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Editorial Policy

Opinions expressed in articles or features are those of the author and do not necessarily reflect the view of the Washington/Alaska Chapter, the Healthcare Financial Management Association, or the Editor. The Editor reserves the right to edit material and accept or reject contributions whether solicited or not. All correspondence is assumed to be a release for publication unless otherwise indicated.

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.

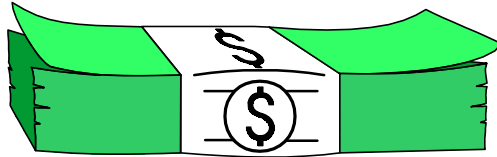
President's Message

from
Tom Dingus



Win \$200!

Region 11 Symposium Attendance Incentive Program



The Washington/Alaska Chapter will be offering a \$200 cash bonus to Chapter members who attend three of the four Chapter educational meetings during calendar year 2002 and the January 2003 Region 11 Symposium in Las Vegas, Nevada. Members who plan on attending the Region 11 Symposium and who have attended at least two of the last three meetings in Tacoma, SeaTac, and Chelan should be planning to attend our next educational program at SeaTac on December 5th. The \$200 cash bonus will be paid directly to the member after their attendance at the Region 11 Symposium.

What is the Region 11 Symposium and Why Would I Want to Go?

The Region 11 Symposium is a national-level healthcare financial educational event sponsored by the HFMA chap-

ters comprising Region 11. The Symposium is similar in format and quality to the HFMA Annual National Institute.

The Symposium will feature top-notch key note speakers such as Newt Gingrich, former Speaker of the U.S. House of Representatives, Jeff Goldsmith, healthcare futurist, Roy Firestone, broadcast journalist, and Dr. Jay Kaplan. The Symposium also has 16 additional education sessions.

The Symposium will be held in Las Vegas, Nevada at Caesars Palace on January 12-15, 2003. Las Vegas is an affordable, easily accessible location.

Why is the Chapter Offering a \$200 Bonus for Region 11 Symposium Attendance?

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www.waakhfma.org

Contributing Writers

Tom Dingus

Rob Geer

Tom Muller

Lee Johnson

Jim Rowson

Julie Meek

Jim Smith

THANK YOU!!!

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The Chapter is offering a \$200 bonus for Symposium attendance because increased attendance from our Chapter directly affects our Chapter's share of the Symposium's net proceeds.

Our Chapter received \$25,642 of the 2002 Symposium net proceeds. The Symposium net proceeds are distributed based on total Chapter membership (30%) and Chapter membership attendance at the Symposium (70%). Our share increases with the more members that attend.

The funding the Symposium provides our Chapter has been critical in providing higher quality local educational events. The Symposium proceeds have allowed the Chapter to fund keynote speakers and concurrent sessions. We have been able to spend more for speakers at our local educational events.

What is Region 11?

Region 11 consists of the seven westernmost HFMA Chapters – Washington/Alaska, Oregon, Hawaii, Nevada, Northern California, Southern California, and San Diego/Imperial. Region 11 has two primary functions. The first function is to provide a forum for the Chapter Presidents and President-Elects to share best practices about Chapter operations and as a liaison to National HFMA.

The second function, which is unique to Region 11, is the Region 11 Symposium. The Symposium is the single biggest revenue source for each Chapter in Region 11. The Symposium proceeds allow the smaller Chapters to survive and the larger Chapters to provide better services to their memberships. ■

EDITORIAL

Is it time to resist?

by Jim Rowson

Recently I had a visit from one of the major insurers in Washington. No, the visit was not one to talk about payment rates nor charges for our employee health insurance. It was instead to talk about credentialing. Credentialing you say?

Now, accountants and finance individuals are generally quite compliant (ignore the headlines – recent examples of non-compliance are in the extreme minority). We want to comply with the regulators. We want the numbers to add up. We want internal controls. But do we want to do the seemingly illogical? Do we want to have our organizations incur tasks of minimal or no value?

Hospitals strive to maintain many standards. There are state licensing standards. There are Medicare standards, and for some/many hospitals there are Joint Commission on Accreditation of Healthcare Organization standards. From time to time, individuals argue about the value of some of these standards. Though few argue against the quality improvement intent of standards.

But back to the visit. This insurer visit was to discuss the standards under which they operate. Standards that, to me at least, are of diminutive value. Standards which if interpreted as intended, produce paperwork and costs, but what incremental value?

The visit was to discuss the credentialing of Physical and Occupational Therapists. Our organization employs these licensed professionals to serve both in and outpatients of the hospital, and homebound patients via our home health service. Under hospital standards the licenses of these individuals are confirmed each year, and references are checked at hiring.

HOWEVER, I am being advised that such is not enough for the standards under which health plans operate. Their standards, as interpreted by the health plan, indicate that the health

plan must be provided with the practitioner's Social Security Number, a listing of the languages they speak, and a detail of their undergraduate education. In addition, a complete work history since their professional training must be supplied, as are copies of their license, along with evidence of their professional liability insurance.

But wait a minute!!! Their standards only apply in the situation of these therapists treating outpatients. That's right, as explained to me – these therapists in the home – No Problem – don't need the documents. These therapist treating inpatients – No Problem – don't need the documents. These therapists treat outpatients - BIG Problem – get them insurer credentialled.

But wait an additional minute. Isn't the treatment space for inpatients and outpatients sometimes the same exact physical space? Aren't the therapists sometimes the same physical person? Maybe even the therapist in the hospital is the same therapist in the home? BUT THE STANDARDS STATE THAT THE THERAPIST TREATING OUTPATIENTS NEEDS TO BE CREDENTIALLED and neither the therapist in the home, nor the therapist treating inpatients need be.

Excuse me – but where is the logic in all this. Hospital employed therapists must have certain internal credentialing to be employed. And what logic states only outpatient therapists require this additional insurer credentialing? (Remember, insurers require recredentialing every two or three years, so it is not a single time process)

I say – IT IS TIME TO RESIST. Anybody with me? E-mail me at jimrowson@hnh.westsound.net ■

The thoughts of the writer are his own, and do not reflect the opinion of any specific organization.

Capacity Management

Getting Your Hospital Off Diversion And Improving Revenues

**BY: Rob Geer
Jim Smith**

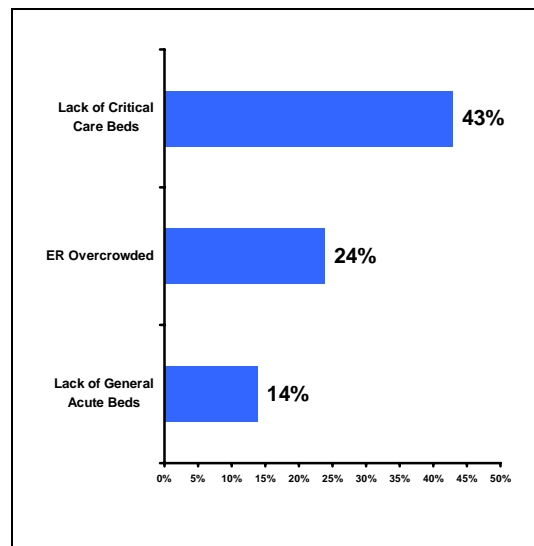
The Problem Facing Hospitals

According to an American Hospital Association Survey the majority of hospital Emergency Departments perceive they are at or over operating capacity. This overcrowding of the ED coupled with a nursing shortage and a history of hospitals closing beds has created a national healthcare emergency.

It is reported that ED visits increased 14% last year. Experts believe the increase is largely due to the overall increased population and increases in the aged population. We suspect that increases in the uninsured populations are also partially responsible for increased ED visits.

