



beyond  
the numbers

# HFMA Today

Official Newsletter of the North Dakota Chapter of the  
Healthcare Financial Management Association

Volume 7, Issue 8 November 2004

## Presidents Message

BY JERRY PEELER



This year the theme of HFMA is Beyond the Numbers. I want to take the time in this newsletter to recognize the people who make this chapter operate and contribute their time to our organization.

We had a great conference in Grand Forks. We had about 37 attendees and the information presented was very useful. The conference was planned and organized by our Vice President, Becky

Hansen and was co-chaired by Tony Aymond. The presenters did an excellent job and I want to thank Mark Hollan, Independent Healthcare Consultants, Chuck Saviour and Cindy Cormier, Array Services Group, Pat boyer and Ralph Llewellen, Eide Bailly, LLP. The knowledge they bring and the quality of their presentations is tremendous. Thanks to all of you.

This was our awards banquet and it seems as if our President-Elect, Ron Whetter, took most of the trophies. Ron got several awards from National for the excellent programs that were presented last year. Also, Ron received the Chapter Presidents award from our Past President, Doug Okland, for Outstanding Member of the Year. Congratulations Ron!

We had several years of service awards, but the most notable were two recipients who received certificates for 30 years of service. They were Jim Novak and Bernie Keiselbach. Congratulations, that's a long time.

James Long received the prestigious Muncie Gold Award. Becky Hansen, Ron Whetter, Jim Feldman, Willie Ressler received the Reeves Silver Award and Bradley Burris, Linda Odegaard, Renee Osland and Dan Trustum received the Follmer Bronze Award.

Our Chapter is in excellent shape to win several awards again this year with the growth in membership and education hours over last year. We have a net gain of 5 memberships this year. Our membership chairperson is Tim Blasl, who is doing an excellent job with memberships.

According to our Treasurer Jodi Atkinson and our Secretary Mike Schumacher we have almost \$30 K in the bank. Mike had to carry the books a little longer this year until he and Jodi could get together for the transfer. This is what happens when you live 300 miles away from each other. Thanks Mike and Jodi.

I want to recognize Steve Lindemann for the excellent job he is doing with our website. Please take a few minutes and visit our web. It's a great way to learn more about our chapter. Speaking of communications, I want to thank Phil Schmid for volunteering to be the newsletter chairperson. Phil does a super job.

National should be sending out the membership survey sometime in December. This year we will again do the survey electronically. Please participate in this, because it is very valuable to the board when we do our planning in the spring.

I look forward to seeing you at the next meeting in Bismarck on January 27 and 28 at the Doublewood Inn and I want to wish each and every one of you a very safe and Happy Holidays.

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**CMS PLANS TO ASSIST PHYSICIANS WITH EHR**

CMS intends to motivate the private sector to make electronic health record (EHR) systems more affordable and build on work done by the Leapfrog Group and HL7 on standards for the components of EHR systems, officials told participants of a November 16 Open Door Forum. CMS's plan also calls for quality improvement organizations (QIOs) to help physicians' offices adopt the technology and modify their patient care workflow accordingly. More details of the QIOs' role will be in the 8th Scope of Work (their next contract period) now under development.

CMS will also address financial incentives of EHR implementation with a demonstration project under Section 649 of the MMA. The project would operate much like the Bridges to Excellence grant program of the private sector and make funds available to those who also adopt clinical measures programs.

Read more about electronic health record initiatives in these selected on-line hfm articles:

- HHS Launches Decade of Health Information Technology Initiatives, September 2004
- Why Stop at HIPAA? Getting Back on the Healthcare Information Highway, September 2004
- Analyzing Information Technology Value, March 2003
- One CFO's Success with Transitioning to an Automated Patient Record, February 2003

**CY05 CLINICAL LABORATORY UPDATE--NO INCREASE**

The annual update to the 2005 local clinical laboratory fees is 0 percent, according to CMS instructions to fiscal intermediaries (FIs) and carriers published November 5. In the transmittal CMS also updates laboratory costs subject to reasonable charge payments.

The 2005 laboratory fee schedule keeps the national minimum payment amount at \$14.76. Tests for which national limitation amounts (NLAs) were established before January 1, 2001, will have NLAs that are 74 percent of the median of the local fees. Tests with NLAs established on or after

*continued on page 3*



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January 1, 2001, will have NLAs that are 100 percent of the median of the local fees.

