

# Northwest Outlook

hfma™ washington / alaska chapter  
healthcare financial management association

July - October  
2008

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### Publication Objective

The NW Outlook is the official publication of the Washington/Alaska Chapter Healthcare Financial Management Association. Our objective is to provide members with information regarding Chapter and national activities, with current and useful news of both national and local significance to healthcare finance professionals and to serve as a forum for the exchange of ideas and information.

## President's Message

by Greg Moga, President

I have never enjoyed watching television and the world events of the past months has reinforced my aversion tenfold. The implosion of the financial services industry, the credit and lending crisis, the worldwide collapse of stock values, and the crescendo of pandering political ads are enough to send the most dedicated television viewer to the library. I am ready to cancel cable and hope for the best while I tune out.

Of course, none of us can really disconnect, for this collapse has shown us again how inter-related everyone on the planet has become. There are many historic parallels to the banking crisis that ended with the Panic of 1872, and to 1917, when the elites assumed that global trade would always continue to increase and war would never occur, because everyone had too much vested in progress. The best term for this is hubris, reinforced in a culture that prefers to spend time and resources talking about the trivial rather than about serious issues.

Although there is nothing easy about healthcare finance, we are fortunate to work in a field which is only going to become more complex, and important, in the years to come. Both Presidential candidates have proposals to expand healthcare

coverage, but the reality of the huge federal budget deficit will narrow any options and further our dependence upon the Chinese buying our treasury bills. This brings to mind the ancient Chinese curse: May You Live In Interesting Times! The times, and our field, are truly interesting.



(L to R) Cathy Lemay, Chapter President  
Greg Moga, Iditarod Winner  
Lance Mackey, Brandon Tokar.

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## Contributing Writers

Joseph DeMeo  
Dan Dreblow  
Jim Heilsberg  
Patricia Kloehn  
Greg Moga  
Rich Racioppi  
Vicki Visculgia

**THANK YOU!!!**

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The best antidote that I know to counter the uncertainty and negative news in the media, is the camaraderie and support that you will find with your 900+ peers in the Washington/Alaska Chapter of HFMA. There is no better way to prepare yourself and your healthcare institution for the rocky roads ahead, than to keep abreast of what's coming next by attending our terrific educational conferences, and networking with your peers.

We have seen record attendance at our last 2 meetings and expect that trend to continue as we move into 2009's many educational opportunities, which of course culminate with ANI in Seattle June 14-18. Please join us there- you'll be glad that you did!

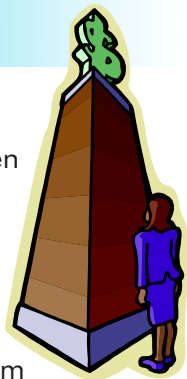
## Know Your Patients, Not Just Their Insurance Companies

by Rich Racioppi | SearchAmerica

In the past years, patients have seen their healthcare deductibles increasing. Patients are feeling more financial strain to meet their commitments, and hospitals are often challenged on how to best collect on their accounts. This problem becomes even more severe if the patient's care is a result of an unplanned diagnosis or trauma.

Consumer healthcare costs for insurance premiums are also increasing, even when employers are absorbing some of its impact. In response, hundreds of thousands of individuals are signing up for a Healthcare Savings Account (HSA).

The HSA offers the advantage of stock-piling tax-free funds to cover out-of-pocket medical expenses until age 65, and they are teamed with insurance policies with high deductibles. The rationale is that when/if these individuals need



medical care their portion of the bill will be much greater, often \$10K or more, and a savings plan that allows funds to rollover each year will encourage fiscal responsibility and consumer choice.

Experts agree that the HSA is the most dramatic revenue cycle change to hit hospitals in more than 40 years.

Hospitals must face this new reality by changing their Point-of-Service (POS) processes and increasing the patient's understanding of their financial commitment before services are rendered.

The bottom line for hospitals is 'Know Thy Patient, Not Just Their Insurance.'

### Reversing Today's POS Processes

The registration process has been designed to efficiently retrieve patient information for clinical and billing needs. Co-pays are usually the only collections performed at the POS, leaving most of the consumer's responsibility until after the insurance claim has been fully processed.

The flow of today's billing processes is to accumulate a patient's healthcare costs during their visit, submit the claim to their insurance company, receive insurance adjustments and payment, and bill the patient for any outstanding responsibility.

Today's higher deductibles make the consumer's portion of the bill much greater. Large receivables remain unpaid until the final stage of the current process; often weeks after the services are performed. This delay increases a hospital's accounts receivable and strains its cash flow.

*What if the process was overhauled and the patient paid their bill (or a significant portion of it) upfront with their HSA or other funds?*

A hospital's collections could be avoided, or at least minimized, cash flows would be more stable, and patients would be aware of the costs of their healthcare choices prior to receiving service, when adjustments could be made if needed.

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The good news is that as HSAs mature and become more prevalent, patients will be better equipped to pay their portion of healthcare costs at the point of service (POS), even in emergency situations. Unfortunately, this will take time for account balances to grow.

### **What Should Patients Pay at POS?**

This is the million dollar question. The answer is that it depends on the patient. Some patients are good credit risks, some are not. Hospitals should ascertain the patient's medical credit score and related information to understand the probability of that patient paying their hospital bill on time.

*It is just as important to understand the patient's ability and willingness to meet financial commitments, as it is to enter their insurance coverage correctly.*

For example, high probability of payment patients should experience more lenient onsite collection procedures, as hospitals can expect full payment on the first billing. Lower probability of payment patients should result in predefined workflows. Each workflow should secure a portion of the patient's bill at the POS and/or direct the individual to a financial counselor to discuss the hospital's payment options.