As a result hospitals are closing their doors for up to twenty percent or more of the time. While this problem is most acute in big city hospitals even rural hospitals report being over capacity nineteen percent of the time. Urban hospitals report being over capacity forty eight percent of the time.

According to the same AHA Survey, the reasons for hospitals experiencing diversions include:



Source: The Lewin Group Analysis of AHA ED and Hospital Capacity Survey, 2002

What Happens When You Are On Diversion?

1. Patient Care can be compromised
2. You are losing revenue.
3. You are sending business to another hospital.
4. Private physicians cannot get their patients admitted and relationships with your referring physicians are deteriorating.
5. Private physicians will not use your hospital but will admit at another facility.
6. ED physicians will become frustrated, as they cannot move patients that require admission out of an already overcrowded Emergency Room.

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Strategies To Get Your Hospital Off Diversion

The complete solution to decreasing your diversion time takes involvement of the entire hospital. You cannot completely reach optimal results without the cooperation of nursing, physicians, ancillary departments, dietary, patient access, emergency department and more. Because of the scope of the problem we cannot stress how important it is to have the support of top management including the CEO, CFO, COO and Vice-President of Nursing. Each must understand the issue and be committed to supporting change throughout the organization.

As with all problems it is easier to breakdown solutions into smaller tasks easily assigned to the people who have the ability to design and implement the solutions.

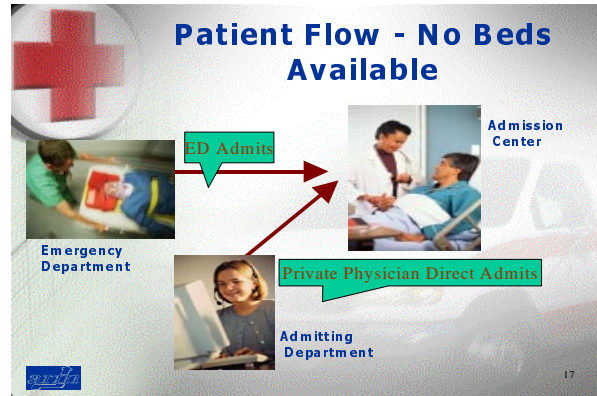
Some Solutions

1. Admission and Discharge Center

This is the most important solution that we first implemented at one of our client hospitals, Ingalls Health System in Harvey, IL. Ingalls is a large urban hospital with nearly 19,000 admissions a year. Ingalls had a very serious ED overcrowding and diversion problem.

At Ingalls the Admission and Discharge Center functions as a staging area for patients who have an order for admission but because no appropriate bed is available the patient is placed in the Center until a bed becomes available. Prior to creation of the Center these patients waited at home, were sent to another facility, or were left in an already overcrowded Emergency Department.

The flow chart illustrates the patient flow when Ingalls has no available beds on a medical/ surgical /telemetry floor.



At Ingalls the Admission and Discharge Center is located on the first floor adjacent to both the ED and Admitting. There are five beds in the Center; it is staffed with nurses and a nurse/case manager. The Center is open Monday through Friday from 7:00 am until 9:30 pm. Saturday hours are 10:00 am to 6:00 pm.

The Center provides an ability to:

- Accept Direct Admits from private physicians through the Admitting Area even when there are no beds available in the hospital.
- Unload patients from the ED for which a physician has written an order to admit.

What Services Does the Center Provide?

- Completion of all paperwork (consents, admit/history/assessment).
- Facilitate rapid completion of Diagnostic Testing thereby impacting timely treatment.
- Initiate Primary Clinical Interventions (pain relief or first dose antibiotics)
- Case Management assessment; matching patient clinical needs to facility resources while considering government and non-government payer guidelines.
- Manage patient's care prior to bed assignment.

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What Are the Desired Outcomes for the Center?

- Minimize hospital diversion
- Decrease Length of Stay
- Reduce inappropriate short-term utilization of inpatient beds
- Maximize utilization of limited human resources
- Decrease financial denials
- Increase revenue and reimbursement
- Improve Patient Satisfaction
- Improve physician relationships by reducing complaints regarding lack of bed availability.

2. Name a Bed Czar

As Ingalls has structured their Center the Director of the Center has become the bed czar for the organization. This position is constantly evaluating strategies to open beds and keep the hospital off of diversion. Without someone in your organization to work across multiple departments there is no one to focus on patient movement and diversion hours increase. At Ingalls, an ARM consultant filled this role while a permanent solution was developed.

3. Decrease Length of Stay

It is critical to monitor length of stay by physician and DRG. Proactively addressing physicians who have a pattern of keeping patients beyond length of stay standards is essential. Working with those physicians to decrease length of stay will improve both DRG profitability and decrease the inappropriate utilization of beds.

4. Enforce a Hospital Discharge Hour

A hospital is much like a hotel. In order to insure an orderly process hotels insist on a check out time to give them time to get rooms ready for new arrivals. Hospitals are also much more efficient if they can enforce a discharge time. At Ingalls the discharge time is 11:00 am. It is important to educate

patients and their families about discharge procedures at admitting.

5. Work With Nursing on Timely Reporting of Discharges

We all know that the system will not show an available bed until the patient is discharged in the system. Work with nursing to be sure that the floors process discharges as soon as the patient has left the room. Sometimes patients who are discharged but cannot leave because they are waiting for transportation can be moved to the Admission and Discharge Center. During this time a Center staff member works with the patient to coordinate follow-up doctor appointments, arrange for prescriptions to be filled at the outpatient pharmacy and/or provide discharge education.

6. Work With Ancillary Departments

We all see situations where a patient is waiting for services from an ancillary service. Maybe the physician wants to see lab results before he will discharge. Maybe the ED physician is waiting for lab or radiology results before he can write an order to admit. Sometimes even the hour patients receive meals can hold up a discharge. Work with clinical staff, they know what these "hold ups" are. They can help you identify them so that you can work with department managers to correct the problem.

7. Look Into Adding More Beds

This solution can be tricky. There are several questions you must ask yourself before adding beds. Some of them are:

What kind of beds do I need?

Can I find the nursing/technical staff?

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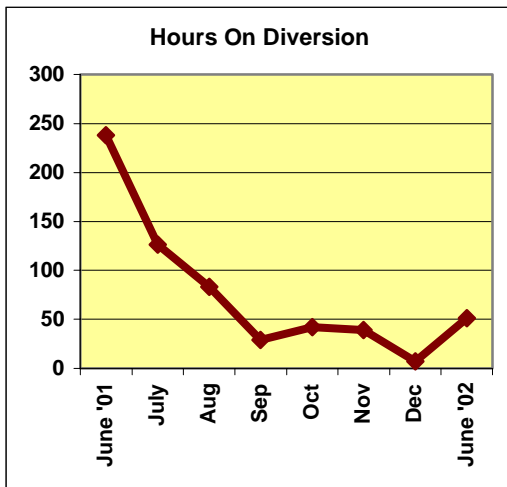
Will I have consistent use of new beds, or will they only be used during crisis periods?

Measurable Successes

We have developed some statistical measurements to track progress. The two most important measures are hours on diversion and admissions. The mission of the Capacity Management Program is to reduce diversion hours. But, unless demand decreases, and this is unlikely, diversion hours will only decrease if the facility is able to increase admissions.

