

2007 | 2008

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David Volk, Esq.

THURSDAY • MAY 15

Annual Awards Banquet

— Debby Chanen, FHFMA —

Views all around LA will be the backdrop for this year's Annual Awards Banquet and Installation of the Board. We will be on the 54th Floor of the Wells Fargo center in downtown LA at the private City Club. In addition to a champagne reception with hors d'oeuvres, we will have a four course meal serenaded by the Johnny Crawford Orchestra that also performed at our Chapter's Annual Awards Banquet at the Biltmore Hotel three years ago. Dancing is part of the program as well.

In addition to the awards and installation, we will be announcing our scholarship winners as well as selecting the winners of our annual membership drive which ends on April 30. This year the member who signed up the most members will be eligible for either the Puerto

Vallarta trip which includes six nights in a two bedroom beach front condo, actual coach airfare expense up to \$1,000 for two people and spending cash, or a trip to ANI 2008 at the Mandalay Bay Resort and Convention Center in Las Vegas from June 23-26. That trip includes the registration and \$500 towards hotel.

This event is subsidized by your chapter and only costs \$25 per person. Seating is limited so please reserve your place today. You should have received the e-mail registration link in early April but you can also access this form via our chapter website at www.hfma-socal.org on the Events page. This is our Chapter's first event where you can input your credit card online via a secure website to make this a really quick and simple process.

• • • • ATTENTION • • • •

NEW HFMA SOUTHERN CALIFORNIA CHAPTER Incentive Program for National HFMA Certification Testing

The HFMA Southern California Chapter would like to encourage their Members to take the National HFMA Certification Examinations.

Why have Certification?

- To have our National office recognize your professional achievement
- To earn a healthcare professional title granted by an independent nationally recognized professional healthcare financial management organization, HFMA.
- To show your current employer what you have done to improve yourself and your knowledge of healthcare finance and increase your value to your employer.
- To show yourself that you can do it.
- To meet our chapter goal of having as many certified members in our chapter as possible.

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P R E S I D E N T ' S M E S S A G E

Debby Chanen



It's finally warming up and the days are getting longer and I have Spring Fever. As the HFMA year comes to an end on May 31st, so does my term as President. Although it was a wonderful experience I guess I'm ready to give up the reins to the President-Elect, James Cummings, and go out and have some stress free fun (and then give the extra effort back to my real job)! I would be remiss not to thank the Officers and Board of the Southern California Chapter for a great year before I move on. They work incredibly hard in their volunteer roles and I believe it is safe to say we had a great year due to all of their efforts. I also want to thank the Members and Sponsors of the Chapter for their participation and assistance in many of our activities. As president I get some interesting calls from members with varied questions and I have enjoyed getting to know many of you through those calls or at our events and learning from our Members. As a reminder, our HFMA National Chairman's theme was to "Make a Difference" and many of you did so for our Chapter and hopefully in your professional life as well.

Our goal at the beginning of the year was to give our Members a number of high quality educational programs, networking and social opportunities and to serve as a resource in Healthcare Finance. As a recap, here are our accomplishments/activities for the 2007-2008 year:

I EDUCATION

- A) We held three Chapter wide educational programs (one full day) in different geographies around LA County with stable attendance from previous years and increased the amount of tracks offered.
- B) We held three CFO Roundtable educational lunch sessions throughout LA and Orange Counties.
- C) We held three Geographic Programs: one in San Bernardino, one in Bakersfield and one in O.C.
- D) We held our first Audio Webconference
- E) We co-sponsored the Region 11 Symposium for the 10th year, offering excellent education and sponsor exhibits, and enabling our Chapter to continue to do well financially. We also offered \$300 rebates for our Chapter's Members
- F) We co-sponsored the Fall Conference with Northern California Chapter for the 7th year and it was more successful financially than any of our previous Fall (Managed Care) Conferences. We also offered \$200 rebates for our Chapter's Members.
- G) We co-sponsored many other educational events with organizations such as AAHAM, CHA and for the first time, Disney Keys to Excellence.

II NETWORKING /SOCIAL

- A) We hosted a night at the musical Wicked paying approximately half the ticket price for existing members and giving new members a free ticket.
- B) We co-hosted the annual holiday party with AAHAM at Maggiano's at the Grove and donated hundreds of toys to children from Member donations.
- C) We hosted a pre-game dinner at a Dodger game and subsidized field seat tickets for 60 members.
- D) Next month the annual awards dinner will be held on May 15th at the City Club in downtown LA.

III ADMINISTRATIVE /OTHER

- A) We updated our Website with the assistance of Member comments.
- B) We published five newsletters throughout the year
- C) We implemented an online registration process and for our final event of the year we'll have secure credit card registration online.
- D) We significantly increased our member satisfaction scores on the bi-annual HFMA National survey of Chapter members.
- E) We have kept the Chapter on solid financial footing.
- F) We kept our membership stable and continued to offer a Membership Drive with prizes well over \$1,000.
- G) We offered scholarships and mentoring to seven local Universities, three more schools than in previous years with more Chapter volunteer speakers sent out to the schools.
- H) We submitted seven lengthy applications to HFMA National for consideration for the Helen M. Yerger Special Recognition Awards based on efforts to improve our Chapter.