Payment stratification at POS has resulted in significant returns for dozens of hospitals, reducing aging of accounts and improving cash flow. Some examples:

- **Integrus Health** – received payment from 'high likelihood of payment' patients 92 percent of the time within the first two collection attempts. 98 percent of the time, payment is received prior to an account going to a collection agency for further efforts.
- **Resurrection Health Care** – improved collections by 10-25 percent with focused, stratified collections.

Patients with a well-funded HSA should be equipped to make payments immediately, and a

hospital's billing process should send statements to these individuals more rapidly for faster collections.

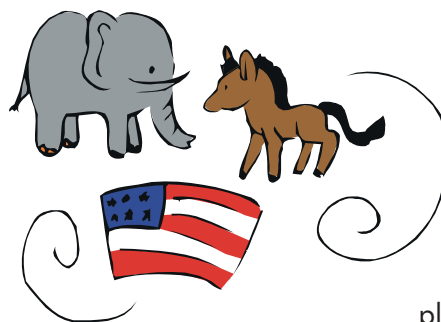
No one would dispute that the financial and clinical responsibility for one's health is more and more under the direct supervision of the patient themselves. Today's higher deductibles, new savings plans such as the HSA, and technology to stratify patients according to their payment probability, offer hospitals the incentive and ability to customize their financial interactions with each patient. Networks that improve their knowledge and interactions with the patient as an individual at the onset position themselves for a mutually beneficial relationship.

*Rich Racioppi has more than 15 years of experience working with leading healthcare networks to streamline and improve their revenue cycle and patient relations. SearchAmerica leads the industry financially clearing patients using address verification, prediction of payment, and automated screening for charity, Medicaid, and other government programs with its Software-as-a-Service (SaaS) solutions.*

*Rich Racioppi is the Regional Sales Manager for SearchAmerica.*

## **Politicians on Health Care**

*by Vickie Visculgia | YCCS - A National Collection System*



**A**fter attending my first meeting of the Washington/Alaska chapter of HFMA, I was ready to move heaven and earth to please all of the

members. Every meeting I attended was exciting and educational. Then as usual I jumped into the hot seat. I volunteered to write an educational article for the news letter. How could I possibly write about something I know little about? So I switched to my second passion politics, fly fishing

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being my first.

I contacted Association Of Washington Business and got their permission to use the candidate priorities on health care. I found the priorities interesting and thought they may provide insight for some of you when it comes time to vote. Each candidate was asked three questions pertaining to insurance and health care. The questions and answers are as follows:

1. Do you believe that employers should be required to provide health care coverage for their employees? Why or why not?
2. Do you believe government should be responsible for the administration of health care coverage in our state? Please explain your answer.
3. Would you support employer tax incentives for small business to encourage purchasing of health care benefits for their employees? Why or why not?

Mark Ericks – District 01 Position 2

**Do you believe that employers should be required to provide health care coverage for their employees? Why or why not?**

*No. That's a decision that each employer must make. I believe that we should make changes in the law that make health care more affordable, which would lead to more employers providing health care voluntarily.*

Randi Becker – District 2

**Do you believe government should be responsible for the administration of health care coverage in our state? Please explain your answer.**

*No. As you know, I just retired from the medical field as the Administrator for a physician group. I am of the opinion free enterprise is our most valuable asset. New innovations, new technology and the freedom to seek "the cure" is what has made our lives easier in the US. Regulations get in the way of progress in the medical field. Regulations will block the delivery of quality*

*health care services.*

Mike A Novak – District 03 Position 2

**Would you support employer tax incentives for small business to encourage purchasing of health care benefits for their employees? Why or why not?**

*If there is a tax break. Then yes.*

Kevin Parker – District 06 Position 1

**Would you support employer tax incentives for small business to encourage purchasing of health care benefits for their employees? Why or why not?**

*Absolutely. As I have mentioned numerous times before, I believe this is one of the most effective ways to ensure people are covered. By reducing the tax burden placed upon business, we allow them to help their employees and provide them with the care they so desperately need. Offering tax incentives for small business to encourage purchasing health care for their employees is a win-win situation for everyone involved.*

Shelly Short – District 07 Position 1

**Do you believe that employers should be required to provide health care coverage for their employees? Why or why not? Absolutely not.**

*Doing so will not alleviate the number of uninsured. In fact, it would do just the opposite. Businesses would be forced to close their doors, relocate to another state or potentially choose to operate businesses without employees. Employees would lose jobs. It would have a chilling effect on families, jobs and the economy of Washington State.*

Brad Klippert – District 08 Position 1

**Do you believe that employers should be required to provide health care coverage for their employees? Why or why not?**

*No. Health care is a perk for employees, not a requirement for employers.*

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Joe Schmick – District 09 Position 2

**Do you believe government should be responsible for the administration of health care coverage in our state? Please explain your answer.**

*Name one thing that the government does well. I don't think with the stakes this big that the government should be assigned with this task.*

Norma C Smith – District 10 Position 1

**Would you support employer tax incentives for small business to encourage purchasing of health care benefits for their employees? Why or why not?**

*Yes. I believe free market solutions and incentives work best.*

Judy Warnick – District 13 Position 1

**Do you believe that employers should be required to provide health care coverage for their employees? Why or why not?**

*Even though my husband and I provide full medical insurance premium coverage for our small company employees, I feel that businesses operating in Washington should be allowed to provide medical insurance for their employees on an optional basis only! The high cost of employee health insurance is not always a choice for small companies who are trying to compete with out of state businesses who would not be subject to such a requirement.*

Bill Grant – District 16 Position 2

**Do you believe government should be responsible for the administration of health care coverage in our state? Please explain your answer.**

*Keep government out of it — Best left to the private sector.*

Tim Probst – District 17 Position 1

**Would you support employer tax incentives for small business to encourage purchasing**

**of health care benefits for their employees? Why or why not?**

*Yes, but only as a stopgap measure. I believe we have a systemic problem that needs a systemic and market-driven solution.*

Jaime Herrera – District 18 Position 1

**Do you believe government should be responsible for the administration of health care coverage in our state? Please explain your answer.**

