

Let us not forget that we are in:



Vital Signs

Coming Events:

- May 6 - 9, 2006 - Leadership Training (Huntington Beach, California)
- May 10—12, 2006 - Region 10 & 8 annual conference at the Canyons in Park City - EARLY REGISTRATION ENDS APRIL 14, 2006 (see update on page 1)
- June 17 - 21, 2006 - ANI: The Healthcare Finance Conference (Orlando, Florida)

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Healthcare Financial Management Association - Utah Chapter Volume 25, Issue 4 - April 2006

An Event of Olympic Proportions - Park City, UT - May 10 - 12, 2006

Two years in the making - it's almost here.

This year's HFMA Region 10 & 8 Conference is almost here. It has been two years in the making. When the Utah Chapter asked me to chair this conference, little did I know how much fun it would be and how much work it would entail. We are almost there.

May 10 - 12, 2006, the Utah Chapter will be hosting the HFMA Region 10 & 8 Conference in Park City. We have had an unbelievable response from our Sponsors and our Exhibitors. Let me say now "Thank You" very much for your generosity. So far, this year we have exceeded last year's contributions by almost 30%. I'm hoping when all is said and done we will have had an increase of 50%.



**JOIN US AT THE CANYONS IN PARK CITY - MAY 10 - 12, 2006
HFMA REGIONS 10 & 8 ANNUAL MULTI-REGIONAL CONFERENCE
"AN EVENT OF OLYMPIC PROPORTIONS"**

We have close to 80 people registered for the golf tournament at The Homestead and registrations for the conference are coming in on a daily basis.

I want to thank everyone for the hard work they have done in making this year truly "An Event of Olympic Proportions". If you have not registered already, please do not forget to do so at

www.hfma region 10 and 8.com.

This is an event you will not want to miss.

SIGN UP BEFORE APRIL 15, 2006 FOR THE EARLY BIRD RATE!!!!

Thanks for everything.

Janet Malmberg, Chairperson

Congratulations to Lynn Kennington on Receiving his CHFP

At our November 2005 meeting, Michelle Phinney presented Lynn Kennington of Timpanogos Regional Hospital with his certification as a Certified Healthcare Financial Professional (CHFP). This is a tough exam and we are thrilled for Lynn. Also at the November meeting, Lynn won the free registration for the HFMA Regions 10 & 8 Annual Multi-Regional Conference at the Canyons in Park City, UT, May 10-12, 2006. Again, Congratulations to Lynn





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!”*

Last August I wrote my first Message from the President discussing “The Tipping Point” and how the concept related to our chapter hopes for this year. We wanted our chapter to move forward to the “tipping point” of being a collegial chapter providing programs with great education, opportunities for vendors and sponsors, and social get-togethers. Most importantly, we wanted to have fun doing it.

We definitely surpassed the tipping point with membership. Our membership has increased by 44 – an astounding 29% increase! We are the equivalent of the NCAA Champions on that one! (No Gator bait here.)

The quality of education provided at our meetings has been outstanding. Another tournament victory! Thanks to Alan Robinson and his committee for the excellent programs.

We tried desperately to be the social, fun-loving chapter of our March Madness dreams. (My apologies if you’re not an NCAA basketball fan!) We organized a family outing at the Stingers baseball game. The folks who showed up had a great time, but turnout was low. The New Member Breakfast was like the ball game. Fun, but again very few folks could make it. Are we forced to conclude that we don’t like to have fun, just don’t have time, or perhaps it’s just that we are unable to blend work and fun together?

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We have one more opportunity to have fun combined with great education. The **Regions 10 & 8 Conference is May 10 – 12, 2006 at The Canyons Resort in Park City.** Janet Malmberg and others have been working so hard to make this multi-region conference a great success. Janet has single-handedly gotten over \$100,000 of vendor/sponsorship dollars. She is the whole Florida Gator team rolled into one! The speakers and breakout sessions cover everything. For example:

- **Finance:** Moody’s 2006 Not-for-Profit Healthcare Outlook; Developing a Strategic Plan for Financing Your Hospital

- **PFS:** Keeping Your Chargemaster Current; Managing Self Pay Accounts

- **Reimbursement:** Changing FI’s to MAC’s; Medicare Legislative Update

- **Everyone:** – golf at The Homestead; great General Session speakers; a Medicaid panel; Making a Difference in Your Community; and, opportunities galore to meet vendors!