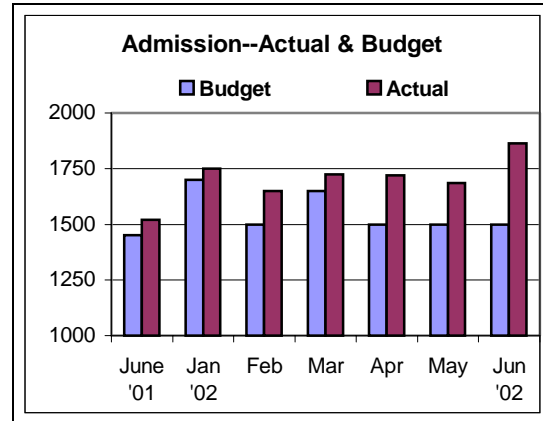
The next chart displays a dramatic decrease in Hours on Diversion. To better illustrate our comments about the link between Diversion Hours and Admissions we would like to compare June of 2001 to June of 2002.

In June of 2001 (we started our programs in July of 2001) Ingalls was on diversion 238 hours. In June of 2002 diversion hours measured 51. How did we get there?



Well, look at the next graph. In June of 2001 when Ingalls was on diversion 238 hours they could only manage 1521 admissions. The following June (2002) they processed 1863 admissions, an increase of

342 admissions, a 22% increase. As a result of increased admissions, diversion hours were reduced from June of 2001 to June of 2002 by 187 hours.



Other Successes

- Cardiac Cath LOS reduced from 5.7 days to 4.3 days.
- Overall LOS at 4.9, compared to hospital goal of 5.15.
- Market share trending upward.
- Average daily admissions YTD at 60 versus budget of 49, trending 250 admissions per month over budget
- May 2002 admissions 300 over budget, inpatient revenue 26% over budget.

Physician Relations

Dr. Mark Weissman is the Medical Director for Emergency Services at Ingalls Health System. Dr. Weissman was frustrated with the hospital's inability to find beds for patients for several reasons. As head of the ED he had private attending physicians going to him about the hospital not being able to admit their patients. Dr. Weissman said, "We were all very frustrated; tensions between staff, ED physicians and our private attending physicians were running high."

However after the Center was up and functional Dr. Weissman said, "Our overall department morale and relations with private attending physicians has dramatically

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improved as a result of improved patient movement via the Ingalls Admission and Discharge Center and related initiatives underway to improve our overall patient access."

Dr. Weissman, a veteran of hospital reorganization and change also said, "To Ingalls credit, they have invested in our patient access improvement efforts by engaging an ARM consultant to stay and implement their recommendations."

Patient Relations

Press-Ganey scores at Ingalls indicate patient satisfaction with the admission process has improved. Comparisons between Press-Ganey scores from 2001 to 2002 are:

Category	2001 Excellent Ranking	2002 Excellent Ranking	Percent Change
Speed of Admission	69.2%	79.6%	+10.4%
Overall Satisfaction With Admit Process	76.2%	83.3%	+7.1%

Conclusion

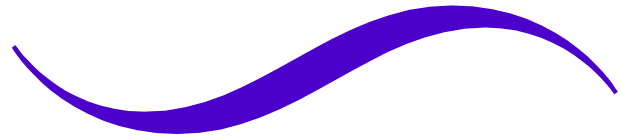
There are enormous financial opportunities for hospitals that find themselves on diversion. By reducing diversion time you can significantly increase inpatient revenue.

If the processes are well managed you can turn additional revenues into increased cash flow. To do that it will be important to put case management in the beginning of the process to insure that patients are receiving an appropriate level of care. You will also need to install a Quality Assurance Program in the Admitting process to be sure that you are collecting information that will produce a claim that will be paid.

By reducing length of stay you will decrease costs per DRG and improve profitability.

By implementing a full program to manage capacity you will also improve relationships with your patients and your physicians.

To learn more about Capacity Management and how you can benefit from a Capacity Management Review please contact Rob Geer or Jim Smith at Accelerated Receivables Management at 888-874-1447 or e-mail us at rgeer@armltd.com or smithj@armltd.com. ■



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) 236-4215

Facsimile: (360) 664-8579

Email: tom.muller@doh.wa.gov

The 5th Annual HFMA Region 11 Healthcare Symposium

January 12–15, 2003, Caesars Palace, Las Vegas

Keynote Speakers

Newt Gingrich, University Lecturer, Former Speaker of the House of Representatives

A spectacular speaker and author of "Contract with America", "To Renew America", "Lessons Learned the Hard Way."

The crucial issues facing the future of America – driving forces behind the economy, national security, terrorism, education, technology in public and private institutions and our personal lives.

Jeff Goldsmith, President of Health Futures, Inc.

Scheduled to discuss disaster planning for health services, the future of medical practice managed care, and bio-technology in the U.S. health system.

Roy Firestone, six-time Emmy Award Winner for Broadcast Journalism, and current host of Up Close Prime Time.

Entertainment & Education Program

Dr. Jay Kaplan, Medical Director of The Studer Group, author and presenter, with expertise in emergency medicine and service excellence.

Education Program

16 Additional Symposium Programs:

- Strategies for Succeeding Under APCs
- Access to Capital
- Service Excellence (Malcolm Baldrige award-winning Hospital)
- Strategic Contract Management and Review
- HIPAA Implementation from Legal and Provider Perspectives
- Home Health Agency and Rehabilitation Prospective Payment Systems
- Outsourcing Services
- Accounting and Tax Updates

Registration using the Symposium website www.hfmaregion11symposium.org

More info contact George Colman at (818) 559-4485, Gcolman@Sacfirmonline.com

Sponsorship contact Ira Alexander at (310) 423-1760, AlexanderI@cshs.org

Hospital Profits Highest in Four Years

by Tom Muller

Washington State Department of Health

During the four quarters ended June 30, 2002 net operating income of hospitals in the state of Washington advanced to \$197 million, as reported by the Washington State Department of Health, Center for Health Statistics. This was an increase of 44.2% over the year ago level and the highest recorded since the four quarter period ended March 31, 1998. Net operating income per adjusted discharge of \$215.94 was 42.7% over the year ago level and was the highest recorded since the twelve month period ended December 31, 1999.

Net operating income is not distributed uniformly among the hospitals of Washington. A total of 38 hospitals experienced operating losses totaling \$71 million, while 55 hospitals realized operating gains of \$268 million. For individual hospitals operating results ranged from a loss of \$19.1 million to a gain of \$31.3 million. Nine hospitals had gains exceeding \$10 million for a total of \$161 million.

The gain in net operating income over the past year also was not spread uniformly. About 2/3 of the total gain

occurred in King County. While significant gains in net operating income occurred in urban areas, the rural hospitals moved from a net gain of \$2.4 million to a net loss of \$12.1 million. Critical access hospitals recorded a net operating loss of almost \$10 million. By type of ownership, not-for profit hospitals experienced net operating income of \$184 million, while district hospitals lost \$6.5 million and proprietary hospitals realized \$8.6 million of net operating income.

Net Operating Income	<u>Twelve Months Ended</u>		<u>Change</u>	<u>Percent Change</u>
	<u>June 30, 2001</u>	<u>June 30, 2002</u>		
Statewide Total	\$136,562,407	\$196,988,705	+\$60,426,298	+44.2%
By Region:				
King County	35,961,057	74,831,926	+38,870,869	+108.1%
Puget Sound	92,853,254	109,104,674	+16,251,420	+17.5%
Southwest Washington	11,064,083	17,933,033	+6,868,950	+62.1%
Central Washington	-8,701,477	-4,283,195	+4,418,282	+50.8%*
Eastern Washington	5,385,490	-597,733	-5,983,223	-111.1%
By Type of Ownership				
District	903,043	-6,465,169	-7,368,212	-815.9%
Not-for-Profit	118,179,105	183,516,419	+65,337,314	+55.3%
Proprietary	397,783	8,605,350	+8,207,567	+2063.3%
By Population Density:				
Rural	2,361,944	-12,089,052	-14,450,996	-611.8%
Urban	134,200,463	209,077,757	+74,877,294	+55.8%

*Mathematically, this is a negative percentage change. However, since the change is upward, a positive percentage change is less misleading.