*I do not. Having worked with the federal Medicare, Medicaid and Veterans Administration health systems, I can assure you that if the government is the payer, provider and manager, the quality of care decreases and the cost of care increases. We must find ways to ensure affordable access to health care for everyone without the state running the system.*

Dean Takko – District 19 Position 1

**Do you believe government should be responsible for the administration of health care coverage in our state? Please explain your answer.**

*Good health care should be available to everyone. But it is not going to happen on a state by state basis. We need federal policy that is available to everyone, whatever that might be. There are numerous plans floating around D.C. that is where the answer needs to come from. Personally I like the plan that Rep. Baird is promoting that promotes the use of tax credits to fund the purchasing of insurance from private market.*

Brian M Travis – District 21 Position 1

**Do you believe that employers should be required to provide health care coverage for their employees? Why or why not?**

*For employers with more than 50 employees yes...If this is not done in an orderly and private sector basis then sooner or later the state will bow to popular will and force it.*

*Let us create a market based system offering*

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various plans before the state forces a costly mandate on all of us.

Donald O Crawford – District 22 Position 2

**Would you support employer tax incentives for small business to encourage purchasing of health care benefits for their employees? Why or why not?**

No Tax incentives. Why because health care is between the employee and Health Care provider. No tax incentive is needed because there is no liability.

Connie C Lord – District 23

**Do you believe that employers should be required to provide health care coverage for their employees? Why or why not?**

Employers should not be mandated by the state to provide health care unless there is a cost effective way to provide health coverage to their employees. The current health care mandates should be frozen while cost and benefits of them are analyzed. The current cumulative costs are a huge burden to businesses. I will work to legalize insurers to offer low-cost economical health plans so small businesses can obtain health insurance. Businesses should be able to buy coverage from any state, not just Washington. I will work to lower the cost of Health Savings Accounts by streamlining regulations and reducing mandates.

Kevin Van De Wege – District 24 Position 1

**Would you support employer tax incentives for small business to encourage purchasing of health care benefits for their employees? Why or why not.**

Yes, because I am grateful to the businesses out there who choose to purchase health insurance for their employees.

Bruce F Dammeier – District 25 Position 1

**Do you believe that employers should be required to provide health care coverage for their employees? Why or why not?**

No, because such a simplistic solution does not adequately address the varying conditions that exist in the job market and for employees. Specifically, is it reasonable for a restaurant to be required to provide health care for a bus-boy, who is already covered by his parent's plan? In other instances, public employees robust benefits plan help off-set a potentially lower than market salary. When addressing the health care challenges facing our society, we need flexibility and options, not excessive governmental mandates.

Kin Abel – District 26 Position 1

**Would you support employer tax incentives for small business to encourage purchasing of health care benefits for their employees? Why or why not?**

As a short-term step, I would like to see expansion of the small businesses that can buy into state health plans. In the longer term, I will be interested in the results of the health care plan review that the Legislature authorized.

Jessica Smeall – District 27 Position 1

**Do you believe government should be responsible for the administration of health care coverage in our state? Please explain your answer.**

Our government will have to be responsible for some level of healthcare administration. There is already a private system in place for employee benefit administration and there is no advantage to replacing this system with state administration, but many others do not have healthcare and we as a civilized society cannot look the other way while the private healthcare market leaves vulnerable people behind. More than half of bankruptcies include medical bills that average workers could NEVER afford. We should have a statewide catastrophic health insurance pool so that families are not forced into bankruptcy when an unforeseen sickness occurs. Issues of routine healthcare and private insurance markets can be solved separately from catastrophic coverage. Families who are facing cancer or an organ surgery should not be financially ruined and the state should administer this coverage.

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Dave Dooley – District 28 Position 1

**Do you believe that employers should be required to provide health care coverage for their employees? Why or why not?**

*I believe that employers have certain responsibilities to the full time, family wage workers it employs. Those responsibilities should include health care coverage. However, government requirements to provide health care coverage are often burdensome and ineffective. The states involvement should be in providing incentive programs to employers. Health care packages, much like retirement benefits should be a part of attracting and retaining employees and integral in the morale of the workers. Allowing companies flexibility and choice in health care packages results in better health care programs that match the individual needs of employees instead of the generic needs of the public.*

Mr Terry Harder – District 29 Position 2

**Do you believe government should be responsible for the administration of health care coverage in our state? Please explain your answer.**

*No, the best government is that which governs the least. I would promote a system that would create flexible affordable Health care plans that families own, when the free market is allowed to work costs go down. This would also take the Health care burden off of the employer.*

Michael Thompson – District 30 Position 1

**Would you support employer tax incentives for small business to encourage purchasing of health care benefits for their employees? Why or why not?**

*Given the answers above, I would say no. The reason is that in a free market there would be minimal to no taxes in the first place. Secondly, the benefits package would be up to the market to dictate and competitiveness would make the decisions based on the need for a competitive edge.*

Sharon Hanek – District 31 Position 2

**Do you believe that employers should be required to provide health care coverage for their employees? Why or why not?**

*In general I do not support government mandates on employers to force them to pay for benefits. Health care should be driven by market based decisions between employee/employer.*

Todd Gibson – District 33 Position 1

**Would you support employer tax incentives for small business to encourage purchasing of health care benefits for their employees? Why or why not?**

*Yes – Tax incentives encourage good business practice.*

Dr., Kathy Haigh – District 35 Position 1

**Do you believe that employers should be required to provide health care coverage for their employees? Why or why not?**

*I believe that business should have opportunities to purchase health care at a highly competitive rate. I need my employees to stay healthy, and I do not want to lose my good employees to other businesses, and in my situation state or county jobs, because they can get health care coverage. So I make sure all my employees are covered. I am hopeful the Health Insurance Partnership will create real opportunities for small employers to purchase and cover their employees as well as themselves.*

Leslie Klein – District 36 Position 2

**Would you support employer tax incentives for small business to encourage purchasing of health care benefits for their employees? Why or why not?**

*This is a state taxing and spending question. How will the state tax and how will the state spend monies raised?*

*This will be my first job when I take office. Doing*

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a personal audit of all existing taxes and spending.