As you can see, the Chapter worked hard to make a difference for you, our chapter members, over the past year. We hope you had a chance to enjoy some of the many educational/networking sessions we had to offer. It has been my honor to serve as your President this past year and thank you for the opportunity to do so.

Sincerely,
Debby Chanen

Debby Chanen, FHFMA / President, Southern California Chapter HFMA

2007 | 2008

COMMITTEES

Certification

Peter Lee, FHFMA, CHAIR

CFO Round Table

Steven R. Blake, CPA, CHAIR

Chapter Leadership Training

Victoria Morgan, FHFMA, CHAIR

Davis Chapter Management

Donna Anglin, FHFMA, CHAIR

Fall Conference

Jim Moynihan, FHFMA, CHAIR

Founder Points

Donna Anglin, FHFMA, CHAIR

Geographic Programs

Sam King, CHAIR

Government Programs

Scott Ujita, CHAIR

Legislative Issues

David Volk, Esq., CHAIR

Long Term Care

Ron Foster, CHAIR

Managed Care

Will Weisbaum, CHAIR

Membership

Valeria Ruggieri, CHAIR

Networking and Social Committee

King Bechtel, CHAIR

Newsbrief

Kristina Cabral, CHAIR

Payer Relation | Compliance

Lynn Otani, CHAIR

Program Planning

Rick Lash, CHAIR

Region 11 Symposium

Ira Alexander, CHAIR

James Stewart, CO-CHAIR

Student Recruitment, Mentoring & Scholarship

Kymblyn Brown, CHAIR

Website

Donna Anglin, FHFMA, CHAIR

HFMA SO-CAL

ADMINISTRATIVE ASSISTANT

Lori Kuwahara

323-266-4362

714-844-9354 FAX

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Geographic Meeting in Bakersfield

— Christopher Kinsey —

On February 20, 2008 many people braved a cold, rainy day to enjoy a joint presentation by the Northern and Southern California Chapters of HFMA in Bakersfield.

The first session was **Effective Preparation for MS-DRGs** with speakers **John Valenta**, CPA, MBA, Senior Manager and **Maureen Drach**, RN, MBA Deloitte & Touche LLP

Overwhelming changes occurred to the Inpatient Prospective Payment System in October 2007, and the reality of these changes has impacted the efficiency and effectiveness of each hospital's documentation practices, coding procedures and revenue cycle. Medicare severity adjusted Diagnosis Related Groups (MS-DRGs) have impacted the reliance upon and interactions between physician, nurses and coding professionals that surpass the historical and operational impact of DRGs and Ambulatory Payment Classifications (APCs). Thorough and complete clinical documentation and coding are key components to accurate, appropriate and timely reimbursement. Attendees learned:

- How it needed to be an Organization-wide transition to severity adjusted DRGs – it's not just an HIM coding impact
- Enhance clinical documentation to capture intensity of service and severity of illness was needed
- Enhance physician query processes were needed
- Education sessions for physicians, residents, nursing staff and coders should have been held to update on this new coding
- How to accurately identify present on admission (POA) indicators
- How to prepare for a decrease in coding productivity and develop appropriate supplemental staffing plans during the MS-DRG learning curve
- How to develop plans to mitigate an increase in Discharged Not Final Billed (DNFB) totals due anticipated decline in coding productivity

Jim Lott, Executive Vice President Hospital Association of Southern California gave a presentation on the topic of **Legislative | Medicare | Medi-Cal Updates**.

All attendees learned the latest developments and updates on Federal and State legislation on healthcare policy, healthcare financing, Medicare and Medi-Cal. Jim was very entertaining giving the Legislative update with flair.

Ed Norwood, President, ERN/The California Council of Reimbursement Advocacy presented **Mastering Appeal, Dispute and Prompt Payment Laws**.

The process of creating appeals, collecting payment and bringing plans into compliance with statutory and case law requires an intense and sophisticated approach in order to achieve financial survival and the continuous provision of quality health care.

Attendees learned how to combat improper appeal and plan dispute stall tactics, such as:

- Timely Filing Denials
- Untimely Payment and Refusals to Pay Interest
- Requests for Insignificant Information (Medical Records, Hard Copy Authorization, Patient ID card etc...)
- Retroactive Denials for Previously Authorized Care
- Underpayments
- Emergency and Post-stabilization Care Denials
- AND MORE

We would like to give a special thanks to Dan McReynolds, Assistant Administrator of Finance at Kaiser Permanente for arranging the excellent space provided for the Seminar.

