

Presidents Message

by *Becky Hanson*



Where has the summer gone? I know that I ask myself that every year, but this year it seems that those summer days flew by faster than ever! That tends to be the trend because it seems like this year as president is going by more quickly than I imagined.

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It seems like just yesterday the officers and board members met last April to set our goals and objectives for the upcoming fiscal year. Now we are well on our way into the year so I'll give a brief update on what our focus areas are. We are now working with a 3-5 year strategic plan so the areas we are concentrating on now will continue to be our focus into the next several years so we can measure our progress and improvement in the following areas:

- **Member involvement**—new members; committees; certification
- **Educational sessions**—content; videoconferences; roundtables
- **Member communication**—“hot topics” questions; noon luncheon sessions; facility spotlight
- **Collaboration with other organizations**—NDHA, ACHE, etc.

These focus areas are broken down into more specific items which you will be able to review on our strategic plan as soon as we post it to our chapter website. We have started to hold our board meetings via the BT-WAN system (videoconferencing) which allows us to conduct business more frequent rather than just at our scheduled HFMA sessions. This has been quite successful and we will continue to meet in this manner. I'd like to thank all the board members, chapter officers, committee members and others who have volunteered for specific tasks, for their time and commitment to our chapter.

I would also like to thank Ron Whetter for his influence and leadership in our chapter this past year. He did a great job leading our chapter towards the goals and objectives that we achieved this past year. I had the privilege of attending the Annual Chapter Presidents Dinner at ANI this summer and the honor of accepting, on Ron's behalf, our chapter's awards. The North Da-

Presidents Message continued from page 1

kota chapter was recognized on a national basis with the following awards for the 2005-2006 fiscal year:

- C. Henry Hottum Award for Educational Performance Improvement
- Award of Excellence for Education
- Award of Excellence for Membership Growth and Retention
- Award of Excellence for New Member Retention
- Helen M. Yerger Special Recognition Award—Member Involvement in the Planning for Education
- Helen M. Yerger Special Recognition Award—Message Boards Solution

A generous thanks and congratulations to our chapter leaders who work so diligently throughout the year to achieve these awards. Also, thank you to all of you, our chapter membership, for your attendance at chapter meetings, your willingness to volunteer when needed, and just for being a part of North Dakota HFMA. It is truly a team effort that makes our organization a success!

“Courage in Leadership” is the National HFMA theme for 2006-2007. What is “courage” as it applies to us in our careers; in our leadership roles; and in our everyday lives? There are dozens of quotes that could give us some perspective on this, but I think Eleanor Roosevelt said it best: “You gain strength, courage, and confidence by every experience in which you really stop to look fear in the face. **You must do the thing which you think you cannot do**”.

What is “the thing which you think you cannot do”? While preparing for the leadership role of President of our local HFMA chapter, there have been many things that I thought I couldn’t do. One by one I took them on and with the help and encouragement of my peers in the chapter leadership and membership, I was able to complete the tasks that would take me one step closer to where I am now.

There are great rewards from being involved in this organization and the greatest rewards are the friendships and the knowledge you gain from working with others who “do the things they think they cannot do”. I would

like to encourage you to step out of your comfort zones, get involved, and be courageous in your careers and in your local HFMA chapter.

I’m looking forward to a great year for our chapter and I hope you will take the opportunity to participate in the upcoming meetings and networking sessions that our chapter provides. Also, please visit our website, which will be updated soon, at www.ndhfma.org for chapter information and meeting dates.







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MCCLELLAN TELLS STAFF HE'S CONFIDENT THAT CMS WILL CONTINUE TO IMPROVE HEALTH CARE

In resigning as head of the Centers for Medicare and Medicaid Services on Tuesday, Mark McClellan, MD, PhD, sent an e-mail message to his staff, calling his tenure in public service "the privilege and experience of a lifetime." In his e-mail, McClellan thanked his staff for getting 90% of Medicare beneficiaries drug coverage at a cost 25% less than expected, enhancing prevention and care coordination for Medicare beneficiaries, and providing more people with State Children's Health Care Insurance Program and Medicaid coverage while slowing Medicaid spending growth during his watch. But after six

years serving in the Bush administration, McClellan, 43, says he wants to spend more time with his wife and two young daughters, and, according to news accounts, will likely work for a healthcare think tank after he departs CMS in early October "to continue to work to make our healthcare systems and programs better." "We are implementing the most important reforms in more than two decades in hospital payments, and important reforms in ambulatory surgery and many other types of care," wrote McClellan. "We've also worked to lay the foundation for a fundamentally better, more sustainable payment system for physicians. We are collaborating to move to paying for what we really want, and what providers want to deliver: better care at a lower overall cost, not just more services."