During the twelve month period ended June 30, 2002 average operating margin for hospitals in the state of Washington jumped to 2.52%, which was 32.4% above the year earlier level and was the largest recorded since the

four quarter period ended March 31, 1999. Operating margin was up 95% in the King County area. Operating margin levels by region ranged from 5.75% in the Puget Sound area, to -0.59% in the Central Washington

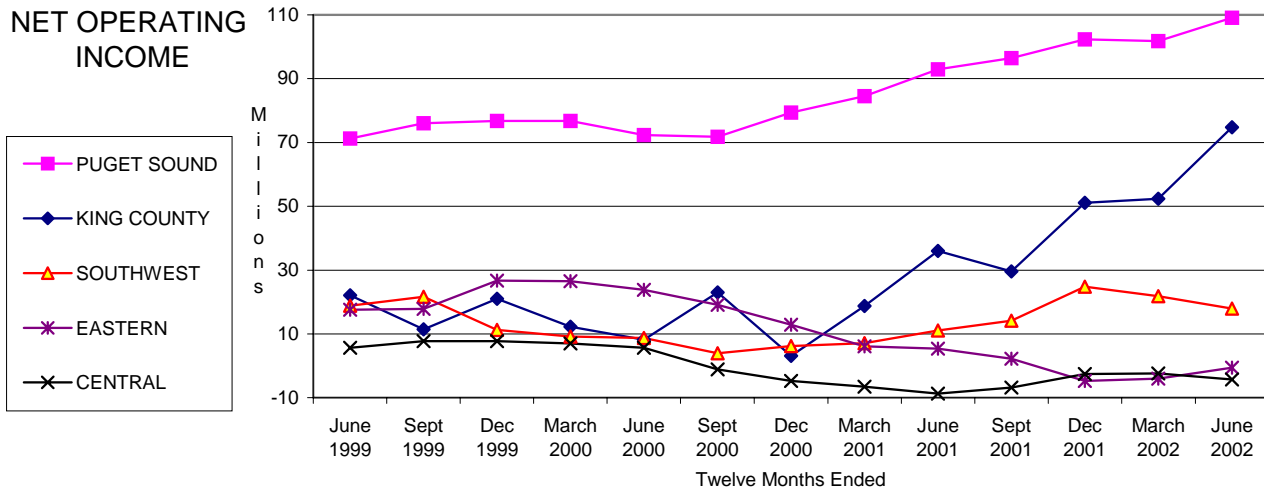
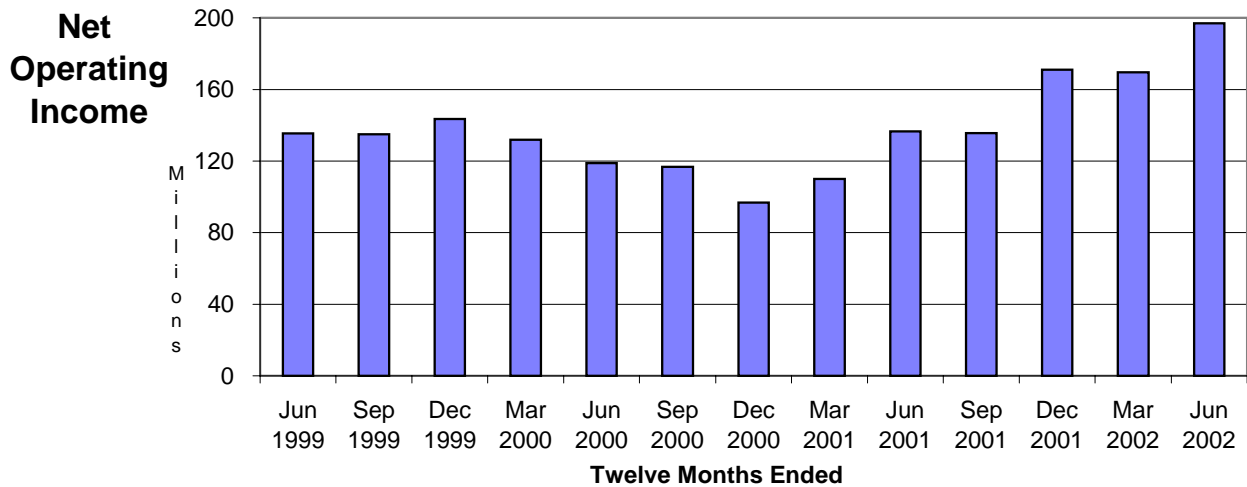
area. Operating margins averaged 2.90% for urban hospitals and -1.97% for rural hospitals. Critical access hospitals generated an average net operating loss of 7.47%.