HFMA SO. CALENDAR

2008 EVENTS

- April 29** **AUDIO WEBCAST** Credit Balances & Refunds (see website for details) / 10:00am-12:00pm
- May 15** **ANNUAL AWARDS DINNER** The City Club, Downtown Los Angeles / 6:00 -10:00pm
- June 3** **CHA HOSPITAL REIMBURSEMENT SEMINAR** Oakland Marriott City Center / 8:00am -4:00pm
- June 6** **ANNUAL PLANNING MEETING** Good Samaritan Hospital, Los Angeles / 7:30am -12:00pm
- June 17** **CHA HOSPITAL REIMBURSEMENT SEMINAR** Hyatt Regency Newport Beach / 8:00am -4:00pm
- June 18** **CHA HOSPITAL REIMBURSEMENT SEMINAR** Hilton Pasadena / 8:00am -4:00pm
- June 23-26** **HFMA'S ANNUAL NATIONAL INSTITUTE** Mandalay Bay Resort & Casino, Las Vegas
- Sept. 14-16** **FALL CONFERENCE** Newport Beach Hyatt

Details on all events can be found on the chapter's web site www.hfma-socal.org/ > click on Events Listings

The Founders Merit Award Program

— Donna J. Anglin, FHFMA —

The purpose of the Founders Merit Award Series is to “Recognize the Volunteer in You”. Established in 1960, the Founders Merit Award Series acknowledges the contributions made by HFMA members. They recognize the volunteer members who contribute their time, ideas, and energy to serve the healthcare industry, their profession, and one another. The point categories and award levels are as follows:

The **William G. Follmer Bronze Award** is presented after a member earns 25 Founders points. Follmer is credited with the creation of the American Association of Hospital Accountants (AAHA).

The **Robert H. Reeves Silver Award** is awarded to a member who has earned 50 Founders points. Reeves, an organizing member of the AAHA, was elected president of AAHA in 1956 and was instrumental in creating the structure of AAHA.

The **Frederick T. Muncie Gold Award** is given to a member who has earned 75 Founders points. Muncie, an organizing member of the AAHA, and the first president, also assisted in the organization of the first AAHA chapter (First Illinois).

The **Founders Medal of Honor** is conferred by nomination of the Chapter Board of Directors. This award recognizes an individual who has been actively involved in HFMA for at least three years after earning the Muncie Gold Award, has provided significant service at the chapter, regional and/or national level in at least two of those years, and remains a member in good standing.

The Founders contact for each chapter is responsible for submitting Founders points for the members to National on August 1st of each year for the previous fiscal year’s activities. See the table below to reference the categories and number of points earned by activity. The deadline to submit your data to the chapter Founders Contact, Donna Anglin, is July 18th. An e-mail will be sent out to the membership in June asking for members to report their points for submission. If you have any questions, call Donna at 562-933-1915 or e-mail at danglin@memorialcare.org.

The HFMA Founders Merit Award Program Founders Award Point Categories and Allocations

Literary Contributions	Points entered by HFMA National	Points entered by chapter	Definition
Write Articles – Local Chapter		2	Write and publish an article in local HFMA chapter publication (points awarded for each time published)
Write Articles - National	2		Write and publish an article in an HFMA national publication: <i>HFMA</i> , <i>Notes from National</i>
Article Review - National	1		Review for HFMA National any of the following: E-learning/Manuscript/Self Study/Article/Peer Review
Book Review - National	1		Complete a book review and publish in <i>HFMA</i> (includes Peer reviews)

Chapter Committees/Titles	Points entered by HFMA National	Points entered by chapter	Definition
Chapter President	8		Serve as Chapter President
Chapter Officers/Key Committee Chairs	5		Chapter officers include: President-elect, VP, Treasurer, Secretary, Sec/Tr. Key committee chairs include: Newsletter Chair, Program Chair, Certification Contact, Founders Contact, DCMS Contact, Membership Chair, Sponsorship Chair and Membership Directory Contact
Chapter Board of Directors	3		Participate as a member of the Chapter Board
Other Committee Chair	4		Chair of any chapter committee-excludes key committee positions <i>Chair of regional committee-officer positions NOT excluded</i>
Co-Chair	3		Co-Chair of any chapter committee <i>Co-Chair of regional committee-officer positions NOT excluded</i>
Committee Member	2		Member of any chapter committee - excludes Chapter Board Member of regional committee-officer positions NOT excluded
National Committees	Points entered by HFMA National	Points entered by chapter	Definition
National Chairman	12		Serve as National Chairman
National Officers	8		Includes- Chair-elect and Secretary/Treasurer
National Board of Directors	6		Serves on the National Board of directors
National Committees	4		Serve on a National Committee. Includes: P&P Board, Executive Committee, BOE, Standing Policy, Cat Consultant, Forums, NAC Governance Committee, Regional Executive Council Chair and Co-Chair, Regional Executives, Communities of Practice (COP)
Regional Executive-elect	3		Serves as liaison for the region at the National level, participates in Fall President Meetings
National Task Force	2		Serves on a National Task Force or National Judging Committee (includes <i>HFMA</i> Article Review committee)
Miscellaneous	Points entered by HFMA National	Points entered by chapter	Definition
Event Volunteers	2	2	An event volunteer participates in a chapter or national meeting in a volunteer role including ANI Floor Manager and ANI Course Coordinator, coordinates chapter meeting or event setup, and coordinates and assists with chapter meeting registration. Event volunteers are assigned specific duties to assist with the overall running of the meeting. (Maximum of 4 points earned annually)
Mentor		1	Serve as a mentor for a one-year term, complete any chapter required activities
Proctor	1		Serve as a Proctor for an HFMA Certification Exam (1 point per exam proctored with a maximum of 4 points earned annually)
Speakers - 4 speaking hours or less		1	Participate as a faculty member in a formal HFMA National or chapter program
Speakers - More than 4 speaking hours		2	Participate as a faculty member in a formal HFMA National or chapter program

Certification Testing

Continued from page one

What will the HFMA Southern California Chapter do to encourage and support its members?

