

Let us not forget that we are in:



### Coming Events:

- November 11 - Larry Goldberg (see story on page 1)
- January 27, 2006 - CFO Forum
- February 24, 2006 - First ever teleconference
- May 10—12, 2006 - Region 10 & 8 annual conference at the Canyons in Park City (see update on page 2)

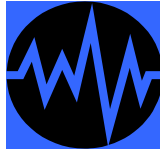
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# Vital Signs

Healthcare Financial Management Association - Utah Chapter Volume 25, Issue 2 - October 2005

## Speakers and Service Project For November 11, 2005 Meeting

We're pleased to remind you that HFMA will be holding its next educational meeting **Friday, November 11 at Little America Hotel**. It's an exciting and relevant agenda with some outstanding speakers. The meeting will go from 9:00 A.M. (registration, networking, and breakfast start at 8:30 A.M.) until 4:00 P.M.

Here are the speakers and topics:

**\*\*Washington Update-** Larry Goldberg, Deloitte Services, LP

**\*\*Compliance Update-** Suzie Draper, IHC

**\*\*Human and Organizational Performance -** Dr. Scott Baird, Griffin Hill

The attached agenda has more details about the meeting. The flyer includes the website for registering in advance online. **Please register ASAP** so we'll have a count for food.



**Through sharing and communication we all gain knowledge from one another. That is what HFMA is all about. Join US!**

In addition, our Chapter will be doing a service project to help the less fortunate during the Thanksgiving season. We're asking everyone to bring cans of non-perishable food to the meeting. In addition to helping others, for each can of food you bring, you will receive a raffle ticket. A

drawing will be held at the end of the meeting, with the winner receiving a free registration (\$295 value) to the upcoming HFMA Region 10 Conference. It will be held May 10-12, 2006 in Park City.

be provided on-site. Cost for the full-day program is:

Members	\$125
Non-members	\$175
Students	\$ 25

For your convenience you may register online at:

[www.hfma-ut.org/calendar.htm](http://www.hfma-ut.org/calendar.htm)

If you have any questions, please contact Alan Robinson at Logan Regional Hospital - (435) 716-5331.

## “Night out with the Stingers” in Review

On Thursday, September 1, 2005 the Utah Chapter of HFMA went out for a wonderful “Night out with the Stingers” at Covey Field in Salt Lake City. This was the Stingers final home game of the 2005 season and they won. However, the win may be secondary to the delightful time that was had by those members and their families who attended. In this fast-paced

world, we do not find much time to do non-meeting socializing with our Chapter members, but the “Night Out with the Stingers (now the Bees) was indicative of how valuable such outings can be. We do hope that the next outing will be attended by more of our Chapter members. Thanks to those who attended.





## The Tipping Point . . .

## A Message from the President



**A Message from President Barb Viskochil—HFMA Utah Chapter 2005 - 2006**

*"...the tipping point of a cohesive, fun-loving, well-educated chapter!"*

### It feels so good to help -

Last month's newsletter proved that Martha Silliman took great notes at LDI in New Orleans. Our newsletter has always been good looking and informative. Martha is carrying on that tradition and adding her personal touch. But thinking about LDI in New Orleans is bittersweet since we had such a wonderful conference in that great city and now there is such devastation. The good news is that we can help with the clean up efforts through community, civic, and church organizations and through HFMA! Have you been to the National website to see the link for helping Katrina victims? Helping cannot get any easier.

Our local chapter has a **community service project** coming up at the November meeting. Nicole Cozzo and Janet Malmberg are spearheading a canned food drive for the Utah Food Bank. News coverage from last year showed that their shelves were almost empty. Let's help fill the shelves before winter sets in. As an incentive, we will raffle free admission to the Region 10 & 8 meeting in May. For each can donated, you will receive a ticket giving you a chance to win. Please support us in this important community service. Look for the flier from

Nicole coming soon!

The Board hosted a **New Member Breakfast** on October 14 at 7:30am at the IHOP on 2100 South and 300 West. We had a wonderful time chatting with new members and hope to do this type of event again soon. It is important for all of us to meet our new members and make them feel a part of our Chapter.

Alan Robinson and his programs committee have a great meeting planned for November 11 at Little America. In addition to having Larry Goldberg's annual Washington Update, we will hear about compliance and organizational performance. Please register on the chapter website at [www.hfma-ut.org](http://www.hfma-ut.org). Be sure to send your payment to Laura Wood.

### It feels so good to volunteer -

On another note, when was the last time you had "one of those days"? You know what I'm talking about – days where the deadlines are coming fast and there are just too many of them. When you feel like email and voice mail are preventing you from getting anything done. Keeping pace with rapid

changes in health care can be daunting. But not to fear! I have a solution!

