to make a difference and be part of something that is larger than themselves; all of these people have done just that and their efforts are tremendously appreciated.

I have to repeat myself from my first President's message: Thank you, thank you, thank you for making this Washington gal feel so welcome and at home in Idaho! I treasure the acquaintances and friendships I have made and won't forget the great experience of serving as your President.

Now, I'm off to play Bunco...

Darci Linstrum

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Healthcare Legislation During 2011

By: Larry Tisdale

With the Idaho Legislature having gone *Sine Die* on April 7, it's now time to look back at some of the healthcare related bills that passed and failed during the 2011 session. Of significance to most healthcare providers are the bills that were designed to save the State general funds by reducing healthcare-related expenditures.

House Bill (HB) 260 and HB310 fall into the budget savings category of proposed legislation. With savings of \$34 million dollars, HB 260 was the cornerstone of the Department of Health & Welfare's budget balancing efforts. The legislation preserves Medicaid savings initiatives from state fiscal year (SFY) 2011 and provides for additional efforts to save state general funds in SFY 2012.

The two initiatives that are of most interest to HFMA members are the addition of Non-State Government Owned (NSGO) hospitals to the Hospital Assessment Act and the cutting of non-primary care physician fees to ninety percent (90%) of existing Medicare rates. The assessments for NSGO hospitals will cover the Medicaid program's general fund requirement for disproportionate share and upper payment limit payments. The assessment will also collect additional contributions toward the State's general fund shortfall in SFY 2012. These two parts of HB 260 are estimated to save the State \$5 million dollars.

HB310 set out to make substantial changes to the Catastrophic Health Care Cost Program, also known as the CAT Fund, by making revisions to its statutes. Initially the changes removed hospitals from the definition of "providers". This was done in an attempt to remove the hospital reimbursement methodology from the rest of the statute's definition of reimbursement. The bill initially redefined hospital reimbursement as the lower of the Medicaid reimbursement or a Medicare based DRG payment. Idaho Hospital Association (IHA) opposed this adverse selection scheme on a couple of different levels, not the least of which was the fact that many of Idaho's hospitals are not paid by DRGs by Medicare. In testimony given the legislative committees,

extraordinary examples of cost savings were based on a very limited number of cases and would seemingly reduce hospital expenditures by much more than the estimate presented with the legislation. The bill was negotiated for a couple of months to arrive at a payment for all providers at ninety-five percent (95%) of the Medicaid rates on file. Language was also added to the final version of the bill to preserve hospitals' appeal rights and restore the "delayed application" process.

A number of other bills were introduced that failed to make their way to the Governor's desk. HB 117, also known as the "nullification bill" passed the House but failed to make it out of the Senate State Affairs Committee. This bill would have forced the Department of Health and Welfare to ignore federal mandates included in the PPACA for the Medicaid program and placed approximately 1.4 billion dollars in federal funding at risk. After the failure of HB 117, HB 298 was introduced to make sure that certain non-mandatory provisions were not funded or acted upon by Idaho's State agencies. The legislature returned federal funding for the health insurance exchange but provided some general funds for this effort. HB 298 is awaiting the Governor's signature.

Late in the session, three more bills were introduced that failed to get through both bodies of the legislature. Introduced as the "Healthcare Transparency" bill, HB 266 would have required hospitals and physicians to provide pricing information to the Department of Insurance. The bill was poorly worded and was seen as an unfunded mandate on providers in a year when no State funds were available to the Department of Insurance to initiate the requirements of the legislation. Bills that would have removed the exemption from provider assessments for certain private hospitals and remove the property tax exemption for not-for-profit hospitals met their demise quickly as the session drew to a close. The session ended without the passage of these bills in 2011, however the two related to pricing transparency and tax exemptions are expected to be re-introduced in some fashion during next year's session.

HHS Announces National Strategy to Improve Quality of Care

For the first time, the United States will have a national strategy to improve the quality of care, according to the Department of Health and Human Services (HHS), which [released](#) the National Strategy for Quality Improvement in Health Care (National Quality Strategy) as required by the Affordable Care Act.

The National Quality Strategy has three stated aims: to improve overall quality by making health care more patient-centered, reliable, accessible, and safe; to improve the health of Americans by delivering higher-quality care and supporting interventions to address behavioral, social, and environmental determinants of health; and to reduce the cost of healthcare for individuals, employers, and government. The strategy is also designed to reduce providers' administrative burdens and help them collaborate on improving care, said HHS.