- The Chapter will pay you when you pass the examinations - (details below)*
- The Chapter will loan you the study guides, which are costly to buy on your own.
- The members of the Chapter Certification Committee will help and coach you on how to take the examinations.
- You can take the examination anytime / anywhere, as long as you and your proctor agree on the time and location. We have many willing proctors across Southern California.
- Help is a phone call and/or an e-mail away.

*How will the Chapter pay me to pass the examinations, and how much?

- A \$100 check will be sent to you within 30 days after you produce the original National HFMA letter, dated after 3/1/08, that shows you have passed each examination and your membership status is validated.
- Your membership status must be current when you file your claim for your \$100 stipend.
- It is possible that you can receive a total of \$500 if you pass all five of the examinations containing Core and the four specialty courses.
- The Chapter has a limited Certification Committee designated budget approved for the fiscal year 2007-2008. It is on a first come, first serve basis. When the budget funding is exhausted, this Incentive Program will come to a close.
- The HFMA Southern California Chapter Board will re-evaluate this Incentive Program for renewal by mid June 2008.

For more information, contact Peter Lee, Chair Certification Committee at 805-370-2561 or e-mail peterkslee@aol.com.

Welcome New HFMA Members

Adam Legum PNC Financial Services
Gavin Gruenberg ING Financial Advisers
Ronnie Dail Stockamp & Associates
Lynne A. Bauer Kaiser Foundation Health Plan, Inc.
Shelley Cauble Pomona Valley Hospital Medical Center
James R. Fothergill City National Bank
Elizabeth Hervatic
Scott L. Twomey Hospital Association of Southern California
Craig Armin Tenet Healthcare
Cathy R. Daniels Valley Health System
Bruce Resiwain LLUBMC
Derek A. Jacobi Ernst & Young, LLP
Eileen C. Sugita Presbyterian Intercommunity Hospital
Mildred Goeke Sterz, RN, MPH
Charles A Wilson Edgewater Technology
David J. Coughlin Wachovia Securities

MARCH 18TH EDUCATION SEMINAR

Frank Matricardi with introductions at the March 18th education at Center for Healthy Communities in Los Angeles.

Break out session at March 18th education seminar.

Jeff Sousa speaking on "Managing Your Insurance Costs" at the March 18th education.



HFMA'S ANI 2008

At HFMA's 2008 Annual National Institute (ANI) – to be held this year at the Mandalay Bay Resort and Casino in Las Vegas on June 23-26 – you'll get the ideas and tools you need to achieve outstanding results in your career and organization.

ANI is the premiere education and networking event for healthcare financial professionals! ANI offers you:

Inspiring Keynotes

Tuesday, June 24:

The Consumer's Role in Healthcare Transformation
presented by Steve Case

Wednesday, June 25:

All's Fair: Love, War and Healthcare Policy
presented by James Carville and Mary Matalin

Wednesday, June 25:

Healthcare Policy in the Election Year
presented by Richard J. Umbdenstock

Thursday, June 26:

The Road to Excellence in Health Care
presented by Tom Peters

Breakout Sessions

There are 83 breakout sessions offered at ANI that address topics in the areas of financial management, patient financial services/revenue cycle, payment/reimbursement/managed care and compliance/legislative. You'll walk away from these breakout sessions with ideas and tools you can use throughout your organization. Attendees also receive a CD-ROM that contains every handout and tool from all four topic areas – that's complete information from all 83 sessions!

Preconference Programs

Gain access to more ideas and tools when you sign up for Preconference Workshops or a Preconference Seminar. All Preconference Programs will be held Monday, June 23.

- Preconference Workshops are half-day programs led by facilitators that are designed to give you hands-on experience with tools and solutions that relate to a topic. Choose to attend one workshop in either the morning or afternoon or maximize your opportunity by attending both morning and afternoon workshops.

- Preconference Seminars are full-day programs led by speakers that include lunch and are held from 8:00 am to 5:00 pm. Seminars are taught in a classroom setting with techniques and approaches incorporated into the lecture.

Monday Opening Reception

Kick off ANI by greeting old friends and making new ones at this year's Opening Reception.

Idea Exchange Exhibit

Get up to speed with the latest ideas and newest solutions during the ANI Idea Exchange Exhibit! During Tuesday and Wednesday's lunch and evening receptions, you'll get a chance to meet and mingle with over 400 healthcare financial management suppliers, as well as your fellow attendees.

Annual Chairman's Reception and Banquet

The Annual Chairman's Reception and Banquet is always one of the most memorable times at ANI. Enjoy dining and dancing and be a part of the installation of HFMA's new Board of Directors and the presentation of the Frederick C. Morgan Individual Achievement Award, the Association's highest honor for career-long contributions to healthcare financial management and HFMA.