*I will not answer specific taxing and spending questions until I have looked at all taxing and spending areas issues after elected. I will need to discover what projects are currently being funded and balance the merit of this new spending area against the needs and purposes of existing programs.*

*I WILL CUT SPENDING AND BRING ABOUT A BALANCED BUDGET. ALONG THE WAY I WILL HOPEFULLY REDUCE TAXES AND MAKE THE TAX SYSTEM FAIRER TO ALL.*

Mike Sells – District 38 Position 2

**Would you support employer tax incentives for small business to encourage purchasing of health care benefits for their employees? Why or why not?**

*Yes. I don't think small businesses are in any position to afford health care at today's cost.*

Steve Van Luven – District 40

**Do you believe that employers should be required to provide health care coverage for their employees? Why or why not?**

*Yes, with a 100% write off against B&O taxes paid by that business.*

Fred Jarrett – District 41

**Do you believe government should be responsible for the administration of health care coverage in our state? Please explain your answer.**

*I believe we should have universal access to health care and there are many approaches to accomplishing that. I prefer approaches which provide the greatest degree of choice, which would be unlikely to include a single payer system. But, in the end, we need a lower cost and universal approach to health care.*

Kelli Linville – District 42 Position 2

**Do you believe that employers should be required to provide health care coverage for their employees? Why or why not?**

*No. I believe that business should contribute in partnership w/employees and the state. Insurance should belong to the individual and move as they change employment.*

Jamie Pedersen – District 43 Position 1

**Do you believe government should be responsible for the administration of health care coverage in our state? Please explain your answer.**

*Yes. I think the evidence is clear that the administrative costs of Medicare (roughly 3%) are dramatically lower than those of private insurance (roughly 26%).*

Larry Countryman – District 44 Position 1

**Would you support employer tax incentives for small business to encourage purchasing of health care benefits for their employees? Why or why not?**

*I would support tax incentives for businesses wishing to purchase health care benefits. I would like to see businesses offering health care benefits and this is a good way to assist them in doing so.*

Toby Nixon – District 45 position 1

**Do you believe government should be responsible for the administration of health care coverage in our state? Please explain your answer.**

*We do not need government micro-management of health care, with bureaucrats and politicians deciding when we can receive health care services rather than those decisions being made between patients and doctors. We certainly don't want a British- or Canadian-style "single-payer" plan with the health care system effectively owned and operated by the government.*

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I want to restore and preserve the best health care system possible, with quality care, with the widest range of choices, and at affordable prices — and that is best achieved by less regulation and more competition, not by government control. I want to reduce the cost of health care and of medical insurance by removing mandatory coverages that limit competition and drive up prices, to encourage people to get and maintain insurance while they're healthy, and to lower the tax burden that is built into the prices of all medical services. I want to encourage insurance policies that are portable and independent of any particular employer. I also want to see refundable health savings accounts and other incentives for people to practice preventive medicine and shop for the most cost-effective services in a free and open market.

John Sweeney – District 46 Position 2

**Would you support employer tax incentives for small business to encourage purchasing of health care benefits for their employees? Why or why not?**

Probably not because, even with incentives, there is no way for a small or medium business to control the costs or the growth in the costs. Plus, incentives w any mandated coverage just sends more money to a sector (the medical industry) which has failed to contain its costs since the 1960's. Guaranteed money for docs is not a good idea.

Mark D Hargrove – District 47 position 1

**Do you believe that employers should be required to provide health care coverage for their employees? Why or why not?**

Yes, though there should be some sliding scale of cost sharing with the employee. Obviously, a health benefit adds to the cost of operating a business which is usually not a good thing. However, in this case, I believe much of that cost is really an investment is returned in the form of better morale, productivity, and employee retention.

Ross Hunter – District 48 Position 1

**Do you believe government should be responsible for the administration of health care coverage in our state? Please explain your answer.**

Government currently pays 50% of health care costs in Washington. It's not clear that we could get out of administering this if we tried. However, I do not believe that a single administrator would be a good solution.

We should have a national health care system. The reasons are obvious – we cannot have an internationally competitive manufacturing sector without it, it's morally indefensible to have a system where people cannot afford basic healthcare coverage, and it is destroying the ability of the state to have a balanced budget that funds anything other than healthcare.

If I were designing a national system it would:

- Provide everyone with a refundable tax credit sufficient to purchase basic health coverage. A refundable credit is one that is provided in cash back to people who don't have enough tax liability to produce the credit – like the earned income credit.
- Require insurance companies to offer a mandated basic plan to everyone for the amount of the credit, but allow them to offer additional coverage however they like, as long as they charge everyone the same amount for any plan.
- Require everyone to use the credit, signing them up for a default provider if they don't take action on their own.
- Pay for it by eliminating the employer deduction for health care coverage, giving employees a raise for the amount of the coverage they were getting in the past, minus the credit.

I believe this system would be an amazing change in the way we provide health care. It would change the business model for insurance companies, getting them in the business of pushing providers to be more effective rather than finding ways to cherry pick groups of healthy individuals. I believe it is doable

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politically, and would be my platform were I to run for national office. It's not doable at the state level because of the tax credit problem.

We should consider the Massachusetts program, but I have serious concerns with parts of it. The costs of providing subsidies for low-income workers are extreme in a state with the most regressive tax system in the nation, and I don't believe we would be able to generate the tax revenues to do it.