If you participate in our chapter, I can guarantee that the rewards you reap will completely overshadow the efforts required. No matter how much is on my plate, talking to members is always a lift. Whether I call Kelly Christensen to see how he handled an issue last year or I commiserate with Kathy Konishi about cost report audits, I always come away with a shot of enthusiasm. So when you're asked to help, keep in mind that the benefit you receive will far exceed your efforts. Not to mention the opportunity to network and make friends!

I'm looking forward to seeing everyone on November 11. Thank you for supporting our Utah Chapter.

Yours truly,  
Barb Viskochil

## New Members Breakfast - A New Tradition for the Utah Chapter

On Friday, October 14, 2005, the Utah Chapter of HFMA set about to bring a new tradition of inclusion for its new members. Under the leadership of President Barb Viskochil - the Board of our Chapter decided to host a New Members Breakfast. While the first outing was small in size, it was not small in terms of getting to know our newest members. On this occasion two new members attended: Allan Coffman and Patty McCarroll.

Allan Coffman is currently working as the Reimbursement Supervisor for Intermountain Health Care. He has a unique background, in that he came to health care from the Highway Patrol. Earlier in his career, Allan worked as a fraud investigator for the State of Utah.

Patty McCarroll is currently working as the Administrator for the Department of Pediatrics at the University of Utah. Previously, she was the Administrator for the Department of Pediatrics at the

University of Texas. She totally enjoys her involvement in pediatric medicine.

We are grateful to our new members, because they breathe new life and ideas into our Chapter. We look forward to holding our next New Members Breakfast soon.



## Region 10 & 8 Conference Update - An Event of Olympic Proportions



Region 10 & 8 is moving forward quickly. We have our first Partner Sponsor. They are AHI Software from Florida. Thank you AHI. Our booths are 30 percent sold out.

The committees are doing a great job. Education is almost completed with their agenda. So far we have Mark Ackerman, Emily Freidman and Jean Scott as General Session speakers.

Mark will be our Opening General Session speaker. Mark is with St. Vincent Catholic Medical Centers of New York. They were the 1<sup>st</sup> response hospital during 9/11. Within two hours more than 400 patients had registered at St. Vincent's. Mark describes how they put into action all of their emergency plans and coped as a facility at the same time. In all they treated 844 patients, provided counseling for 6,700 families and answered more than 16,000 telephone inquiries. We are excited to have been able to fit into his speaking schedule.

In addition we will be having a panel discussion with intermediaries from several states; as well as breakout sessions for Rural Hospitals, Revenue Cycle and Executive. I want to thank all of those who have worked on the committee to provide an OUTSTANDING program for 2006.

In addition to a great education program we will be having a lot of fun. This year we will be having a silent auction with out banquet. All proceeds will go to Special Olympics. Please feel free to bring chapter items that are state specific to auction off that night. Also, plan on having lots of fun during your time in Park City.

Remember, Park City has more than just skiing to offer. We have the Olympic Park that is open year round. I'm looking forward to putting our chapter president on the bobsled. For all of you who know Barb Viskochil this will be another reason to attend the conference.

Look forward to seeing you in Park City.

Sincerely,  
Janet Malmberg  
Chairperson

**Join us at the Canyons in Park City - May 10 - 12, 2006 for the Region 10 & 8 Conference**

**MAKE PLANS NOW!**

### Please welcome our newest members !!!



- |   |  |  |
|---|--|--|
| • Teri Mark<br>Dir., Central A/R Services<br>IHC                            | • Anne Vincenti<br>ARMS/HDM Leader<br>3M Health Info Systems       | • Brian S King<br>Attorney<br>Healthcare Recovery Solutions        |
| • Jared Rallison<br>Managed Care Consultant                                 | • Jan G Ohlsson<br>Marketing Development<br>3M Health Info Systems | • Laura Maycock<br>VP Sales & Marketing<br>Denials Management Inc. |
| • Nancy Armour Barker<br>Director of Managed Care<br>St. Thomas Health Svcs | • Chris H White<br>CFO<br>SW Utah Community<br>Health Center       | • Kelly J Howard-Matthews<br>Dir., Central A/R Services<br>IHC     |
| • Timothy Sullivan<br>Director<br>Cardon Healthcare                         |  |  |

**New members keep our chapter growing - make sure to greet our newcomers.**



## Charge Capture Identification by Chris Martinelli & Alan Robinson

### Introduction:

Failure to capture earned revenue is a problem many hospitals can scarcely afford to do. Much focus has been placed on the revenue cycle to include point-of-service collections, denial management, and charity classification. The next major step to undertake is to focus on capturing all of the revenue for all of the procedures and supplies provided to patients.

Charging errors lead to direct revenue losses, incorrect costing and added administrative costs for correcting late charges. In addition, they also contribute to other secondary problems, including inventory inefficiencies, lost reimbursement from percent-of-charge contracts, and lack of regulatory compliance. For this reason and many others, focus should be applied to identify and correct charging errors.