This is just a sample of what's going on at ANI! There's also Forum and Communities Networking Breakfasts, the ANI 2008 Run for the Health of It!, the Friday Golf Outing . . . the list goes on and on. For complete information on ANI and to register, visit www.hfma.org/ani or call 800-252-4362, ext. 2.

Don't Miss HFMA's ANI 2008

THE PREMIERE EDUCATION EVENT OF THE YEAR FOR HEALTHCARE FINANCIAL EXECUTIVES
June 23-26 | Mandalay Bay Resort & Casino | Las Vegas

Engage with industry experts on leading issues
Take home practical tools and best practices
Connect with your peers at top hospitals and systems
Experience the latest technology and innovative solutions in the exhibit hall

For further details please visit www.hfma.org/ani or call 800-252-4362 ext.2

The HFMA Chapter Balanced Score Card or “CBSC”

—James Cummings—

The CBSC is a planning tool and a report card of sorts for the Board of each HFMA chapter. The CBSC was created as a result of membership surveys over the years, the experience of HFMA National, and the input of former chapter leaders who now serve as regional executives. At the end of each chapter year the chapter leaders meet to establish the goals for the upcoming year that will help them to achieve the goals set forth on the CBSC by HFMA National and the past chapter leaders who are now serving as regional executives.

It is no secret that the HFMA is one of the premier resources utilized by healthcare organizations to educate their staff on the ever-changing rules and regulations that impact Healthcare providers and payers. HFMA National and the regional executives recognize this and they have made education the highest weighted factor in the CBSC. (25%)

In addition to education, HFMA provides an excellent forum for healthcare financial professionals to network with their industry peers. In order to provide networking opportunities it is important that each chapter retain and grow its membership. Membership retention is also an aspect of the CBSC. Membership retention is the second highest weighting factor on the CBSC. (20%)

The next four highest weighting factors are of equal value, they are; Membership Satisfaction, Provider Percentage of the Board of Directors, Financial Executive Membership, and finally the timely reporting of required data to HFMA National. (10% each)

And the final three weighting factors, which are also equally weighted, are Chapter Goal Achievement, Seamless System of Service, and Days Cash on Hand. These factors while administrative and behind the scenes, are still critical to each chapter's success. (5% each)

HFMA National has an award system that recognizes successful plans and programs that chapters implement to assist them in attaining the chapter's goals. These Awards are called the Helen M. Yerger awards. Chapters who do not score satisfactorily on their chapter balanced scorecard will not be eligible to receive these awards after this year.

So remember, when you attend a chapter sponsored educational event, you are not only increasing your personal knowledge, you are helping your chapter to make the grade. There is a similar mutual benefit when you renew your HFMA membership or when you recruit new members. At the next HFMA sponsored event please take the opportunity to ask a chapter leader what you can do help the chapter make the grade. See you at the Annual Chapter planning meeting

Summary of Changes for the 2008-09 CBSC Approved by the Regional Executive Council November 4, 2007

Summary of Changes Approved by the Regional Executive Council 2008-09 Chapter Balanced Score Card

CBSC ELEMENT	2007-08 WEIGHT	2008-09 WEIGHT
Education Registrant Hours per Member <i>Change in Target for 2008-09 from 15.11 or 3% to 12.8 or 3%</i>	20 points	25 points
Membership <i>Change in Target for 2008-09 from 87% retention to maintain current count</i>	15 points	20 points
Financial Executive <i>Target remains the same</i>	15 points	10 points
Member Satisfaction <i>Points to be adjusted upward in year that survey is conducted</i>	15 points	10 points
Provider Percentage of Officers & BOD <i>Change in Target for 2008-09 from 60% provider to 60% provider or one more provider than last year</i>	10 points	10 points
Seamless System of Service <i>Target remains the same</i>	5 points	5 points
Days Cash on Hand <i>Target combined to reflect range between 150-600 days</i>	10 points	5 points
DCMS Timely Reporting	5 points	10 points
Chapter Goal Achievement <i>Target remains the same</i>	5 points	5 points
Total Points	100 points	100 points
Threshold Performance Level <i>Target remains the same</i>	40 points	40 points

For 2008-09, achievement of TPL will be tied to award eligibility with the exception of Yerger Awards.

SEPTEMBER 14-16, 2008 • HYATT NEWPORT BEACH

18th Annual California Fall Conference

— Jim Moynihan, HFMA —

This year's Fall Conference, jointly sponsored with the Northern California HFMA chapter, returns to Southern California after two years in a row up north. No flights needed for most of our members to get to Newport Beach (although a helicopter to avoid the 405 would be attractive).



This year's keynote speaker will be **Steve Ford**, actor and son of President Gerald Ford and Betty Ford, whose keynote is entitled "*Inside the White House and Hollywood, Getting to the Top with*

Character". On August 9, 1974 Gerald R. Ford assumed the reins of the presidency following the resignation of Richard Nixon. Suddenly, Steve Ford was thrust into the role of "First Son."