Debbie Peterson – District 49 Position 1

### **Do you believe that employers should be required to provide health care coverage for their employees? Why or why not?**

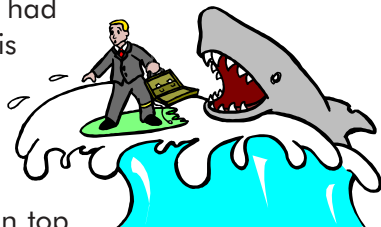
*At this time, in our state, we have very few insurance companies that can or are willing to provide health insurance. This is due to the stiff requirements and add-ons required by the state legislature. Businesses do have some leverage power and are able to negotiate slightly better rates because of their larger purchasing power. However, businesses are really struggling with the high cost of Washington state insurance. I will work to reform health insurance in Washington, so that it is market driven.*

The candidates I picked for this article were random, one from each district. There were no answers from some districts, they were not excluded. I hope you found all the answers by the candidates both educational and informative.

## **Shark Bait in Hawaii**

by Jim Heilsberg | INHS

I had the pleasure of filling in for Grant Baumgartner at the presidents fall conference in Hawaii. Grant had to go and support his son at the Little League World Series – Rough job for Grant. His son's team finished in top 6 in the world but that is another story.



I felt like shark bait both when I attended the meeting with little prep due to circumstances along with fact that a brief snorkeling event at shark's cove, made me feel like shark bait. In essence I was the traditional tourist and sent into the ocean along with others at the particular ocean reef and before long found myself in open water, looking down at various tropical fish and farther away then I anticipated from where I started and wondering if I should swim left or right. I chose right and after while, found myself laboring and wondering if I would make it to shore and more importantly, was a shark going to come and get this big white human tuna. Long story short, I washed onto shore and vowed to not go snorkeling in the open ocean any time soon. I now appreciate solid ground much more. You can ask me for the rest of the story at an upcoming meeting.

The Presidents Fall conference is the opportunity for all of Region 11 to talk about issues relating to the region along with best practices that can be used by all in region and some times at a national level.

The region is truly unique in what is being done and how diverse each chapter's members and practices are. It was a pleasure to be in Hawaii and experience all of the great leadership going on in each chapter.

This conference has led to several initiatives that will impact each member in the WA/Alaska chapter and region.

Web based registration – The WA/Alaska chapter has been looking at a new system, installed by several within the region and desired by all. This new system is called C-Vent and will be discussed at the September board meeting. We decided as a region to pursue a regional contract to reduce costs even further for this integrated approach for meeting mailings, on-line payment and registration management. It is truly a big step for all and found helpful by others that have adopted it.

Region 11 symposium – The old guard for this tremendously successful annual meeting is

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retiring. With that comes a great responsibility of knowledge transfer and opportunity to experiment with how to take this symposium to the next level, whatever that may be. This will impact our chapter significantly in 2010 when we are responsible for the symposium. Please be planning now to attend the January 2010 symposium as we will need many to participate in moderators for sessions, committee prep participation and many other duties. It is our chance to shine as a chapter and a chance that only comes around once every 6 years.

ANI in Seattle was discussed briefly but reality is we know we have another great opportunity to shine in 09 in Seattle. Rain or shine, 09 will be fine. Enough with the poor rhyming, there is a great planning effort underway to allow us to participate with national HFMA to participate in hosting ANI next year. More to come soon on how you can help with this effort.

Training and value to you as members was discussed at length. There is great desire to see how we as chapters and officers can work to provide education in an everchanging environment of demographics, budget cuts and member needs. All chapters are struggling with how we can leverage our existing quarterly meetings with new technology and learning opportunities. The challenge is trying to keep the balance between networking we have found so valuable over time, that can really only occur face to face and education over the web or other methods, that is more cost effective from some people's vantage point. We did not come to any conclusions but did have lots of discussion and there will be more research and experimentation by people in local chapters, the region and at a national level. ■

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Toshiba

# Plan Now for Great 2009 HFMA Educational Opportunities

2009 promises to be a special year with a number of great educational and training opportunities for the HFMA Washington-Alaska Chapter. Start to plan now for these events:

The year begins with the ever-popular Region 11 Healthcare Symposium in Las Vegas. Next year's event will be January 25<sup>th</sup> – 28<sup>th</sup> at Caesar's Palace. One of the keynote presentations will be by Jon Stossil.

February 24<sup>th</sup> – 26<sup>th</sup> is the chapter's biggest annual event; the Joint AAHAM meeting and Trade Show at the Hotel Murano in Tacoma, WA. Our three-day meeting is expanding in 2009, with a special event on Friday, February 26<sup>th</sup>.

**Nationally renowned author and speaker, Fred Lee will be here, presenting: *If Disney Ran***

## ***Your Hospital, 9 1/2 Things You Would Do Differently.***

Fred's book on this subject was awarded the 2005 Book of the Year Award from the American College of Healthcare Executives. Don't miss this opportunity to come and hear this important message from the perspective of a world-leading, customer-service organization.

In March, the chapter will again offer a spring program in Fairbanks, Alaska. Dates for this event are being finalized.

The annual May quarterly meeting will be shorted next year to one-day, held on May 14<sup>th</sup> at the Cedarbrook Conference Center in SeaTac. We are only having a one-day meeting in May because:

**HFMA's Annual National Institute (ANI) is returning**



**to Seattle!** Join thousands of other healthcare finance professionals from around the nation June 14<sup>th</sup> – 18<sup>th</sup>. The 2009 ANI will be held at the Seattle Trade and Convention Center.

The annual September 2009 quarterly meeting will also be a big event, as we join the Oregon HFMA Chapter for our next joint meeting. The joint meeting is at the Benson Hotel in Portland from September 16<sup>th</sup> – 18<sup>th</sup>.

2009 wraps up with our annual Anchorage, Alaska fall meeting in October and the Washington November one-day event.