The strategy also establishes six priorities to make care safer and more affordable, to engage patients in their care and promote healthier living, and to advance effective prevention and treatment practices for the leading causes of mortality, starting with cardiovascular disease. HHS said that the National Quality Strategy will be an evolving guide for the nation and that the agency will create specific quantitative goals and measures for each of the six priorities. HHS also stated that communities will be allowed to take different paths to achieve these goals.

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Darci Linstrum receives her Presidents plaque from in-coming President, Jennie Pipoly

Self Auditing is Smart Business

By: Helen Spaustat

Self-auditing claims is smart business for many reasons, including the Recovery Audit Contractors (RACs), Medicare and Medicaid reform, and the Fraud Enforcement and Recovery Act (FERA) (Public. 111-21, 123 Stat. 1617, S. 386). Auditing that used to be focused at the federal level has trickled down to the states. Required to implement and maintain fraud-prevention activities, states have delegated much of the auditing workload to health plans and managed care organizations.

In Texas, for example, the Administrative Code Rule §353.501 (Texas Administrative Code, Title I, Part 15, Chapter 353, Subchapter F) adopted Aug. 8, 2004, specifically requires managed care organizations (providing Medicaid insurance) to have either an internal or outsourced special investigation unit (SIU) that will develop and follow a plan to prevent fraud, waste, and abuse at every level (provider, member, and vendor). With this plan come several duties, including auditing, educating, recovering overpayment, and, when applicable, referring to the Office of Inspector General (OIG). The best defense is a good offense. For hospitals and physician practices, this means being prepared and auditing their own claims before someone else does. The OIG offered some good advice several years ago in its OIG Compliance Program for Individual and Small Group Physician Practices (*Federal Register*, Oct. 5, 2000). The OIG's voluntary compliance program guidance focuses on seven basic components, each of which serves to prevent the submission of erroneous claims and keeps providers a step ahead when it comes to external audits.

Following the OIG's voluntary compliance program guidance can help providers show that any coding errors that might turn up in a payer's audit were unintentional and immediately addressed through the compliance plan. Although providers might have to refund payments received for overcoded claims based on the new FERA ruling, adhering to the OIG compliance program guidance can significantly reduce their chances of being subjected to an audit by a health plan or the government.

A good way to begin a self-audit is to follow the OIG's guidance for implementing a voluntary compliance program. The OIG recommends starting with internal resources if possible, and taking one step at a time. Providers do not need to implement the entire compliance plan all at once.

Step One: Conduct Internal Auditing and Monitoring

Providers that do not employ a certified coder should consider having their initial audit performed by an outside auditor or vendor that is certified in coding and can assist with coding and documentation guidelines, make recommendations for future audits, and provide training to the staff. Providers should start with a baseline audit, focusing initially on the 10 or so codes that are billed most frequently and selecting the ones that may put the organization at risk. The audit should show what codes surface as outliers or have high utilization. The auditors should select five to 10 medical records per physician and review the processes of the "claim trail":

- Patient intake form or superbill data entry
- Coding
- Claim submission
- Payment posting
- The auditors should also determine and document the following:
 - Are services medically necessary?
 - Is documentation complete, correct, and legible?
 - Do codes accurately reflect documentation?

Step Four: Conduct Appropriate Training and Education

Training should cover both compliance and coding and billing. The OIG suggests these three areas for training and education:

- Determine who needs training (both in coding and billing and in compliance).
- Decide what type of training is best for whom and how much. Training can take the form of seminars, webinars, in-service training, or self-study.
- Determine how often education or training is needed.

Step Six: Develop Open Lines of Communication

Providers should develop an "open-door policy" among physicians, compliance staff, and employees. This policy could be accomplished in many ways, such as the following:

- Place an anonymous drop box where staff could insert a form that describes the type of compliance issue
- Post compliance news information in the staff break room
- Discuss compliance issues at regularly scheduled meetings, and ask for suggestions
- Have a hot-line number so issues could be phoned in
- Report any issues to a supervisor

The organization's staff should be made aware that protecting anonymity may not always be possible.

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Step Two: Establish Practice Standards and Procedures

If an internal audit identifies any risk areas, providers should establish standards and procedures that deal with those risk areas. In any case, providers should develop policies and procedures that address the following:

- Proper coding and billing
- Medical necessity
- Proper documentation
- Improper kickbacks and referrals
- Overpayments
- Corrective actions

Step Three: Designate a Compliance Officer/Contact(s)

The provider should assign someone to oversee adherence to the compliance plan. It is appropriate to make a different person responsible for each area of the compliance plan. For example, one person could perform the medical record/coding audit, another could validate whether payment was appropriate, and yet another could coordinate the education and training of staff.