Steve's unique perspective on life as the President's son encompasses a broad range of fascinating subjects: being 18 years old and having ten Secret Service agents as constant companions, his father's pardon of President Nixon to help put an end to the infamous Watergate affair, two assassination attempts on his father's life, and his mother's bouts with alcoholism and breast cancer. As an adult actor, Steve has been in too many movies and television shows to list here but for a start "*When Harry Met Sally*, *Baywatch*, *Dr. Quinn Medicine Woman*" and many, many others. Our HFMA committee heard his presentation at the WA/AK chapter and came back with rave reviews. It is not to be missed.

Jeanne Scott, Talking Head in Chief, will kick off Tuesday's keynote with her update on the political scene in Washington. Given that the conference will be in the heat of the pre-election season healthcare policies should be flying fast and furious. Jeanne will bring her usual wit and insights to provide a sanity check for the sound bites.

Additional General Session speakers include a regulatory update from the California Department of Insurance (Steve Poisner California Insurance Commissioner) and the California Department of Managed Care (Cindy Ehnes, Director). Finally the successful panel that ended last year's presentation

will discuss the status of California Healthcare reform and Universal Access. The panelists include Herb Schultz, Senior Advisor for Health Policy, Governor's Office; Duane Dauner, CEO, CHA; Don Crane, CEO, CAPG; Chris Ohman, CEO, CAHP; and Joe Dunn, CEO, CMA.

One novel change being introduced this fall will be an overlapping CFO roundtable on Saturday, September 13, 2008. HFMA has been fortunate enough to enlist Charles Plimpton, one of the nation's pre-eminent investment bankers, to lead the roundtable on capital access. Given the recent melt down in the auction rate security market many CFOs will be sharing war stories and planned campaigns to restore a lower cost of capital and avoid such problems in the future. Participating CFOs will also have the opportunity to play a round of golf at the Pelican Hills Golf Course and then stay over to participate in the very strong Finance Track program on Sunday or enroll in the whole Conference to enjoy Monday and Tuesday sessions.

The winning formula of many of the breakout sessions (18 in all) is to provide our members tools to be used back at the office. The breakout sessions are divided into three tracks; Patient Financial Services, Finance and Managed Care.

The Patient Financial Service track will cover CORE topics to help every attendee learn process improvements for the revenue cycle. Two panels of experts will address the important topics of Case Management and Pre-Registration Best Practices. Rudy Braccili from Tenet Corporation will present a session entitled **RAC Audits, When, not If**.

In order to keep up with additional Medicare administrative change, we have invited a speaker from the new MAC claims processing organization, Pat Boardley, (J1) Provider and Customer Service Manager of Palmetto GBA. Another highly specialized program for PFS will be presented by Frank P. Fedor called **Payment for Non-contracted Hospital Emergency Services**.

The Finance track has an unprecedented participation by Southern California

CFOs who will participate in a panel discussion on physician hospital incentive alignment. Mitch Thomas from PIH in Whittier and Tim Maurice from CHW Ventura will work with Laura Jacobs of the Camden Group to present the pros and cons of different physician alignment strategies. The finance track will also have financial advisors and investment bankers from Kaufman Hall and Stifel, Nicolaus & Company to continue the capital markets discussion. The topic of physician hospital relations will also be treated in a novel fashion in presentation about physician billing company and hospital relations. Our presenters will include the Executive Director of the HBMA and the CEO and Compliance officer of one of the nation's largest emergency physician billing organizations, EPBS. Other finance track presentations will deal with supply chain improvement, fraud protection and

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March 18, 2008 CFO Track

— Steve Blake —

We had an assemblage of speakers covering the spectrum of regulatory compliance, enterprise risk assessment, labor/insurance cost management as well as business relations with physicians:

GENERAL SESSION

Heidi A. Sorensen with the law firm of Foley & Lardner LLP (formerly chief in the Administrative & Civil Remedies Branch of the Office of Counsel to the Inspector General (OCIG) at the United States Department of Health and Human Services) and **Kimberly Brandt**, Director - Program Integrity Group, Center for Medicare and Medicaid Services presented an in depth overview of regulatory and enforcement objectives including fraud investigations, RAC Audits and Medicare Administrative Contractors (MACs).

The Office of Inspector General has announced a number of new priorities. Some of these priorities are responsive to legislative developments in Congress or in state legislatures. Some of these new priorities have grown out of the OIG's enforcement or compliance initiatives. Some priorities are the result of events as diverse as Hurricane Katrina or new health care technology. Some of OIG's more significant priorities include **relationships between physicians and other health care providers**, issues surrounding the choice of and **reimbursement for medical devices**, and **quality of care** issues. This session provided insight into what interests the OIG today and how the health care industry can respond.

BREAKOUT SESSIONS

Building a Risk Intelligent Organization

Cecile Galvez, CIA Senior Manager, Deloitte & Touche LLP
Russell Harder, CPA, CIA, CFE, CISA Senior Manager, Deloitte & Touche LLP

Risk management has been a topic that has been the focus of attention by regulators, investors, board of directors and senior management. The corporate scandals and events of the recent years have raised awareness on the need for better and stronger focus on risk intelligence. This session focused on a discussion about the "Risk Intelligent Enterprise"—one that integrates and utilizes various risk management functions in more strategic ways, emphasizing the need to assess and manage risk from holistic, enterprise-wide and strategic standpoints and striving to improve the efficiency, effectiveness and value of its risk management process.