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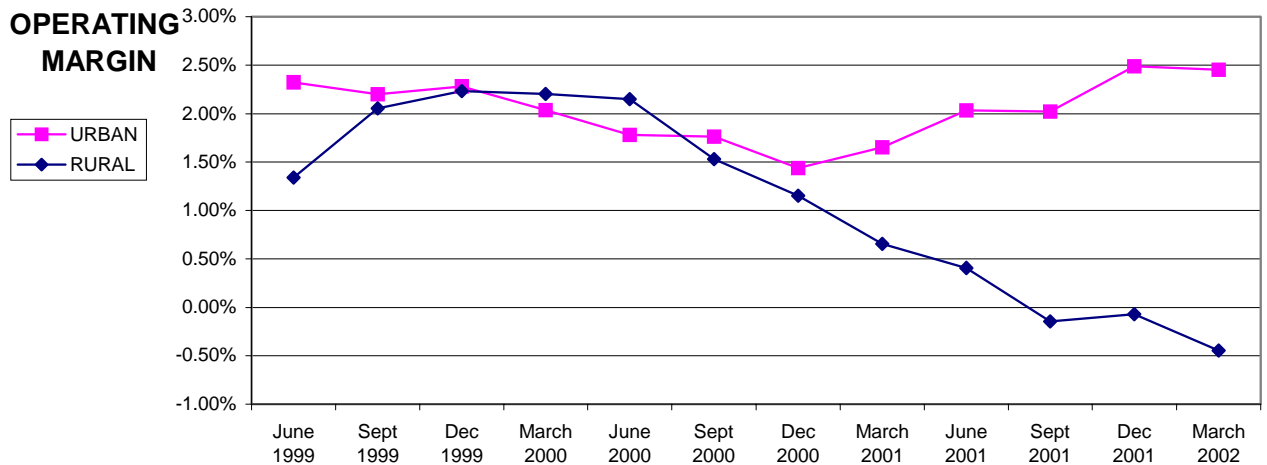
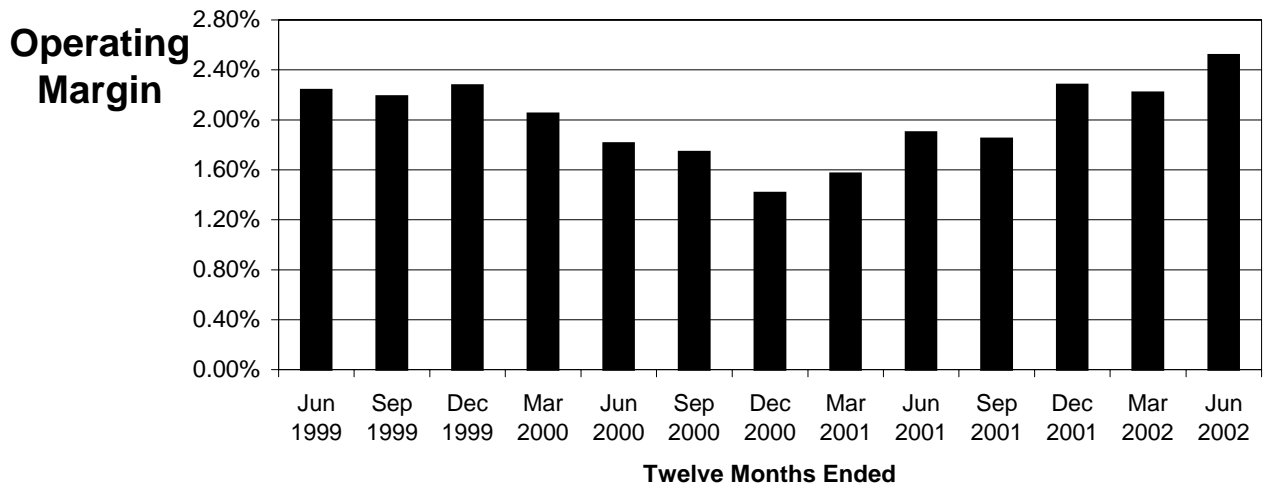
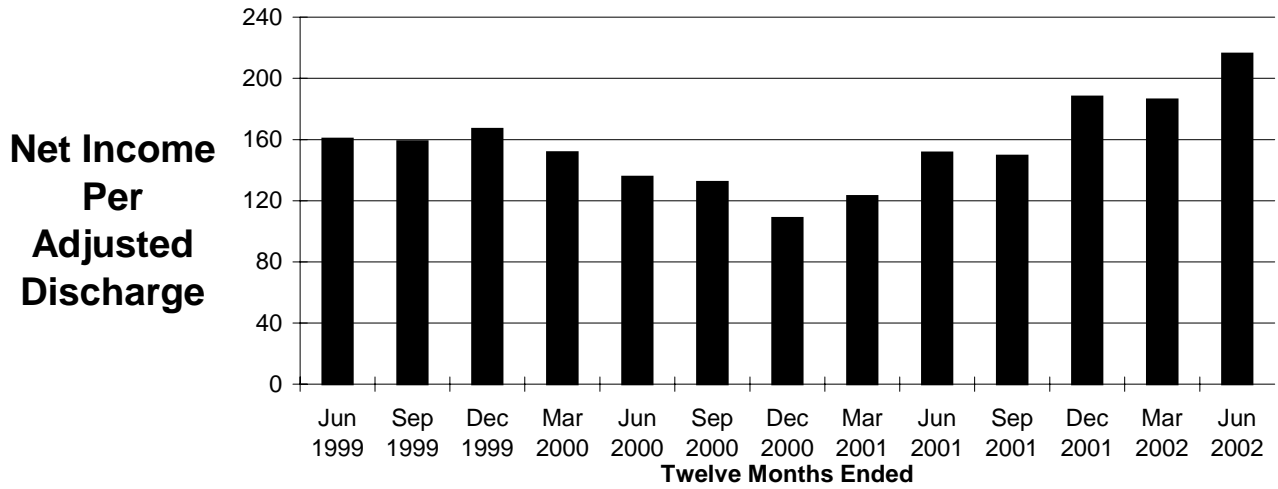
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Operating Margin	<u>Twelve Months Ended</u>		<u>Change</u>	<u>Percent Change</u>
	<u>June 30, 2001</u>	<u>June 30, 2002</u>		
Statewide Total	1.90%	2.52%	0.62%	+32.4%
By Region:				
King County	1.12%	2.18%	+1.06%	+94.6%
Puget Sound	5.50%	5.75%	+0.25%	+4.5%
Southwest Washington	1.44%	2.11%	+0.67%	+46.3%
Central Washington	-1.33%	-0.59%	+0.74%	+55.4%*
Eastern Washington	0.62%	-0.06%	-0.69%	-110.4%
By Type of Ownership:				
District	0.08%	-0.05%	-0.63%	-762.5%
Not-For-Profit	2.31%	3.27%	+0.97%	+42.0%
Proprietary	0.26%	4.82%	+4.55%	+1723.2%
By Population				
Rural	0.41%	-1.97%	-2.37%	-584.5%
Urban	2.03%	2.90%	+0.87%	+42.6%

*Mathematically, this is a negative percentage change. However, since the change is upward, a positive percentage change is less misleading.



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Chapter Members Earn Founders Awards



by Tom Muller
Founders Award Chairman

Founders Awards were earned by 14 members of Washington-Alaska chapter in 2002. Five members earned the Follmer Bronze award, seven members earned the Reeves Silver award, one member earned the Muncie Gold award, and one member earned the Founders Medal of Honor.

The Founders Merit Award series gives recognition to individual chapter members for participation in chapter and national activities. The award series encourages members to make the sustained effort necessary for continued viability and growth of the chapter.

The first award in the series is the Follmer Bronze Award. To receive this award a member must accumulate a minimum of 100 points. The second award is the Reeves Silver Award and is earned by the accumulation of at least 200 points. The third award is the Muncie Gold Award. A member must earn a total of at least 300 points to reach this level.

Points are accumulated towards these awards in the following ways:

- Service as an officer or director,
- Serving as chair or co-chair of a Matrix/LCC committee or council,
- Serving as a member of a Matrix/LCC committee or council,
- Chairing or serving on other chapter committees or sub-committees
- Making presentations at chapter workshops and meetings,
- Making presentations at other healthcare related programs,
- Writing papers or articles for HFM Journal, similar publications, or the *NW Outlook* newsletter,
- Attendance at chapter meetings,
- Attendance at Annual National Institute
- Membership in National Forum(s)
- Participation in audio teleconferences
- Earning and maintaining certification,
- Proctoring certification examinations
- Maintenance of membership (Student=1/yr, Regular=2/yr, Advanced=3/yr, Life=4/yr).

By participating in a large number of activities mem-

bers may earn awards in a relatively short period of time. The only limiting factor is the maximum of 40 points that may be earned in any one year and the members own time and energy limitations. Conversely, the perseverance to stay with one or two activities over a longer period of time will also earn an award. Points are transferable if a member moves to another part of the country before reaching the level of points necessary for an award.

Prior to 1994 attendance at chapter meetings was not a significant factor, since meetings were worth only one point each and there was a 4 point per year maximum on points allowed for meeting attendance. However, with the changes which became effective for the 1994-95 chapter year, chapter meetings were worth two points each with no annual maximum (except the overall maximum of 40 Founders award points per year), and the definition of chapter meetings was broadened to include workshops. For the 1998-1999 chapter year this policy was further refined to differentiate by the length of meetings. Therefore, meetings of 8 hours or less are worth 1 point, meetings of over 8 hours and less than 16 hours are worth 2 points, and meetings of over 16 hours are worth 3 points.

In 2002 five members of Washington-Alaska chapter passed the 100 point threshold and earned their first Founders Award, the Follmer Bronze Award. These members were Bradley Becker, Tim Cooper, Ralph Hill, Julie Petersen, and Gary Schroeder.

Participation in the Matrix and LCC, serving as a panel member at chapter functions, ANI attendance and chapter meeting attendance have earned the Follmer Bronze Founders Award for **Bradley Becker**.