The fee schedule includes separately payable fees for certain specimen-collection methods (codes G0001, P9612, and P9615). For dates of service January 1, 2005, through December 31, 2005, the personnel payment is \$0.45 per mile and the standard mileage rate for transportation costs is \$0.385. Also included in the transmittal are the outpatient codes paid under a reasonable charge basis

#### MEDPAC: HEART HOSPITALS HAVE ONLY SLIGHT IMPACT ON COMMUNITY HOSPITALS

Heart hospitals are capturing market share from community

hospitals, but the profit margins of neighboring community hospitals were not hurt by the heart hospitals' competition, according to a November 17 report of research presented to the Medicare Payment Advisory Commission (MedPAC). The commission is preparing to submit policy recommendations to Congress in December.

The presenters did emphasize that the study was conducted over a six-year period that ended in 2002, and the number of specialty hospitals has doubled over the last two years.

MedPAC's next meeting is December 9-10 in Washington, D.C., and is open to the public

#### CONSUMER MEDICAL PRICES CONTINUE MODERATE GROWTH TREND

Consumers' out-of-pocket costs for medical care rose 0.3 percent in October, the seventh straight month of moderate growth (before seasonal adjustment), according to the latest data from the Bureau of Labor Statistics. Consumer medical prices were 4.5 percent higher than one year ago. By comparison, the Consumer Price Index for all urban consumers (CPI-U) was 3.2 percent higher than in October 2003. Hospital inpatient prices were 5.4 percent higher than a year ago; outpatient prices were 5.0 percent higher.

In other medical care sectors, professional services increased 4.1 percent from a year ago, while medical care commodities increased 2.6 percent. The annual change for nursing homes and adult daycare increased of 3.6 percent.

#### STUDY: MORE NURSES, BUT CONTINUED SHORTAGE

Wage increases, high national unemployment, and positive results from private-sector initiatives made 2003 the second straight year of strong employment growth among registered nurses, according to a November Health Affairs article. The increase of 205,000 full-time equivalent RNs from 2002 to 2003 is the largest two-year growth observed since 1983. Older women and foreign-born RNs accounted for a large share of the employment growth, aided by increased numbers of younger people pursuing the RN credential, particularly women in their early 30's.

However, researchers advised continuing efforts to maintain the growth rates, including scholarships and public relations campaigns. The workforce is projected to reach only to 2.2 million by 2020, in contrast to a forecasted need of 2.8 million.

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## CMS CLARIFIES "REPETITIVE SERVICES"

At a November 17 Hospital Open Door Forum teleconference, CMS staff clarified that the "examples" of repetitive services contained in transmittal 270, issued August 3, are actually the complete list of services that CMS considers to be repetitive. The transmittal also referred to infusion therapy as a repetitive service; however, it is not, a CMS official said during the forum.

Transmittal 270 requires fiscal intermediaries to accept monthly bills from skilled nursing facilities (SNFs) and Tax Equity and Fiscal Responsibility Act (TEFRA) hospitals, and addresses the proper billing when an individual outpatient PPS service is performed on the same day as an outpatient PPS repetitive service. A correction to the transmittal is expected soon.

## AMBULANCE SERVICES: NO CHANGE IN 2005 CONVERSION FACTOR

CMS has set the ambulance inflation factor at 3.3 percent and made no change to the conversion factor used to determine 2005 Medicare ambulance fee schedule rates, according to a November 15 Federal Register notice. CMS estimates a 3 percent increase in Medicare revenues for all ambulance suppliers and providers that furnish services to Medicare beneficiaries.

A transition to 100 percent payment under a fee schedule began in 2002, replacing the retrospective reasonable-cost payment system for providers and the reasonable-charge system for suppliers of ambulance services. During the transition period, the ambulance inflation factor is applied to both the fee schedule portion of the blended payment amount and to the reasonable charge or cost portion of the blended payment amount separately for each ambulance provider or supplier. These two amounts are combined to determine the total payment amount for each provider or supplier.

## BILLING INSTRUCTIONS FOR RURAL HEALTH CLINICS AND HEALTH CENTERS UPDATED

General billing instructions in chapters 9, 18, and 32 of the Medicare Claims Processing Manual (Pub. 100-04) are being updated to provide more detailed instructions for rural health clinics (RHCs) and federally qualified health centers (FQHCs), CMS announced in a November 19 transmittal. RHCs and FQHCs will no longer report additional line items when billing for preventive services on bill types 71X and 73X.

Additionally, independent FQHCs will not be required to report one of five designated HCPCS codes for each line item on the bill, and hospital-based FQHCs will not be required to report HCPCS codes for each FQHC service line item on the bill. Also, except for the telehealth originating site facility fee reported using revenue code 0780, all charges must now be reported on

the revenue code line for the encounter, 052x or 0900/0910, or the claim will be returned to the provider. The updates are effective April 1, 2005.