Labor Management

Barbara K. Patton, EMBA, BSN, RN is a senior vice president at The Camden Group specializing in hospital operations, management, and nursing services. This session covered the Top 10 Strategies for Effective Labor Management. Every health-care executive, director and manager, needs to be well versed

in the methods and tools required to manage departmental labor and control labor costs. The balance of providing quality services, in the most cost effective way, is a challenge in every healthcare institution, but not impossible. Barbara covered the role of leadership, equity and fairness, tools and reporting, the domino effect of silo budgeting decisions, common mistakes to avoid, the truth about AB394 and more.

Managing Your Insurance Costs

Jeff Sousa, President/CEO, Optima Healthcare Insurance Services
Donna Wincek, Regional VP, Underwriting, Zurich

This session provided guidance on how to be a more astute buyer of Hospital Professional Liability (HPL) insurance. This is a difficult line of business and there are important factors other than price to consider when selecting your insurance company. The session began with a brief overview of the HPL market, followed by definitions of common terms used in the insurance industry. Donna provided insight into issues that underwriters consider when pricing accounts. Attendees were given some non-price-related issues to consider when selecting an insurance program/carrier and were equipped to ask brokers or insurance carriers important questions that lead to informed decision when selecting an HPL carrier.

Compliance Issues in

The Bond Between Hospitals and Physicians

Kenneth E. Avery, CPA Vice President of Medical Development Specialists

Tim Blackmer, CPA, CBA, ABV, ASA, CBA – Manager

Ken covered a broad range of physician relationships and regulatory issues such as:

- Community Needs Assessments
- Fairness Opinions in Physician Recruiting
- Updates in Physician Practice Valuations
- Stark III implications

Tim (a CPA /Accredited in Business Valuation, an Accredited Senior Appraiser and as a Certified Business Appraiser) described how he provides business valuations, forensic financial investigations and direct litigation support. Experiences have included appraisals and examinations of a variety of closely held companies and professional practices, following request of attorneys, business brokers, equity shareholders, and other principal parties. Valuation services are performed in accordance with USPAP and standards of value determined including fair market value, investment value, and intrinsic value for controlling, marketable minority, and non-marketable minority levels of ownership.

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Medicare Advantage: PFFS Products Summary

Will Weisbaum

The definition of a Private Fee-For-Service (PFFS) product is an open network Medicare Advantage product offered by a state licensed, risk bearing entity contracted with CMS on an annual basis to provide Medicare benefits. PFFS was created by the Balanced Budget Act of 1997 with three goals in mind: 1) Expand and private options to beneficiaries, 2) Extend availability to rural areas and 3) Address right-to-life concerns. Congress updated these products with the Medicare Modernization Act of 2003 by raising payments to providers to further encourage more participation in the program. The differences in PFFS and Medicare Advantage HMO/PPO plans are striking. Payers are not required to establish/maintain provider networks, conduct baseline health assessments of new enrollees and coordinate care of members with complex conditions as they are required to for HMO/PPO plans.

Private Fee-For-Service growth and availability have increased over the past seven years. In 2001, 27% of rural beneficiaries had access to a PFFS plan; that percentage is now 100% in 2007. Enrollment has increased from around 200,000 in 2005 to a little over 1.2 million in 2007, a 500% increase over three years. Enrollment is spread over six major plans, with Humana taking 42% of the enrollment for 2007 or 560,000 members.

Before a hospital decides to treat a PFFS patient they need to carefully evaluate the potential financial risks/gains and understand the terms and conditions of this program. Hospitals only have to provide care to these members in an emergency. A comparison of three major plans policies and procedures shows major variability. For example, special billing requirements; one plan requires an NPI and another requires billing the local office while the last has no requirement at all. The financial impact of treating these patients obviously depends on the volume of services provided. With volume statistics in hand, PFFS rates can be compared to original Medicare and that answer will help determine whether the hospital will continue to treat PFFS patients in the future.

CFO Track *Continued from page eleven*

The presentations for this session have been posted on the Chapter's website for those that were unable to attend.

We also look forward to the **next CFO Luncheon on April 17, 2008** - Data Benchmarking, PDS and Data Suite. More detail can be found in the brochure posted under the "Events Listings" at the Chapter's website: www.hfma-socal.org/. Hope to see you there!

Transition to the MAC

Palmetto GBA, the A/B Medicare Administrative Contractor (MAC) is beginning work on the transition from the current contractors, NGS and NHIC. Currently the target dates for assuming responsibility for claims are set for Part A (NGS) business as 8/18/08 and for Part B (NHIC) business as 9/2/08. Hospitals that have Mutual/WPS as an FI will not be going through the transition at this time. That transition will be announced at a later date.

It is important to understand that the transition dates relate to 100% of the business. **Regardless of the date of service**, all claims processing, customer service and payments will be handled by Palmetto GBA on and after these transition dates.

Providers should take advantage of this short window of time to resolve any outstanding claims with Medicare. It is probable that there will be challenges for claims resolution once the transition takes place and you will want to have your receivables as clean as possible.