# OPPORTUNITY



## "18 Triathlons later...."

by Dan Dreblow | J&L Teamworks

At the urging of several of my friends, I have decided to write this article. This is a story of an overweight 57 year old man who suddenly began competing in sprint triathlons, 200-mile bicycle rides, one mile ocean swims, and half marathons. In hindsight, I can see that the lessons that I learned from being a healthcare financial manager, prepared me for these new found challenges.

About 4 years ago, I was standing at the finish line of the Carlsbad Triathlon...an event that included a ½ mile swim, a 16 mile bike race and 3.2 mile run in my home town. A middle aged woman finished the race, who must have weighed between 250 to 275 pounds. I thought to myself, "If she can do this, I can do this."

That evening I called my 17-year old son – who lived with his Mom – and I asked, "Derek, would you like to do a triathlon," his immediate response was "Yes." Four (4) years and eighteen (18) triathlons later, we are still going strong...that is, except for a break related to a deadly shark attack in Solana Beach.

How does this all relate to a career in healthcare accounts receivable?

One of the first challenges of participating in a triathlon is learning how to prepare for such an event physically, mentally and equipment wise. This event is similar to the challenge faced by all healthcare financial managers where the payer environment is constantly shifting and a manager must be able to be self-taught and adapt to a changing situation.

While initially involved in triathlons, my son and I also developed a love of distance bike ride events. We started with a MS event in Palm Springs at 40-miles but that clearly was not a big enough challenge. We were soon doing 100-

mile rides with the greatest difficulty being the Sea Otter Classic in Monterey: Ten (10) miles at an 8% grade and three (3) miles at a 10% grade, all within a 100 mile event.



Dan Dreblow and son, Derek.

As my son discovered young women, his participation became more unpredictable; however, I quickly learned that I was doing these events for my own enjoyment of the challenge, and Derek's involvement was only a bonus.

Recently, my wife and I headed to Seattle for me to complete the Seattle to Portland bike ride: a 2-day 200-mile event. My dear Mary Anne provided support by car and was readily available by cell phone. The first day was a perfect day of bike

riding...weather sunny and scenery unsurpassed. Day two...I started the event at the midway point...however, I got no further than 25 feet before I knew I had a flat tire.

Due to my weight, (250 pounds plus), I have special heavy duty tires that are difficult to work with. My wife drove us to the event mechanic and he changed the tire. By the time I reached Portland about 5 hours later, the temperature had reached 95 degrees.

During this day, I noticed an older lady, (older than my 57 years – ha), and she had special clothes to protect her from the sun. Every 20-mile there is a refreshment break. I would stop and then return to the route. That day, I passed her three times. Basically, it means she never stopped riding.

So I ask again, what is the point of sharing these stories with healthcare financial professionals?

During my 10-year career in healthcare financial services sales, I have shared my triathlon and biking event stories with many professionals,

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(also a one-mile Oceanside ocean swimming race that I came in last!), and have encouraged them to join me.

For those that are interested in participating in an event, 90% of these professionals justify any delay by stating that they are waiting until they are "fully prepared."

We would all agree that preparation is a critical element to the success of any project; however, as healthcare has taught us, we are in an industry in which we have learned more "by doing" than by watching or listening.

There is no school of healthcare financial management that will fully prepare a student for the environment in which healthcare professionals live. Changes are non-stop and we each must learn how to respond to them.

The same with a triathlon or distance event... being fully prepared is an unobtainable goal.

What triathlons have taught me about healthcare financial management?

I am 57 years old with only minor athletic success when I was young. I am clearly overweight at 250 pounds. I love bike riding but my training is inconsistent. Only when I am truly afraid of an event do I lose weight or train more than 3 times per week.

I have learned that the greatest challenge to doing a triathlon is walking to the starting line. I recognize that the greatest challenge with moving into sales after a 20+ year career in A/R management was asking for the sales job.

Many financial managers are eager to retire and are waiting for that opportunity to present itself. My advice would be to reconsider...find an aspect of your skill set that is a totally new challenge and one in which approaching the starting line is not a given...but an accomplishment in itself.

I'll see you at the starting line...

*Dan Dreblow is the Regional Sales and Consulting Director for J&L Teamworks. Dan.d@jteamworks.com. 760.612.6036*

## The Necessity For All - A Pre-Access Hub

by Patricia Kloehn | HealthWide Solutions

Many organizations are discovering that the demands of healthcare and payer rules and regulations need to be confronted head-on rather than passively. Five years ago or less, facilities of any size would multi-task key access functions and not devote required time to complete critical tasks. The outcome was obvious ... missing data and demographic elements, patients not financially cleared, payer plans not adequately satisfied based on required rules and regulations, etc. These scenarios resulted in loss of cash collections and revenue capture. A more common scenario consisted of pulling available staff during registration "down times" to Pre-Register patients for services scheduled the next day. "Pre-Registering" usually meant pulling forward demographic, insurance, and financial data via "account re-call" from past accounts. Obtaining pre-certifications/authorizations was often viewed as a patient or Physician Office responsibility. In the end, the financial impact of denied claims was usually shifted to the patient thus increasing bad debt and decreasing customer service.

The need for more organized and predictable Pre-Access processes has taken center stage among nearly every healthcare facility. What was once a game of necessity among Managed Care providers, obtaining pre-certifications and authorizations prior to service within specified time periods, has now spread to government payers as well. In many states, Medicaid requires physician referrals for payment. Medicare's RAC audits hitting the nation aggressively in 2009 will focus on execution of the MSP questionnaire and defining Medicare as primary versus secondary (among other areas). Many Managed Care payers have built in clauses into their contracts whereby patients cannot be billed if a pre-certification or authorization has not been obtained. Their physician's office is often not

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liable as well. To make matters worse, some Managed Care representatives do not know their company stance on when a pre-certification or authorization is required and will state to the patient or healthcare facility representative that no authorization/pre-certification is required, yet when the account is denied it cannot be overturned due to the original signed contract with the Managed Care Department. Payer management and reimbursement aside, many hospitals still fail to collect patient liabilities at or before the point of service leaving millions of dollars of both true self-pay and/or payer portions, copays, deductibles, etc uncollected and eventually written off. The reasons for healthcare providers to shore up Pre-Access processes are endless and becoming even more justified in light of the recent financial crisis hitting Wall Street.