## STUDY FINDS CONSUMERS CONCERNED ABOUT HEALTHCARE SAFETY

Despite efforts by hospitals, physicians, health plans, and purchasers to reduce medical errors and improve the quality of care, Americans say they do not believe that the nation's quality of care has improved, according to a new survey by the Henry J. Kaiser Family Foundation, the U.S. Agency for Healthcare Research and Quality, and the Harvard School of Public Health.

The mid-2004 telephone survey of 2,012 U.S. residents found that almost half (48 percent) of the respondents say they are concerned about the safety of health care today, and more than half (55 percent) of respondents say they are dissatisfied with healthcare quality in the United States. Additionally, nine in 10 (88 percent) say that physicians should be required to tell a patient if a preventable medical error resulted in serious harm.

## A HUMORIST OFFERS PRACTICAL TIPS ON HOW TO WIPE OUT WORKPLACE WOES WITH HUMOR.

Larry Wilde

The carnival sideshow strongman had just exhibited his prowess, and for an encore he squeezed all the juice out of a lemon. "I'll give \$500," he shouted, "to anybody who can squeeze just one more drop from this lemon." Several burly football linemen types tried but failed. Then a slight, bespectacled woman took the lemon, squeezed it and out came not one but several drops. "Amazing!" cried the strongman. "How'd you squeeze out the juice when everybody else failed?" "Easy!" said the woman. "I've been a hospital CFO for 15 years." It's an accepted fact that working in a healthcare environment is quite stressful. However—in addition to regular job pressures—HFMA members must also juggle a dozen different responsibilities. Tension-filled days are the norm.

There are many ways to deal with stress—everything from running and racquetball to biofeedback, yoga, and herbal tea. All these methods work to some extent but they take up precious time. The quickest, most effective way to beat stress is to go after some good giggles. Why use humor in the workplace? The answer is simple: you get immediate results. It takes no special talent or ability, no physical prowess or skill, you aren't required to have a masters degree or a license, it makes you feel good, it's fun, and it's fat-free. The New York Times science writer Daniel Goleman says, "Humor can aid problem-solving as well as contribute to creativity in the business environment."

The Times article quotes David Abramis, a psychologist in the School of Business Administration at California State University (Long Beach), on his survey of 382 people from a wide variety of

workplaces. Abramis found that “those who felt their work was fun performed better and got along better with co-workers than did those who were satisfied with their jobs but did not see them as fun.” HFMA members and chapter leaders are sometimes faced with making quick decisions. Handling a predicament with humor can often change the outcome. Witness the plight of a woman chapter president on her way to a chapter education program: Speeding toward the event at 70 mph she noticed a Highway Patrol car coming up behind her. He appeared to be gaining so she pushed it to 80. Soon the cop began to catch up. Suddenly, she spotted a gas station, pulled in and screeched to a stop. The executive jumped out of the car and rushed into the Ladies Room. Ten minutes later she came out, walked up to the waiting Highway Patrolman and said with a smile, “You didn’t think I was going to make it, did you?” The patrolman guffawed and sent her away with a warning. Knowing that it is possible to cope more easily with stress by emphasizing humor has had a profound effect on the business and financial community. Now companies are profiting from lessons in laughter. Suddenly, healthcare facilities are hiring humor consultants for training sessions to help execs and employees loosen up, so they can take their work seriously without taking themselves too seriously.

“Laughter is the best way to start a meeting,” states Mark H. McCormick, a sports business manager and author of *What They Don’t Teach You at Harvard Business School*. “You don’t need to have them falling in the aisles. But a mildly pleasant remark at the outset will create the right atmosphere for everything that follows.” Using humor to relieve stress is simple

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— the benefits are simply wonderful. Follow these steps and you'll be on your way to defusing anxiety and frustration.

### Step One: Take A Humor Break

Keep a book of jokes or cartoons in your desk drawer. If it makes good sense to keep a first-aid kit in the house for medical emergencies, why not a mirth-kit in the office to deal with stress situations? Ten minutes before a meeting or conference, read some funny stories. A smile or chuckle will relax and better prepare you for a career-on-the-line confrontation. A cartoon that truly tickles your funny bone could send you out to duel windmills with a smile and a winning attitude. Better yet, if you can manage a belly laugh you'll probably exude a carefree spirit that will lead to friendly, fruitful negotiations.

In every problem-solving encounter the participant who is relaxed and in a jovial mood usually emerges the winner. A good laugh makes you feel good and allows you to think more clearly and quickly.