Tim Cooper has earned the Follmer Bronze Founders Award by participation in Matrix, speaking at chapter functions, forum membership, audio teleconferences, and attending chapter meetings.

Matrix participation has helped to earn the Follmer Bronze Founders Award for **Ralph Hill**. In addition, he has been a forum member and has attended chapter meetings.

Participation in Matrix, forum membership, audio teleconferences, ANI attendance and attending chapter

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meetings have earned the Follmer Bronze Founders Award for **Julie Petersen**.

Gary Schroeder has earned the Follmer Bronze Founders Award by participation in Matrix and LCC, speaking at chapter functions, serving as a panel member at chapter functions, audio teleconferences and chapter meeting attendance.

In 2002, seven members of Washington-Alaska chapter passed the 200 point threshold and earned their second Founders Award, the Reeves Silver Award. These members were John Craig, Peggy Figy, Joyce Gibb, Robert Hinman, Sheryl Kennedy, Craig Perkins, and Michael Sonner.

John Craig earned 176 of the 200 points needed for the Reeves Silver Award at Massachusetts chapter before transferring to Washington-Alaska chapter. Since transferring he has earned additional points for manuscript review, FHFMA certification, ANI attendance, audio teleconferences, and chapter meeting attendance.

Since earning the Follmer Bronze Founders Award **Peg Figy** has served on the chapter board of directors, has been the chair of Committee B, and has served in LCC committees and councils. In addition, she has earned points for forum membership, ANI attendance, audio teleconferences, and chapter meeting attendance.

Serving on the chapter board of directors, serving as primary editor of the chapter membership directory, organizing the annual joint meeting and vendor fair with AAHAM, serving on various LCC committees and councils, ANI attendance, and

chapter meeting attendance are among the activities that have earned the Reeves Silver Founders Award for **Joyce Gibb**.

Since earning the Follmer Bronze Founders Award **Bob Hinman** has served as chapter secretary and chapter treasurer as well as on the chapter board of directors. In addition, Bob also served as chair of Committee C, served on various LCC committees, and was a speaker at chapter functions. Also, Bob has earned points for ANI attendance, audio teleconferences, and chapter meeting attendance.

Sheryl Kennedy has served on the chapter board of directors as chair of council 2 and as speaker's bureau chair since earning the Follmer Bronze Founders Award. She has also participated in LCC committees and councils and has attended chapter meetings.

FHFMA certification has helped to earn the Reeves Silver Founders Award for **Craig Perkins**. In addition he has also earned points for forum membership, ANI attendance, and chapter meeting attendance.

Since earning the Follmer Bronze Founders Award **Michael Sonner** has participated in Matrix councils and committees, spoken at chapter functions, participated in panels at chapter functions and attended chapter meetings.

In 2002, **Carla DewBerry** was the only member of Washington-Alaska chapter to pass the 300 point threshold and earn the third Founders Award, the Muncie Gold Award. Since earning the Reeves Silver Founders Award **Carla** has served on the chapter board of directors, served as chair of committee A, spoken at chapter meetings, and served on

panels at chapter meetings. She has also earned Founders Award points for forum membership and the chapter meeting attendance.

The Founders Medal of Honor award was created in 1986 by action of the National HFMA Board. Unlike other Founders Awards, this award is based on recommendations from the chapter Board of Directors, not by the accumulation of points for specific activities.

Criteria for nomination for the Founders Medal of Honor are (1) currently a member in good standing, (2) three or more years of service since earning the Muncie Gold Founders Award, and (3) significant service in at least two of the years since earning the Muncie Gold Founders Award. Significant service is defined to include active service as a committee/council member, director, or officer at either the chapter or National level.

For 2002, the Board of Directors of Washington-Alaska chapter nominated **Craig Goodrich** for this award. During the three years since earning the Muncie Gold Award **Craig** has served as chapter president, chapter immediate past president, nominations committee chair, and on the board of directors. He has also served on LCC councils and committees, written newsletter articles, attended ANI, participated in audio teleconferences and attended chapter meetings. At the National level Craig has served on the Yerger Awards committee and on the Principles and Practices Board.

Individual scoring records for the Founders Merit Award program are maintained for each member of the chapter by LCC Council 3. To check your Founders Award points call Tom Muller at (360) 236-4215 or send an e-mail to tom.muller@doh.wa.gov ■



Welcome New Members



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

Janet L. Raulerson
Clinical Medical Record Manager
Providence St Peter Hospital
Olympia, WA

Adrian J. White
Accounting Supervisor
Yukon Kuskokwim Health Corp.
Bethel, AK

Dina E. O'Leary
Contracts / Financial Analyst
Northwest Hospital
Seattle, WA

Pamela S. Henderson
Corporate Compliance Officer
Children's Hospital & Reg Med Ctr
Seattle, WA

Andrew Tokar
Financial Analyst
Overlake Hospital Medical Center
Redmond, WA

Michelle M. Vest
Senior Manager
Ernst & Young
Bellevue, WA

Brian Registe
Director of Finance & Contracting
Alaska Federal Health Care Access Network
Anchorage, AK

Daniel C. Simonson, CRNA
Spokane, WA

Margaret S. McClellan
Student
Everett, WA

Sandy UIF
Planning Associate
Providence Everett Medical Center
Everett, WA

Steven C. Clark
Assistant Admin/CFO
Cascade General Hospital
Leavenworth, WA

Mike Butler
Vice President & CFO
Providence Health System
Seattle, WA

David A. Wofford
ECG Management Consultants Inc.
Seattle, WA

Catherine L. Schoen
Accountant
Olympic Memorial Hospital
Port Angeles, WA

Al M. DeLeo
Long Term Care Reimb Specialist
Providence Health System
Seattle, WA

Jori Scruggs
Accounting Manager
St John Medical Center Peace Health
Kelso, WA

Employment Coordinator Wanted

Our Chapter will have an opening for Employment Coordinator starting in May.

Julie Meek will be taking on the responsibilities of Regional Executive Elect and will have to give up the Chapter Employment responsibilities.

This is a fun job and allows you to get to know many members.

The time commitment is estimated at 2-3 hours per month on average.

You would collect job openings and pass on to a list of people who are looking for employment.

If you are interested in helping out the Chapter, please contact Julie Meek, (509) 942-2708 or meejk@kadlemed.org or Tom Muller, Council III Chair, (360) 236-4215 or tom.muller@doh.wa.gov.

Nonmember Mailing List Coordinator Wanted

We will have an opening for a member to take on nonmember mailing list responsibilities.

This involves running labels and making copies and maintaining a mailing list.

The time commitment is about 3-4 hours after each HFMA meeting.

If you are interested in helping out the Chapter, please contact Julie Meek, (509) 942-2708 or meejk@kadlemed.org

or Tom Muller, Council III Chair, (360) 236-4215 or tom.muller@doh.wa.gov.

Picture Yourself in

Las Vegas!



The WA/AK Chapter of HFMA wants to help you make that picture a reality this January! Reserve the dates of January 12 - 15 on your calendars right now for the 5th Annual HFMA Region 11 Healthcare Symposium. To help get you there the Chapter will reimburse qualifying members a portion of their registration fees! As the ads often read, "YOU MAY HAVE ALREADY WON," because to qualify for this special reimbursement all you need is to have attended three of the four Chapter Meetings this year. So far the Chapter has had the following meetings; February at the Sheraton Tacoma, May at the Embassy Suites



in SeaTac and September at Lake Chelan. Only attended two Chapter meetings? NO PROBLEM, just sign up for the December 5th Meeting at the Doubletree Guest Suites near the Southcenter Mall. Once you register for the Region 11 Symposium and receive your confirmation of payment you may submit this for a \$200 reimbursement check from the Chapter. The Chapter Board feels this event is so important that we want to encourage all our members to attend.