### **State of the Art Pre-Access Hubs**

Today's Pre-Access Hub addresses the functions of Scheduling, Pre-registration, Insurance Verification, Financial Clearance, Point-of-Service Collections and procurement of Pre-certifications and Authorizations. The jury is still out on combining versus separating Scheduling and the other functions. It does make sense to keep Scheduling as its own function, especially in a busy, dynamic organization. (See upcoming article on how to design an optimal Scheduling Hub).

### **A typical flow of Pre-Access data is as follows:**

1. Patient is scheduled (either as a call-in to the Scheduling Hub or via physician's office).
2. In-scope patients (high dollar, often accounts \$1,000 and above) are pre-registered 3-5 days in advance. Pre-registration consists of actual patient contact to verify demographic information, insurance data and to help answer any financially focused questions the patient may have.
3. Integrated insurance verification takes place during pre-registration. Benefits are verified for effective coverage, estimations of co-pay, deductible amounts due. Estimated co-insurance amounts and other liabilities are then assessed and presented within Access

screens.

4. Patient liability is discussed as well as anticipated co-insurance and out-of-pocket obligations. Deposits and collection guidelines are discussed with the patient and monies are collected.
5. If needed, pre-certifications or authorizations are obtained prior to service.
6. Patient is financially cleared and fast tracked on the date of service.

To make this effort successful, a few essential ingredients are necessary. Staffing, Technology, Scorecards and Incentive Plans can pull the plan together. Tune in to the next newsletter for an in-depth article on these facets.

Want to learn more about how to integrate proactive, financially focused, and sustainable processes into your revenue cycle? Have you thought about implementing Point of Service Collections, a Pre-Access Hub, or Mandatory Discharge processes but are not sure where to start? HealthWide Solutions offers customized, time-tested options for providers who are looking to accelerate revenue cycle processes. Contact us at [info@healthwidesolutions.com](mailto:info@healthwidesolutions.com) or call 800-403-8349 to learn more about how HealthWide Solutions can help you!

**HealthWide Solutions, LLC**  
Driving change through sustainable solutions.

## **MEETINGS**



**ANI** is returning  
to **Seattle!**

**June 14th - 18th, 2009**

HFMA's  
Annual National  
Institute

Seattle Trade &  
Convention Center



# Adventure in Learning

by Joseph DeMeo, CFO  
Yukon-Kuskokwim Health Corporation  
Bethel, Alaska

# Alaskan Style

The Washington/Alaska Chapter of HFMA met in Anchorage on October 23 – 24, 2008. The turnout was over 2/3 of the Chapter members in Alaska. This was my first HFMA meeting in Alaska and it was an Adventure in Learning, Alaskan Style.

When the agenda was first perused, the educational sessions and the pointed topics were much appreciated since we had updates on Medicaid and more importantly, opportunities to learn about scorecards and dashboards, contract negotiations and performance measures. But, two items on the agenda were initially hard to relate to. Our keynote speaker on Thursday was a musher who won the Iditarod twice and on Friday morning, our keynote speaker was the Memory Work-Out. Now what value could these be to Financial Professionals?

Well, Lance Mackey (the Musher), spoke about his success and positive thinking related to us the importance of team cooperation. We really learned how important it was to concentrate on the selection of the team, but also on the training of the team. Many of the items we discussed will help the participants every day in their work life.

The second speaker, Lynne Curry, wowed us with illustrations of perception artwork. Now we all thought, "What does this have to do with numbers?". She tied together the perception artwork with being able to reframe things for our staff and relate to team members more effectively. She showed us many techniques on how to better remember numbers, but also spent time explaining to us how being able to remember peoples names and other facts can enhance our day –to- day



work.

There is that old saying, "Don't judge a book by its cover." This HFMA session states, "Don't judge the value by the name of the Agenda Topic."

Members also spent quality time discussing the present state of Health Care in the current election environment. We all agree that change will come with the new administration. We do not know who that new administration may be, but we discussed, "Should the current Governor of Alaska be successful in her bid for Vice President and how this would change the State Health Care environment."

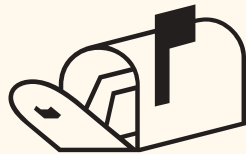
In conclusion, the organizers of this educational opportunity should be thanked and congratulated on their efforts to expand our knowledge beyond just the basic financial skills. ■





You could win \$100 by writing an article for N.W. Outlook! Share your knowledge & experiences with other HFMA Members. You can help make a difference!

Please send information & articles for upcoming newsletters to:



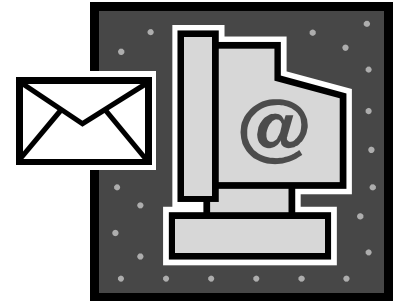
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## How Do I Change My HFMA INFORMATION?

All of our chapter directory information including e-mail and addresses for the newsletter are received from the National HFMA database.



The easiest way to make changes is via the internet. Simply follow these steps to change any of your personal information.