### Step Two: Laugh At Yourself

Dr. Meyer Friedman in his book, *Treating Type A Behavior and Your Heart*, points out that being able to laugh at yourself is healthy. Dr. Friedman's research in coronary heart disease leads him to conclude: "The person most effectively protecting himself against the continued progress of coronary artery disease is the person willing to see himself and his affairs as ludicrously unimportant in the planetary scheme of things."

Getting too emotional about your job and taking yourself seriously are the two main causes of burnout for people in finance. Laughing at yourself is the sure road to good health and longevity. One effective method of achieving this goal is to make yourself the butt of a joke. When you make fun of yourself it takes the sting out of what other people say. It's not necessary to constantly put yourself down in the workplace but self-deprecating humor shows that you're human. It reveals that you are so self-assured, you can readily poke fun at yourself. And guess what? People like you more!

### Step Three: Create Your Own Funny File

Find out what makes you laugh and nurture it. Each of us has an individual sense of humor. There are many life experiences where we can look back and laugh. Childhood incidents, school situations, even marriage mishaps. Remember the embarrassing moments that were so painful when they happened but are funny to reflect on now?

The more horrendous the situation, the more hilarious it is to think about. Such embarrassments turn a blush into a chuckle, if properly handled. Put together a humor library. Gather up favorite cartoons you've collected, comedy records, joke books, funny video films—anything that will bring a smile

to your lips. Marsha Sinetar, organizational psychologist, has a binder reserved for cartoons, jokes and other humorous anecdotes. "I call this my mental health file," she explains. "When I'm down in the dumps, bored, uninspired, I flip through this binder. I'm always amazed at how a few good laughs pick me up and change my perspective." Medical science has made us aware that there is now another way to cope with stress.

HFMA chapter leaders can now access the newest and best prescription: Humor. Motivational humorist Larry Wilde speaks to corporations, associations and healthcare professionals nationwide on the positive effects of dealing humorously with stress in the workplace. The author of 53 published books of humor with sales of 12 million copies, including *The Treasury of Laughter* and *When You're Up To Your Eyeballs In Alligators*, *The New York Times* calls him, "America's best-selling humorist." Email: [larrywilde@aol.com](mailto:larrywilde@aol.com). Web: [www.larrywilde.com](http://www.larrywilde.com). Phone: (831) 624-3058

## Welcome New Members!

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Sponsor Name: Stacie R. Heiden

## OFFICER SPOTLIGHT

### *Ron D. Whetter, President-Elect*

What is your current job? I am Budget/Reimbursement Manager for the Edgewood Vista Corporate Office in Grand Forks. Edgewood Vista owns 17 assisted living and Alzheimer's units in North Dakota, South Dakota, Minnesota, and Nebraska with over 900 beds combined.

What are your responsibilities at Edgewood Vista? I oversee accounts receivables, prepare budgets, analyze financial statements, prepare the Medicaid cost report, and do business planning.

What was your very first job in healthcare? What other healthcare positions have you held? I started at St. Joseph's Hospital in Minot in 1988 as a staff accountant and later became their controller. I worked there until January of 1996 when I began working for Eide Bailly as a healthcare consultant. I have been working at Edgewood Vista since October of 2003.

What do you like best about your current job? I enjoy working with the managers at the different facilities to help them understand their financials and anything

else related to revenue and expense issues. I also enjoy developing new reports and processes to help manage the overall operation.

Tell us about your family. My wife, Susan, is a teacher. I have three children—Alisha, a junior in college; Katie who is 14; and Jimmy who is 12.

What has been your proudest moment, both personally and professionally? Personally, it's watching my kids grow up and seeing them perform in their activities. Professionally, through Eide Bailly and HFMA, it's feeling like I have made a difference in helping rural facilities in North Dakota and surrounding states to make good reimbursement decision, especially in relation to critical access.

What has been the best advice you have ever received? To make each person you meet feel better about themselves after they have visited with you!

Why did you join HFMA? For the opportunity to network with other healthcare professionals from around the state.

What are your favorite foods? I like everything!!!!


Share with us one of your favorite quotes. The Golden Rule—Do unto others as you would have them do unto you.

How did you first become involved in HFMA? When I first started in Minot, I helped to set up sites and programs for the meetings in Minot.

What have been the personal and/or professional benefits you've realized from your HFMA involvement? It has allowed me to pursue career paths I would not have had a chance to without the contacts and the education from HFMA. I have also met some very talented people in our state with whom I have become friends and work with.

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