MEDICARE TO ENHANCE QUALITY IMPROVEMENT ORGANIZATION PROGRAM OVERSIGHT

The Centers for Medicare and Medicaid Services has outlined actions intended to enhance oversight and evaluation of the Medicare Quality Improvement Organization program. QIOs are organizations with state-level responsibilities under contract with CMS that are responsible for a range of key tasks in support of the Medicare program. CMS is requiring each contractor to have a more independent advisory board, charged with review of compliance, conflict of interest, ethics, and program integrity. Boards will be required to evaluate the structure of each state-based QIO contractor and its relationship with providers and stakeholders within the state. Also in response to recommendations and to the administration's recent transparency initiative, the QIOs are enhancing their efforts to provide better information on quality and costs to consumers and providers. A QIO pilot project, involving consumers, private insurers, employers, and state governments, will expand information available

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to Medicare beneficiaries on the quality of service provided by Medicare providers. "The QIO program is a cornerstone in our efforts to improve the quality and efficiency of care delivered to Medicare beneficiaries," said CMS Administrator Mark McClellan, MD, PhD. "QIOs have had a positive impact on the quality of health care in America, and with enhanced oversight and accountability, and new initiatives to improve transparency and care, they will do more to support better care and lower costs."

HOSPITALS TRYING CREATIVE APPROACHES TO GET PHYSICIANS TO TAKE CALL

The on-call rates that healthcare organizations are paying to specialists vary considerably by specialty, according to an annual survey of physician on-call pay rates and practices by Sullivan, Cotter and Associates, Inc. Neurosurgeons (median daily stipend of \$950), orthopedic surgeons (median daily stipend of \$900) and trauma surgeons (median daily stipend of \$1,100) receive the highest pay rates. However, some highly compensated specialists are receiving relatively low on-call pay, with healthcare organizations linking pay rates to the likelihood of the specialist being called in to work. To encourage physicians to take call, hospitals are offering creative pay schemes, such as a guaranteed level of payment for services provided, subsidy for malpractice when called in, fee-for-service payments for uninsured patients, hourly rates when called in, and payments based on work relative value units. The survey also highlights an emerging distinction between on-call pay for providing trauma coverage only versus general emergency department coverage. Only a few specialties are likely to be compensated for providing trauma coverage only, while the provision of call pay for ED coverage spans a broader range of physician specialties.

MEDICARE PAYMENTS WILL BE HELD FOR 9 DAYS IN SEPTEMBER

CMS is reminding providers that a brief hold will be placed on Medicare payments for all claims during the last nine days of the federal fiscal year (September 22 through September 30, 2006). During this nine-day hold, no interest will be accrued, no late penalties will be paid to an entity or individual, payments will not be staggered, and no advance payments will be allowed. All claims held during this time will be paid on October 2, 2006. The policy only applies to claims subject to payment and not to full denials, no-pay claims, and other non-claim payments such as periodic interim payments, home health requests for anticipated payments, and cost report settlements.

CMS PROPOSES 3% AVERAGE INCREASE FOR HOSPITAL OUTPATIENT SERVICES FOR CY07 AND REVISES ASC PAYMENTS

CMS has issued a proposed rule for payments to hospital outpatient services designed to make them more accurate and to promote higher quality and for ambulatory surgical centers to better align payments with hospital outpatient departments. The outpatient prospective payment system rule is based on a 3.4% inflation update in Medicare payment rates, which will result in hospitals receiving an overall average increase of 3% for outpatient services in 2007.



Facility Spotlight

The ND Chapter of HFMA is adding this new column in the newsletter. If you are interested in submitting your facility's spotlight of new and exciting happenings, please contact Phil Schmid at (701) 223-8433 or pschmid@ihconsultants.com.

St. Alexius Happenings

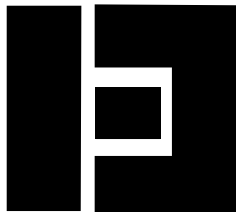
There are some exciting things going on at St. Alexius Medical Center in Bismarck. The first accomplishment is St. Alexius recently became the only hospital in North Dakota to be Magnet™ accredited. Magnet™ status is good news for patients because this designation signifies that St. Alexius consistently meets a rigorous set of standards which results in the highest patient outcomes. Patients in Magnet™ hospitals have a shorter length of stay, better outcomes and higher patient satisfaction.

Along with becoming Magnet™ accredited, St. Alexius has put forth effort in creating a cutting-edge Heart & Vascular Center. The Heart & Vascular center is a team of interventional radiologists, cardiologists, radiologists and cardiovascular surgeons who are specially trained in a variety of procedures including non-surgical or less invasive techniques and open surgeries. These less invasive procedures are on the cutting edge of technology and provide an option to patients who may not be able to undergo traditional open surgery. Together, the physician and the patient choose the best option to treat the disease, whether it is a non-surgical procedure or an open surgery.

The Heart & Vascular Center isn't the only place where cutting-edge technology is finding its way in. The Neuroscience Center of Excellence at St. Alexius is using advanced approaches for diagnosis and treatment of neurological diseases such as Parkinson's disease, multiple sclerosis and even brain tumors. Also, patients who experience back pain are now finding relief in new procedures that are now available at St. Alexius. Before, patients would have to travel out of the state to seek this kind of treatment.