The Region 11 Healthcare Symposium is fast becoming as popular as the Annual National Institute attracting nation-

ally renown speakers and over 700 member attendees from across the country. This years keynote speakers will be challenging, controversial and futuristic! They will include such names as Newt Gingrich, former speaker of the House of Representatives, Jeff Goldsmith, President of Health Futures and listed recently in Modern Healthcare as one of the top 100 speakers in the nation and Roy Firestone, six-time Emmy Award Winner for Broadcast Journalism and current host of Up Close Prime Time. There are sixteen additional educational breakout sessions running in four concurrent tracks; Reimbursement, Patient Financial Services, CFO and Other (HIPAA, Service

*Reserve the dates of
January 12-15
on your calendars right
now for the
5th Annual HFMA
Region 11 Healthcare
Symposium*

Excellence). The event takes place at the fabulous Caesars Palace in Las Vegas, the discounted rooms for this conference go fast so reserve yours at your earliest possible convenience. For the web version of the HFMA Region 11 Symposium brochure and additional information visit the www.hfma-region11-symposium.org web page today.

Don't gamble with your future, invest in your education now, stay on top of emerging trends and network with your peers at the HFMA Region 11 Healthcare Symposium!



*by Lee Johnson, FHFMA
Central Washington Hospital 509.665.6201*

Snapshots

from the
September Meeting in
Chelan, Washington



Craig Goodrich receives top award - the Founders Medal of Honor.

Awards Presentations



Recipients of the Reeves Silver Founders Award were Peg Figy and Bob Hinman.



Gary Schroeder and Brad Becker earned the Follmer Bronze Founders Award.



Sean Douglas picked up his award for 2001-2002 newsletter article.



HFMA Washington / Alaska Chapter

Get your **Accounting Ethics CPE credits** at the next Washington/Alaska HFMA meeting. Washington State Board of Accountancy approved program for 4 CPE credits. Additional topics for the non-Accountant offered as well.

When: December 5, 2002
Where: Doubletree Southcenter
16500 Southcenter Parkway
Seattle, Washington
(206) 575-8220



Keynote & Program Highlights:

- “What Should I do? 4 Simple Steps to Making Better Decisions in Healthcare Financial Management,” by ethics expert Bruce Weinstein, Ph.D.
- 4 hour seminar on Accounting Ethics provided by Dr. Kay Carnes, CPA of Gonzaga University
- Medicare Reimbursement Update
- Washington State Current Events
- Medical Necessity Screening (ABNs), Negotiated Regulations, and Other Influences on Patient Registration – How to Cope
- Observation Billing and Compliance
- Federal Tax Update
- Legal Update

Look for your meeting brochure before the end of the month to register.

HFMA Certification

The Washington/Alaska HFMA Chapter has a new challenge ahead to move from 44 certified members to 100 certified members by the fall of 2004. Dennis Stillman, the Chapter's Certification Coordinator will be making arrangements to have testing available at every meeting of the Washington/Alaska Chapter. Review courses will also be available to all members the Wednesday afternoon of each our Chapter's 3 day meetings. This is a great opportunity for all of us to enhance our professional development.

If you are interested in starting the process of certification before the next Chapter meeting in December, please contact Dennis Stillman at (206) 221-7234 or via email at stillman@u.washington.edu. Several Chapter members would like to study for the exam and take the test prior to the end of the year. Dennis is willing to coordinate study sessions and establish a testing date before year-end.

This is a great opportunity for all of us to enhance our professional development.

Thank you and happy testing.



Elaine Phelps received her certification as a Certified Healthcare Financial Professional (CHFP). Area of Specialty-Financial Management of Physician Practices.



hfma washington / alaska chapter
healthcare financial management association

Job Opportunities

POSITION AVAILABLE	ORGANIZATION	LOCATION
Accountant	Holy Family Hospital	Spokane, WA
Accountant	Franciscan Health System	Tacoma, WA
Accounting Supervisor	Providence Washington Regional Services	Renton WA
Admitting Coordinator	Samaritan Healthcare	Moses Lake, WA
Associate Director, Patient Accounting	John Muir/Mt. Diablo Health System	Walnut Creek, CA
Asst. Vice President, Finance	PeaceHealth Oregon Region	Eugene, OR
Business Office Manager	Jefferson General Hospital	Port Townsend, WA
Chief Financial Officer	United General Hospital	Sedro Woolley, WA
Chief Financial Officer	Columbia Memorial Hospital	Astoria, OR
Compliance Officer	Highline Community Hospital	Tukwila, WA
Contracts Manager	National Medical Management	Bellevue, WA
Coordinator, Outpatient & Prof. Services Revenue	Harborview Medical Center	Seattle, WA
Denials Coordinator	Harborview Medical Center	Seattle, WA
Director of Patient Accounts	Hospital	Northern Calif
Director, Financial Analysis (Financial Reporting)	Stanford Hospital & Clinics	California
Manager, Audit & Consulting Services	Catholic Healthcare Audit Network, LLC	Various CA locations
Manager, Decision Support	The Queen's Medical Center	Honolulu, HI
Manager, Financial Planning (Decision Support)	Stanford Hospital & Clinics	California
Operations Accountant	Central Washington Hospital	Wenatchee, WA
Payroll Specialist	Providence Washington Regional Services	Renton WA
Revenue Manager (Professional Service Operations) ...	Stanford Hospital & Clinics	California
Senior Decision Support Specialist	Stanford Hospital & Clinics	California
Senior Reimbursement Analyst	Providence Washington Regional Services	Renton WA
System Manager, Financial Reporting	Providence Health System-Corporate	Seattle, WA

FOR MORE INFORMATION...

...on these listings or to include a listing, please contact

Julie Meek, (509) 942-2708 or meekj@kadlecmed.org

See also National HFMA's website (www.hfma.org) for additional job listings.

Payer - Provider Relations Committee Meeting

The next committee meeting will be
November 20, 2002
from 9:00 am - 12:00 pm
at Steven's Hospital in Edmonds.

Are you charging for trauma response?

Revenue Code 068X — Trauma Response
(charges for a trauma team activation)
became effective on 10/01/02.

Have you seen the proposed UB2002 billing claim form?

Plan to attend or contact
Cheryl Mustard, Co-Chair of the
Washington State Payer Provider
Relations Committee at
CMus107@HCA.WA.GOV
for additional information about the
committee.



Mark Your Calendar

December 5, 2002

HFMA Workshop

**Doubletree Guest Suites
Seattle/Southcenter**

- Guest Speakers
- LCC Meeting

SEE YOU THERE!

CORPORATE SPONSORS

The Chapter would like to thank
the following companies
for 2002 - 2003 sponsorships:

PLATINUM LEVEL

Bennett, Bigelow & Leedom, P.S.
Case Mix Analysis
Merchants Credit Association
Moss Adams LLP
Pacific Medicaid
TIAA-CREF

GOLD LEVEL

Advanced Receivables Strategy/
Perot Systems Healthcare
Michael R. Bell
Clark Nuber
Healthworks
KPMG LLP
Sheryl Kennedy CPA, LLC

SILVER LEVEL

Cambio Health Solutions
Foster Pepper & Shefelman PLLC
LeMaster & Daniels
Protiviti
Provider Advantage
Silberg & Associates LLC
Spencer Kinney
The enVision Group



In Memory of Raymond Lee Raines



A long and full life ended on November 4th at Virginia Mason Hospital with his devoted wife and his five loving children at his side. Ray always offered to help and because of his talents, integrity and hard work he rapidly took leadership roles and gained the respect of all who knew him. His numerous awards are just one mark of this. He was a Fellow in HFMA and received the Founders Medal of Honor in 1990. As a Certified Public Accountant he worked primarily in life insurance and health care, retiring as Director of Finance for Virginia Mason Hospital in 1988. Remembrances may be made to St. Thomas Church or Virginia Mason Medical Center - Ray Raines Cancer Care Fund, P.O. Box 900, Seattle, WA 98111.