Step Five: Respond to Detected Offenses and Develop Corrective Action

The compliance officer or person assigned to overseeing the compliance plan should identify corrective actions for the following:

- How to identify warning signs, such as unusual changes in pattern for services billed, number of denials, ICD-9 or CPT codes billed, and reimbursement
- How to respond to a possible violation, allegation, or other type of misconduct

Message From the Regional Executive

By: JJ Carmody

My name is JJ Carmody and I am the current Regional Executive Elect for Region X. The role of the REE is really an apprentice and support role for the Regional Executive. After serving a year as REE, I will be better prepared to take on the role of Regional Executive beginning in May, 2011.

The role of the Regional Executive is to:

- Serve as the primary volunteer and policy link between the chapters and the Association
- Assist chapter leaders in serving members
- Promote and lead change efforts to drive HFMA's strategies
- Foster dialogue and communication at all levels of HFMA
- Represent the needs and interests of chapter leaders to the HFMA Board and staff
- Work to create a seamless system of service for HFMA's members

Encourage chapters to collaborate and help other chapters

Our current Regional Executive for Region X is Dave Chohon. Dave is a former chapter leader for the Arizona chapter. He has been a great mentor for me. I have watched him lead and advocate for the chapters in our region (Arizona, Colorado, Idaho, Montana, New Mexico, Utah and Wyoming). Together, Dave and I have been visiting board meetings for all of the chapters in our region, to get to know the board members and get a better feel for the flavor of each individual chapter.

Recently, I had the pleasure of visiting the Idaho Chapter. I was impressed with your chapter's enthusiasm and focus. You have an

extraordinary group of volunteers and a strong leadership base. As part of the board's vision, they dedicated an entire day to strategic planning for the Idaho chapter. Darci, as President, invited a member of National's Chapter Advancement Team (CAT) to the board meeting to help facilitate. Brian Green, hails from the Nebraska Chapter and is currently serving a role as a CAT volunteer. With Brian's help, your board has laid out a clear plan and specific goals which will ensure success in the coming years. I look forward to watching it all progress in the next year.

Also, as part of my role as REE, I am tasked with planning the bi-annual Region X conference. This conference will take place in Denver July 27 – 29, 2011. This is an exciting opportunity for me to work with program chairs from the various chapters in our region. This is also a great opportunity to attend a regional conference and connect with members of other chapters. To find out more about the conference, be sure and visit our website at <http://www.hfma.org/region10>.

So far, it has been an interesting adventure. I have learned a lot about how HFMA works from a leadership level and I have been very impressed by the service from National. I welcome any and all input from membership. If there is anything that I or National can do to improve your experience as HFMA members, please feel free to contact me. I am here to serve you.

Thanks so much for the opportunity to serve as your Regional Executive Elect.

JJ Carmody

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406-657-4844

Self Auditing is Smart Business, continued

Step Seven: Enforce Disciplinary Standards Through Well-Publicized Guidelines

Providers may want to outline the consequences of noncompliant behavior through a policy, employment agreement, or regular employee training. Potential consequences include:

- Oral or written warnings
- Probation
- Demotion
- Termination

Findings of noncompliant conduct should be documented in the compliance and employee files, including the following information:

- Date of incident
- Name of the person receiving disciplinary action
- Name of the person responsible for taking action
- Follow-up action taken

In addition, providers should review the OIG or U.S. General Services Administration lists of individuals excluded from participation in government healthcare programs before hiring.

Fewer Billing and Coding Errors

Although auditing the organization's claims and reviewing its compliance plan is a lot of work in preparation for a possible health plan, OIG, or RAC audit, providers should consider the benefits. Auditors could uncover self-referrals, improper kickbacks, or other noncompliant activity that can be addressed promptly, thereby protecting the practice from fines or even lawsuits. The biggest benefit, however, is financial—that is, fewer billing and coding mistakes, which in turn create fewer claim appeals and allow faster payment. Now that's just smart business.

HFMA Membership—Idaho Chapter

New Member Spotlight

Please join us in welcoming our newest Chapter Members!

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

Linda Coverdale - St. Benedict's Family Medical Center

Kassidy Probert - Gritman Medical Center

Rachel Belnap - Mountain View Hospital

Rachel Kocherhans - HC Healthcare Consulting LLC

Cicily Zornes - St. Mary's Hospital and Clinics

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.