Even the process of getting an x-ray is changing. St. Alexius has installed a Picture Archive Communications System or PACS. This system replaces the old archiving process of storing film. Now the images are stored digitally, and there is no need for film. Physicians are able to share the images electronically with colleagues and no longer need to sort and hang film to review images.

These are just some of the advances that St. Alexius has made recently. For more information about the happenings at St. Alexius Medical Center www.st.alexius.org.



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HFMA OFFICER SPOTLIGHT

- Bonnie Kuehnemund, Board Member/Historian -

What is your current job/position? *Comptroller at Heart of America Medical Center, Rugby*

What are the responsibilities of your position? *Oversee all the accounting functions within the facility including financials, budgeting, cost reports, and reimbursement. I also oversee the Directors of the Business Office, Purchasing, and Health Information Services and am the Corporate Compliance Officer for the facility.*

How long have you been at your current position? *Twenty years----since 1986.*

What was your very first job in healthcare? *I started as an Accounting Clerk for the Heart of America Medical Center in June, 1980.*

What other healthcare-related positions have you held? *From Accounting Clerk, I was Director of Accounting before my duties were expanded to Comptroller. My entire healthcare-related positions have been here in Rugby.*

What do you like best about your current job? *Working with the staff within the facility and assisting them with their departmental expenses and revenues, so we can ultimately provide quality healthcare to the community. The challenges with healthcare are never ending. There are constant changes---the job is definitely not boring and repetitive. Rural healthcare is so important and I believe what we do in the financial area makes a difference in providing healthcare to those who need it.*

What are your hobbies? *I enjoy walking, Tae Bo exercise, playing volleyball, and reading.*

What has been your proudest moment (personally or professionally)? *My proudest moments without a doubt are with my family. Watching my two kids grow up and become the individuals they have become. My daughter just got married and is finishing up her elementary education degree. My son is a sophomore at NDSU.*

What has been the best advice you have ever received? *Enjoy what you do and do what you enjoy.*

Why did you join HFMA? *I was new in the healthcare industry and wanted to meet other healthcare financial people and learn more about healthcare finance. The education meeting contents are great and the networking has been priceless.*

What are your favorite foods? *Chicken, ice cream, and pumpkin pie.*

Share with us one of your favorite quotes. Trust in the Lord, and He will guide your ways.

How did you first become involved with HFMA? Committee? Director? Officer? *To begin with I basically just went to the meetings. Somewhere along the line I started taking pictures at the chapter meetings and became part of the History Committee. I've also been on the board of directors for a number of years.*

What is your current role with the North Dakota Chapter of HFMA? *I am a member of the board of directors and continue taking pictures for the chapter as part of the History Committee.*

What have been the personal and/or professional benefits you've realized from your HFMA involvement? *Probably the greatest benefit is the people you meet and work with. The healthcare knowledge base among our membership and the great friendships that develop make the challenges of healthcare seem less challenging and more doable. In a small facility, you wear a lot of different hats and having a network base within the HFMA chapter has been priceless.*

Quarterly Question

As we are in the beginning of a new HFMA fiscal year, the chapter newsletter committee is trying to provide unique and useful information for members and member organizations. The committee is adding a new section to the chapter newsletters called "The Quarterly Question".

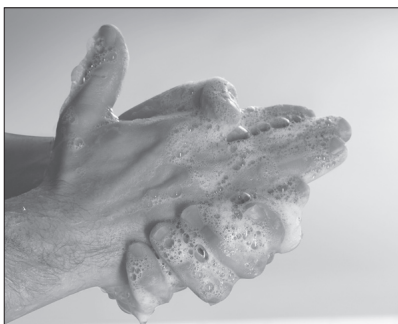
The purpose of "The Quarterly Question" is to provide quick and simple feedback and/or statistical results of a pertinent healthcare finance question. The newsletter committee will be emailing the membership on questions related to everyday healthcare finance operations/issues.

The first quarterly question relates to Patient Financial Services efficiencies. The purpose of this question is to determine the number of paid (PFS) hours it takes to process insurance claims. The formula was (Paid Hours / number of originally filed claims). Paid hours should include productive and non-productive hours. The number of claims filed should be "originally filed claims".

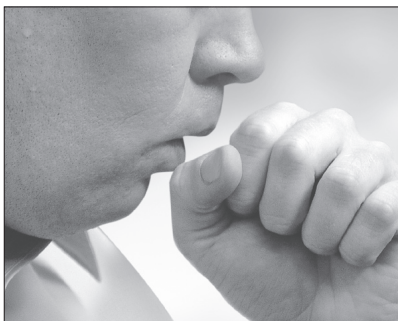
There were 4 facility responses to the survey. The weighted average results show that there are .75 hours of PFS time needed to process a claim.

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