Some Memories

- Ray holds a special place in my heart. As the Director of Finance at Virginia Mason Hospital he was my first boss in my career in hospital healthcare when he hired me as Controller in 1981. Ray was my mentor and encouraged my involvement in HFMA. I remember how proud we all were of him as he assumed the Washington/Alaska Chapter presidency in 1981. I also remember how much it meant to him to be able to represent us as president. In addition to our professional relationship, Ray also gave me a gift that helped save my life and for that I am eternally grateful.
...*Ginger Rhoades*
- I've known Ray since the mid to late 1970's. He was a major influence on the history of the HFMA Washington/Alaska chapter. He was our chapter president back in 1981 and I believe he formed the chapter's council and committee matrix structure.

I remember Ray and I had many discussions on healthcare topics as we were front row buddies at many of the quarterly WA/AK conferences. I'm not sure why Ray sat in the front....my excuse was I couldn't see the overheads from the back rows!

Ray was a kind soul....and he touched many many lives. My prayers to his lovely wife, Eleanor, who I also knew and was also a tremendous person. Ray will truly be missed by all. ...*Keith Mock*

- Ray Raines loomed large in the HFMA chapter I joined in the early 80's. He seemed to be everywhere during the meetings, greeting people, introducing people to other members, convincing people to serve on committees. And always he encouraged people to grow and learn, through HFMA and in their jobs, to become the best they could be. I hope our chapter always remains true to this important goal. ...*Libbie Loux*
- I met Ray for the first time at an HFMA meeting in the mid 1970's. Coming from another industry I was very impressed with how quickly he learned about the nuances of healthcare. He had a great sense of humor and always appeared to be thinking about something profound—he had a way of smoking his pipe and gazing thoughtfully into the distance.

His leadership of the Washington Alaska Chapter included implementing the "Matrix" organization structure. He led by example and was very inclusive in his management style. I was Secretary of the chapter when he was President, which meant that all the recording keeping was expected to be excellent—he would have nothing less.

Ray overtly loved his family and was proud to talk about their accomplishments whenever given a chance. Ellie was a frequent attendee at the chapter meetings—it was clear that she adored him as much as he adored her.

I am privileged to have known Ray for many years and am a better person for having him be part of my life.
...*Lori Mitchell*

Following are some random thoughts and overheard comments ...*Jim Rowson*

Ray - wasn't he the one always in the front of the room at

please turn to the following page...

HFMA meetings - Even after he was retired
Ray - was one of the first to call me with congratulations
after I achieved certification

Ray - I didn't fall off the turnip truck yesterday

Ray - did you know he earned his wings and served as an
aviator in both WWII and Korea - flew off carriers no
less.

Ray - I remember one of his presentations, years back, at
HFMA where he presented his organization's
accounts payable process flow. He was very gra-
cious with the advice offered by the audience.

Ray - he ran the Breakfast club, and the Breakfast club ran
Virginia Mason.

Ray - if you went to a State Hospital Commission meeting,
he was there, getting pointers on budget approvals,
and building relationships with the staff and commis-
sioners.

Ray - Did you know Ray was one of the Fathers of today's
Chapter Matrix system. Was he really?

Ray - After he retired from VM he was still involved with
the Episcopal Retirement Homes - Actively involved
if I recall.

Ray - was a mentor to me as I began my involvement with
HFMA

Ray - "there aren't enough horses pulling this wagon.

- He was both an HFMA and financial management
mentor for me ...*Sam Baxter*
- I was honored to have known Ray Raines. He was the
"elder statesman" when I first joined HFMA and as I
became more active in our Chapter. I called him for
advice and enjoyed his company at meetings. I was
impressed at how he still attended meetings even after
he retired. He actually sat through the sessions! Amazing,
wasn't it? ...*Julie Meek*
- First, I can verify that Ray was **the** father of the Chapter
Matrix system—it was implemented the year he was
Chapter President—1981-82. I was on the Chapter
Board at the time. Prior to that we had a committee
structure. Ray had seen this at the National level and
was impressed with it's efficiency. Initially, quite a few

Board members were skeptical—the idea of playing
musical chairs during the middle of an administrative
meeting seemed counterproductive. But Ray was
persuasive. In his quiet but firm way he convinced a
number of us to give the idea a try (and the remaining
hold-outs he took aside one by one and informed them
that he expected the Chapter Board to support its
President). Needless to say, after just a couple of Matrix
meetings, everyone bought into the concept.

Ray also served as immediate Past President and Chair
of the Nominating Committee in 1982-83 and encour-
aged me to accept the nomination to Chapter Office as
Treasurer.

Ray received the HFMA Founders Medal of Honor in
1990 in recognition for his outstanding service at both
the chapter and national level.

For all who have read Tom Brokaw's book "The Great-
est Generation", Ray truly embodied the exceptional
qualities of the fine men and women who grew up
during the Depression and served our country in World
War II. He had a quiet competence, a firmness of
purpose; he was a kind man and a man of integrity.
Even if you disagreed with Ray, you respected him and
all who knew him valued his friendship and gained a lot
from him. ...*Hermann A. Goeppel*

- While we were all very lucky to have known Ray as a
friend, leader, mentor, and all-around wonderful per-
son, my greatest memory actually comes from the many
rounds of golf that we played together. It is amazing
how much you can learn from somebody during a five
hour round of golf. Ray was the only person that I know
who really attempted to learn something from every
shot during the game that he loved so much. He would
carefully analyze the results from each and every shot,

looking for both strengths and
weaknesses. He loved to
repeat his strengths with true
satisfaction, but he was
much more interested in
reducing or eliminating his
mistakes. As we all know,
Ray was this way, both on
and off of the golf
course. Raymond, thanks for
sharing this very important
lesson which applies to
everything that we do.
...*Dan Harden*



UPCOMING CHAPTER MEETINGS

EVENT	DATE	LOCATION
HFMA Workshop	December 5, 2002	Doubletree Guest Suites – Seattle
HFMA Region 11 Symposium	January 12-14, 2003	Caesar's Palace – Las Vegas
HFMA Workshop, Meeting & Vendor Fair	February 26-28, 2003	Sheraton – Tacoma
HFMA Workshop & Meeting	May 21-23, 2003	Davenport Hotel – Spokane
HFMA Workshop & Meeting	September 17-19, 2003	Joint Meeting w/Oregon – Portland
HFMA Workshop	December 4, 2003	Embassy Suites – Seatac
HFMA Region 11 Symposium	January, 2004	Caesar's Palace – Las Vegas
HFMA Workshop, Meeting & Vendor Fair	February, 2004	Sheraton – Tacoma
HFMA Workshop & Meeting	May 18-20, 2004	CDA Resort – Coeur d'Alene
HFMA Workshop & Meeting	September 22-24, 2004	Port Ludlow Resort – Port Ludlow
HFMA Workshop	December 2, 2004	Embassy Suites - Seatac

www.waakhfma.org



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