18th Annual Fall Conference

Continued from page ten

Medicare profit improvement with speakers who have gotten top marks from other chapters and the HFMA ANI.

The Managed Care track continues its long tradition of being the best place for managed care professionals to learn the latest in contracting and operational developments. There will be one payer panel dealing with commercial and Medicare contracting issues and another payer panel dealing with Medi-Cal Managed Care, a unique learning opportunity for California-based providers. A third panel will present the provider point of view in "Effective Strategies for Maximizing Contract Performance; Tackling Recent Payor Initiatives". Carol Burkhardt from Marsh Consulting will lead a session on Pay for Performance and Paul DeMuro, former President of the Northern California chapter, will present a legal update specific to managed care.

More detail will be available in the brochure which is on its way to the printer now and should be online by mid-May at www.hfma-cafallconf.org.

The conference has many sponsorship opportunities still open. The full sponsorship matrix is also on our web site.

Stay tuned and be sure to keep your calendar clear to join us September 14-16th for a wonderful program!

JUNE 6, 2008 / 8:00-12:00PM

Annual Planning Meeting and Chapter Year Kick-Off

James Cummings

As many of you know the HFMA year begins in June and ends in May, and every year our first meeting in June is referred to as the Annual Kick-Off Meeting. At the kick-off meeting, all of the officers and committee chairs are introduced to the membership. Each committee chairperson will give a brief description of the role of their committee.

The Southern California Chapter of HFMA has over one thousand members making it one of the largest chapters in the country. One way to ensure that you get maximum benefit from your membership is to join one of the many committees that participate in the management and planning of chapter activities. For instance; if you work in Managed Care you may want to join the Managed care committee, a committee comprised of people with jobs in the managed care industry. They meet via conference call on a monthly or bi-monthly basis, to discuss industry trends and developments. At the annual kick-off meeting you decide where and when your meetings will be. You also decide if the meetings will be in person or via conference call. Other professional affiliation committees to consider joining are the Government Programs Committee, Long Term Care Committee, Patient Financial Services Committee (PFS), and the Chief Financial Officers (CFO) Round Table committee.

In addition to committees based on professional affiliations, there are also committees that are set up to serve as the administrative support for the chapter. One of those committees is the Networking and Social committee. This committee plans events where members can get together to network and socialize. Another committee with the opportunity to meet and socialize is the membership committee. This committee welcomes new members to the chapter, and plans events to help the new members feel welcome. The membership committee also plans a contest to encourage current members to attract new members. The *Newsbrief* Committee is another way to volunteer; they publish the chapter newsletter at least four times a year. Other support committees include Student Mentoring and Scholarship, Website Administration, Program Planning, Certification, Davis Chapter Management, and Founders Points.

The key to getting the most out of your membership is to get involved and become an active member. So take the first step and come to the Annual Planning meeting on June 6th at:
Good Samaritan Hospital
Moseley-Salvatori Conference Center
637 S. Lucas Street, Los Angeles, CA 90017

Conference parking is conveniently located in the parking structure across the street.

Government Programs Breakout Sessions at the March 18th Seminar

Scott Ujita

The third educational program was held at the Center for Healthy Communities in downtown Los Angeles. The Government Programs Committee held two breakout sessions. The first breakout session had a pretty good attendance of around 30 people. They all came to hear Don Fry and John Flood speak on the recent changes to the Medicare cost report. John Flood from KPMG started out the session with the updates to form 2552-96. He covered changes from both Transmittals 17 and 18. John also informed us of the proposed changes that may be coming to the next Transmittal of the cost report.

Up next was Don Fry, also from KPMG. Don spoke about the new and improved Provider Statistical and Reimbursement System or PS&R. The PS&R is going into the electronic age and the Providers will be able to order these reports via the internet. They will be able to download summary reports and will be able to order and receive detailed PS&R reports via the USPS. The timeframe for CMS to implement this is planned to be the first quarter of 2008. Don's presentation went over a lot of details and had plenty of screen prints so you can get a glimpse of what you can expect. One of the points that Don stressed was to get your Individuals Authorized Access to CMS Computer Services, IACS, registration completed so you will be able to have access to this data.

After a healthy lunch, the Government Programs Committee was able to get Marty Lothes from NGS. Marty graciously agreed to speak after Palmetto pulled out of the program. Marty spoke on several interesting points including the MAC Transition, Wage Index, change request 5928, the web based PS&R, Satisfaction Survey and CERT. Marty covered a lot of ground and the most interesting topic was the transition from NGS to Palmetto. During the question and answer period, most of the questions related to the transition. Since Palmetto won the MAC contract for J1, which encompasses California, all of the providers will experience a change in Intermediaries. This is a big concern to the reimbursement personnel of the hospitals. Marty was able to answer questions to the best of his abilities, but the transition is in the beginning stages and there is still a lot of questions to be answered.

As the chairman for the committee, I plan on getting Palmetto out to Southern California in the near future to talk about the transition in more detail. I hope to see you there. If you would like to see copies of these speaker's presentations, you can to www.hfma-socal.org and click on "Education Materials" found under the "Chapter Information" tab.