### Identifying Missing Charges

Identification of missing charges can be a complex process, however, there are systems that have been identified to assist with this. Many of the services provided in a hospital setting are charged relationally. In other words, one department relies on a service or supply from another department in order to provide the service the patient needs. Identification of different relationships can help to ensure complete charge capture.

One of the first most basic relationships involves in the imaging department. The coding rules have specified that invasive imaging procedures should be charged with a procedure code and a supervision and interpretation code (S&I). An example of this would be breast biopsies. The patient

having a single breast biopsy under ultrasound guidance should be charged for the guidance to arrive at the biopsy and also the biopsy procedure performed. A simple query linking patients receiving invasive imaging procedures and the S&I guidance will quickly find missing charges. This relationship can also be applied to other types of guidance, including CT guidance for spine injections.

A second area of lost charges in the imaging service line is in Nuclear Medicine. Nuclear medicine has experience many changes in nuclide dosage amounts and changes in HCPCS codes. Due to these many changes, the first step to ensure reimbursement is not lost is to review the charge description master (CDM) to ensure correct HCPCS codes are being used with an accurate dollar amount. Once this information is validated, the next step is to ensure radiopharmaceuticals are charged when nuclear medicine procedures are performed. At one hospital a billing edit was established to catch this error. The problem was that no one from the nuclear medicine department would review this edit and the account would simply be billed. It was found that approximately 60 times a week, patients were not charged for the nuclide used. Although the particular nuclide was a packaged service for Medicare, approximately 70 percent of the patients were non-Medicare resulting in a decrease in reimbursement. A simple audit process was put in place to ensure every nuclear medicine procedure requiring nuclides were charged. Since this process was established, not a single account has been billed without a nuclide.

Relationship coding can cross departments and can be useful in identifying lost charges in both departments. An example of this is drug injections performed in IV

therapy with the drugs charged in pharmacy. A review of accounts at a local hospital found a 35 percent error rate by comparing pharmacy charges on the same date of service as injections. The accounts identified in this audit then had the chart reviewed to ensure they injections were charged correctly and the pharmaceutical item was used. The problem between the departments was found to be an ordering problem with the nursing staff. An audit process was then established resulting in approximately \$10,000 in lost charges found every month.

### Correct Coding:

Another category of charge identification is missed coding for pharmaceuticals. With the implementation of pass through codes, Medicare now requires detail coding for several drugs. A review of the charge description master can again help to identify any obvious missing codes. Even though the CDM is setup correctly, this does not ensure all pass-through codes are reported with the correct HCPCS codes or quantity. Since there are many pass-through drugs, the best way to start the review is with the costly drugs. Immune globulin is one of the most expensive drugs given in an outpatient setting and has also recently undergone a coding change by Medicare. At one hospital, a review of patients receiving immune globulin found the HCPCS code not being assigned by pharmacy and simply assigned by a billing representative. The billing representative was working off a cheat sheet with an outdated HCPCS code, using an incorrect dosage amount and quantity. The accounts were being billed with 1 unit with a reimbursement amount of \$.80 rather than 50 units at \$80. A review of all the patients resulted in a net reimbursement increase of over \$250,000.



## Charge Capture Identification (continued)

Supplies can also be a source of identifying lost charges. Starting April 1, 2005, CMS is now requiring C codes for implant devices for specific procedures. As these errors for missing supplies are discovered, this can be exponentially applied to other non-Medicare payors. For example, 3 out of 10 patients are Medicare and are found to be missing the catheter supply charge for a central venous catheter placement. The other accounts should be reviewed to ensure the catheter is charged separately. Although the reimbursement of the catheter is packaged for Medicare, the additional 7 patients would result in an increase in reimbursement for percent-of-charge payors.

### Linking coding with charging:

A final example of identifying lost charges involves linking the coding performed in the health information management department (HIM) with the charging. ICD9 procedure codes are coded on accounts based on the physician documentation, not the charges on the account. By identifying procedures using the ICD9 procedure code it can be discovered if all procedures are charged. This is often helpful in busy areas such as the emergency department. In one emergency department, it was discovered that spinal/lumbar punctures and blood patches were not being charged since the nurses were not documenting these procedures in the procedure notes. Over a 3-month period, 26 spinal punctures were missed and subsequently charged and billed.

### Building relationships:

Identifying lost charges is only the first step in true charge capture. The next step can often be the most difficult and that is ensuring

the process is changed to ensure all charges are captured. Lost charges generally stem from three areas: lack of education, lack of communication, and missing audit tools. Correct and accurate charging begins with the charging personnel understanding the rationale of how the department should charge. The role of the charge person is to interpret information from the clinical staff into chargeable procedure and/or supplies. This role requires an understanding of procedures performed in the unit and the setup of the charge description master. In addition, the charge person must also understand the coding rules to be applied.