- 1. Log on to <http://www.hfma.org>**
- 2. Go to the membership section**
- 3. Log in using the username and password prompts**
- 4. Follow instructions to access your Profile**
- 5. Edit information.**



# *New Members*

The Washington/Alaska Chapter is pleased to announce the following new members:

**Edith Albert**  
Acs-hcs

**Tanya Anderson**  
Evergreen Healthcare

**Kimberly Back**  
Valley Medical Center

**Barbara Bamer**  
Medical Center

**William Bauman**  
Providence Health & Services

**Michael Brendel**  
Swedish Medical Center

**Denetta Chris**  
Southcentral Foundation

**Jamie Clark**  
Evergreen Healthcare

**David Croniser**

**Robert Cross**  
Harrison Medical Center

**Denise Decker**  
Debt Recovery Specialists

**Aaron Dipzinski**

**Petra Dodd**  
Empire Health Systems

**Shelley Ebenal**  
The Greater Fairbanks Community  
Hospital Foundation

**Phillip Ellis**  
Kpmg Llp

**Rick Elton**  
Holy Family Hospital

**Jayme Hansen**  
Us Army

**Sheila Heiker**  
SOA, DHSS, HCS, ORR

**Jennifer Houk**  
Providence St. Peter Hospital

**Kathy Ingram**  
NARO

**Jan Iverson**  
Skagit Valley Hospital

**Polly Janz**  
BDO Seidman, LLP

**Shannon Jones**  
Garfield County Public  
Hospital District

**Will Kessel**  
Minor & James Medical

**Todd Kestner**

**Kelly Kikuchi**  
Providence Everett Medical Center

**Patricia Kyle**  
Valley Medical Center

**Jo Ann Medina**  
South Peninsula Hospital

**Barb Mills**  
Grays Harbor Community Hospital

**Jennifer Munson**  
Okanogan Douglas Hospital

**Taura Murphy**  
St Mary Medical Center

**Jian Nelson**  
Evergreen Healthcare

**Kim Northcutt**  
Providence Health System

**Melissa Patterson**  
Seattle Cancer Care Alliance

**Chad Paul**  
U.S. Army

**Wendy Pearson**  
Bennett, Bigelow & Leedom, PS

**Brian Poulsen**  
Merchants Credit Association

**Jacklen Smith**  
Varolii Corporation

**Patty Smith**  
Overlake Hospital Med Center

**Darlene Stier**  
Providence Alaska Medical Center

**Jolynn Suko**  
Virginia Mason Medical Center

**Pat Whelan**  
Varolii Corporation

**Get  
Connected!**





**hfma** washington / alaska chapter  
healthcare financial management association

# Job Opportunities

TITLE	ORGANIZATION	LOCATION	CONTACT
Audit Manager	CHAN	Longview, WA	krandall@chanllc.com
Billing Manager	Outreach Services	Spokane, Washington	dmgordon@cboresolution.com
Budget Supervisor	Overlake Hospital	Bellevue, WA	jennifer.garrepy@overlakehospital.org
Charge Capture Analyst	Stevens Hospital	Edmonds, WA	jrheinheimer@stevenshospital.org
Chief Financial Officer	Petersburg Medical Center	Petersburg, AK	mmorgan@besmith.com
Client Executive of Patient Financial Services	Perot Systems Corporation	Renton, WA	Angela.Haynes@ps.net
Director of Finance	Southcentral Foundation	Anchorage, AK	scfhr@southcentralfoundation.com
Director of Professional Revenue Cycle	Stanford Hospital & Clinic	Stanford, CA	chmcguire@astound.net
Finance Manager	The Poly Clinic	Seattle, WA	joe.shields@Polyclinic.com
Financial Analyst	Franciscan Health System	Tacoma, WA	LanceBabb@fhshealth.org
Financial Analyst	Franciscan Health System	Tacoma, WA	LanceBabb@fhshealth.org
Financial Analyst	Providence Everett Medical Center	Everett, WA	heidi.miller@providence.org
Manager Financial Reporting & Accounting	Harrison Medical Center	Bremerton, WA	TracyBarton@harrisonmedical.org
Region Manager of Accounting	Providence Health & Services Alaska	Anchorage, AK	charlene.davis@providence.org
Revenue Cycle Director	Stevens Hospital	Edmonds, WA	jrheinheimer@stevenshospital.org
Sr. Financial Analyst	Northwest Medical Specialist	Tacoma, WA	churley-paneiro@nwmsonline.com
Staff Accountant	Washington Imaging Services, LLC	Bellevue, WA	mcross@wisllc.com
Staff Accountant	Island Hospital	Anacortes, WA	swhitelock@islandhospital.org
VP Finance-CFO	St. Joseph Regional Medical Center	Lewiston, Idaho	nowens@sjrmc.org

For more information on these listings or to include a listing, please contact Kimie Delos Reyes at (503) 507-6271 or <mailto:kimie@hawesfinancial.com>

See also National HFMA's website ([www.hfma.org](http://www.hfma.org)) for additional job listings.

[Last Update: October 2008]



Would you like to check your progress toward a Founders Merit Award?

Individual scoring records for the Founders Merit Award program are maintained for chapter members by LCC Council III.

To receive a copy of your record, please contact

**Tom Muller**

Telephone: (360) 459-8994 • Email: [tjwashington@reachone.com](mailto:tjwashington@reachone.com)

## UPCOMING CHAPTER MEETINGS

DATE	EVENT	LOCATION
November 20, 2008	One Day Meeting	Cedarbrook Conference Center, SeaTac, WA
January 25-28, 2009	Region 11 Healthcare Symposium	Caesar's Palace, Las Vegas, NV
February 24-26, 2009	Joint HFMA/AAHAM Meeting & Trade Show	Hotel Murano, Tacoma, WA
March 2009 (TBA)	Spring Alaska Meeting	Fairbanks, AK
May 14, 2009	Quarterly Meeting	Cedarbrook Conference Center, SeaTac, WA
June 14-18, 2009	Annual National Institute (ANI)	Seattle Trade & Convention Center
September 16-18, 2009	Quarterly Meeting with Oregon Chapter	Benson Hotel, Portland, OR

[www.waakhfma.org](http://www.waakhfma.org)



### NW Outlook

July - October 2008

Published bi-monthly by the Washington/Alaska Chapter of HFMA

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