Left: Toni Lawson from Idaho Hospital Association, provides an informative legislative update.

Bottom: Darci Linstrum explains the rules of "Bunco" at the evening social.



Career Opportunities!

Join Our Healthcare Team

Not everyone in healthcare wears scrubs. Kootenai Health offers unique, fulfilling career opportunities for business professionals as well. We are committed to providing you with the support, resources, training, and opportunities you need to achieve a rewarding and successful career.

- Revenue Cycle Director
- Accounting Manager

If you are interested in one of these opportunities contact Kristi Wagener, Senior Recruiter (208) 666-2597.

Human Resources
 2003 Kootenai Health Way, Coeur d'Alene, ID 83814
 208.666.2060 tel 208.666.2032 fax



kootenaihealth.org/careers

Please visit our website to learn about other exciting career opportunities

http://www.idahohfma.org/site/epage/6235_318.htm

HFMA Idaho Chapter—Educational Events Calendar



August 11-12, 2011 Summer Meeting

- McCall, Idaho

October 1-4, 2011 Fall Meeting

- Sun Valley, Idaho

January 19-20, 2012 Winter Meeting

- Boise, Idaho

Additional Career Opportunities!

AURORA HEALTH CARE

VICE PRESIDENT, FINANCE – PHYSICIAN PRACTICES

Cejka Executive Search has been exclusively retained by Aurora Health Care to assist in the recruitment of a Vice President, Finance – Physician Practices. This role will be focused on the overall strategic direction for physician practice financial planning, compensation analysis, forecasting and budgeting processes. The Vice President, Finance will work collaboratively with market group finance leadership and corporate executives to effectively analyze and propose new business development initiatives.

AURORA HEALTH CARE

Aurora Health Care, a not-for-profit Wisconsin integrated health care provider, is a nationally recognized leader in efforts to improve the quality of health care. It has locations in more than 90 communities throughout eastern Wisconsin and Northern Illinois, including 15 hospitals, 185 clinics and over 80 community pharmacies. Approximately 3,400 physicians are affiliated with Aurora Health Care, including more than 1,200 who make up Aurora Medical Group and the 350 physicians of Aurora Advanced Healthcare.

For additional information about Aurora Health Care, please visit www.aurora.org

VICE PRESIDENT, FINANCE – PHYSICIAN PRACTICES

The Vice President, Finance – Physician Practices will be responsible for planning, developing and implementing business and financial strategies which support the organization's overall growth objectives and mission. The Vice President, Finance will also serve as a business partner to physician practice leadership and act as a contributor to physician practice growth strategies. This position is based in Milwaukee, Wisconsin and reports to the Vice President, Strategic Finance.

Ideal candidates are senior-level healthcare finance professionals who are experienced “leaders of leaders” in a complex, matrix-managed, integrated system. They will have diverse experience portfolios including both hospital and large medical group finance leadership roles and possess the ability to interact and consult with senior management at all levels of the organization. A key requirement of this role will be the ability to oversee and effectively manage financial modeling and analysis within a large integrated healthcare system.

For more information kindly contact:

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Chapter and Vendor Information

HFMA Idaho Chapter

2010 – 2011

President

Darci Linstrum, Lincoln Hospital
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President-Elect

Jennie Pipoly, Kootenai Medical Center
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Secretary

Tom Murphy, Weiser Memorial Hospital
tmurphy@weiserhospital.org

Treasurer

Norilina Harvel, Bonner General Hospital
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Board Members

Past President's Council

Chris Brazil, Outreach Services
Susan Colburn, St. Joseph Regional Medical Ctr.

Membership Committee

Kate Homan, St. Alphonsus Regional Medical Center

Newsletter Committee

Kevin Smith, Eide Bailly LLP

Sponsorship Committee

Jason Gibbons, Minidoka Memorial Hospital

Certification Committee

Tom Safley, St. Joseph Regional Medical Ctr.

Region 10 Conference Committee

Jennie Pipoly, Kootenai Medical Center

Tom Murphy, Weiser Memorial Hospital

Founders Award Committee

Paul Smart, Franklin County Med. Ctr.

Ex-Officio Board Member

Larry Tisdale, Idaho Hospital Association

Website Editor

Nate Coburn, Weiser Memorial Hospital

Directory Committee

Michele Marcum, St. Alphonsus Medical Center

Yeager Award Chair

Tom Safley, St. Joseph Regional Medical Ctr.

Job Referrals

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

NOMINATING COMMITTEE

Susan Colburn, SJRMC, Chair
Luke Zarecor
Calvin Carey

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