Historically, the training of charging personnel begins with the predecessor in the department and evolves into “sticky note” charging – notes posted all over the computer describing the charging process. Generally, charging personnel should have written training on the department rationale for charging, CPT/HCPCS codes to be used, modifiers (what are they and when should they be used), process to add charges to accounts, and relevant clinical examples to relate to charging. In addition, general information regarding the revenue cycle, suspense days, the charge entry system and process, and other relevant information should be discussed. This information will provide the basis for understanding the key position this person holds.

The charging person should also understand all the key departments it has to interact with. This could involve pharmacy, HIM, patient account services, and materials management. Identifying key people to work with in these departments can help to ensure the communication flows.

The final area of improvement is

ensuring audits are performed on all patients. Auditing provides valuable information regarding accurate charging and coding for procedures provided. Self-auditing is a tool that can be used to identify issues associated with training, missing charges, daily charge reconciliation, and late charges. Every department should be conducting daily charge reconciliation to ensure every patient seen in the department is charged. The next step is to reconcile the charges with the services actually performed. This is often best performed by someone other than the charging person. A second set of eyes tends to find areas of lost charges. Finally, communication on missing charges can help close the loop and ensure complete charge capture.

### Summary:

Charge capture is an ongoing project that will provide continuing improvement to all departments in the facilities. The goal is to provide a system of support, communication, and teamwork to ensure all charges for all procedure and supplies are captured and charged. In addition, by identifying these issues with charging, the goal is to reduce the number of re-bills required and to ensure accurate and timely billing.

Chris Martinelli

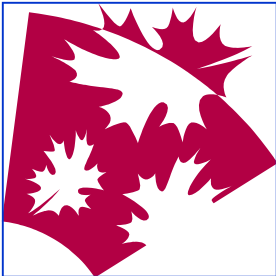
Allan Robinson

October 2005



## Guide to the Seasons of HFMA ...

Calendar for 2005 - 2006



### Summer 2005

September 1, 2005: Stingers Game - 7:00pm Bring friends & family! Catered picnic option available.

### Fall 2005

September 16, 2005: Full day meeting at St. Marks' Hospital (Revenue Cycle, Uncompensated Care, Healthcare Cost Accounting, & Taking Personal Responsibility)

November 11, 2005: Full day meeting at Little America (Larry Goldberg's Washington Update, Compliance, Leadership)

### Winter 2006

January 27, 2006: Full day meeting at Primary Children's (CFO Forum, Sarbanes-Oxley, Fraud Prevention)

February 24, 2006: NEW!! Teleconference on Rural Hospital Issues (No travel - dial right in from your own office!)

### Spring 2006

March 16 - 17, 2006: Alliance meetings in St. George

May 10 - 12, 2006: Region 10 & 8 Conference in Park City, UT at the Canyons Resort

*Don't miss a single meeting! Education is only as good as the members who attend and participate.*

**DON'T MISS A SINGLE MEETING!  
PUT THESE DATES ON YOUR CALENDAR NOW!**

## Chairperson assignments for 2005 - 2006

DCMS Contact

Brent Davis

Sponsorship Chair

Crista Beauchat

Membership Chair

Colin Quincy

Certification Contact

Scott Schofield

Newsletter Chair

Martha Silliman

Region 10 & 8 Chair

Janet Malmberg

Program Chair

Alan Robinson

Member Directory Contact

Colin Quincy

# HFMA Conference

Healthcare Financial Management Association - Utah Chapter

November 11, 2005

8:30 – 4:00

Little America Hotel

500 South Main

Salt Lake City, UT

*Parking is Complimentary*

Members Registration	\$125.00
Non-members Registration	\$175.00
Students	\$ 25.00

**Agenda:**

- 8:30 – 9:00 Registration and networking
- 9:00 – 10:15 Larry Goldberg, Deloitte Services LP, **Washington Update - Part 1**
- 10:15 – 10:30 Break
- 10:30 – 12:00 Larry Goldberg, Deloitte Services LP, **Washington Update - Part 2**
- 12:00 – 1:00 Lunch
- 1:00 – 2:30 Suzie Draper, IHC, **Compliance Update**
- 2:30 – 2:45 Break
- 2:45 – 4:00 Dr. Scott Baird, Founder of Griffin Hill, **The Human & Organizational Performance Co.**

Register online at <http://www.hfma-ut.org/calendar.htm> or

Mail registration & check payable to Utah  
HFMA c/o Laura Wood to:

Laura Wood

1455 W. 8230 S.

West Jordan, UT 84088

**Questions?**

Contact Alan Robinson  
Logan Regional Hospital