Please support this conference by registering at the following website:

www.hfma-region10and8.com.

Thank you so much for giving me the opportunity to serve as your president this past year. Your support and encouragement have made it fun and easy, and the year has flown by.

“Success is to laugh often and much, to win the respect of intelligent people and the affection of children; to earn the appreciation of honest critics and endure the betrayals of false friends; to appreciate beauty; to find the best in others; to leave the world a bit better; to know even one life has breathed easier because you have lived. This is to have succeeded”
– Ralph Waldo Emerson.

Wishing each of you success,

Barb Viskochil



Meeting Overviews - Just look what you missed!



CFO Forum - left to right: Ben Cluff, Jordan Valley Hospital; Dave Larsen, Urban Central Region, IHC; Brian Murray, Gunnison Valley Hospital; Gordon Crabtree, University of Utah; and Steve Schramm, Mountain View Hospital.

January 27, 2006

The chapter met January 27 at Primary Children's Medical Center for an outstanding educational session.

The morning was our second annual CFO Forum. Rod Lisonbee did a great job as moderator (who said CFO's don't have a

sense of humor). The CFO panel, which consisted of Gordon Crabtree, Steve Schramm, Ben Cluff, Dave Larsen, and Brian Murray, brought 77 years of CFO experience to the table! They answered questions ranging from challenges of maintaining a bottom line, capital planning, staff development, revenue cycle improvement, and what keeps them awake at night. Their wisdom, experience, and insight was very well received.

The afternoon included two more sessions. Doug Fenstermaker from Stockamp & Associates spoke on partnering with clinical operations to improve efficiency and maximize the return on investment of facility assets. Steve Huebner and Amy Verbick of KPMG spoke on Sarbanes-Oxley and what is required to comply with this regulation.

We want to thank Phil Adamson and Michael Madsen for helping arrange an outstanding event.

February 24, 2006

On February 24 our chapter held the first of what we hope will be many web-conference meetings. Participants joined the webcast from the convenience of their own offices and followed the presentation on their own computer screens. This is a great way to reduce travel time and program cost! The presentation was on Medicare Part D. Cheryl Steward, of Covance Market Access Services, gave a very informative presentation. She reviewed the new legislation, plan design, challenges for seniors to understand it, and how it will impact providers.

Thanks to Bill Johnson and Nicole Cozzo for pioneering this meeting through technology!

Please welcome our newest members !!!



- | | | |
|--|---|---|
| <ul style="list-style-type: none"> • Chrisitan W. Richards
Project Manager
Cardon Healthcare Network • Jason Miner
Manager
Cardon Healthcare Network | <ul style="list-style-type: none"> • Rose Poll
Revenue Cycle Manager
U of U, Dept of Peds • Thomas Knapp
Consultant
Protiviti Consulting • Jay Hickman
Protiviti | <ul style="list-style-type: none"> • Becky Schaefer
Financial Analyst
University Health Care • Lawrence Peterson
CTO
Juristec • Kenneth Bivens
Revenue Integrity Manager
IHC |
|--|---|---|

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



News Briefs from HFMA National

President Asks for Another \$36 Billion in Medicare Cuts; Signs Deficit Reduction Act

The 2007 budget President Bush presented to Congress on Feb. 6 included \$36 billion in Medicare cuts over five years, with \$20 billion of those cuts resulting from lower reimbursement to hospitals. In a White House press briefing, Office of Management and Budget Director Joshua Bolten said that “this budget will reduce the rate of growth over the next 10 years in Medicare spending from about 7.8 percent per year to about 7.5 percent. So these are modest reductions in the rate of growth, and we believe that they can be done without undermining the support that [Medicare was] intended to provide.”

HFMA President and CEO Richard L. Clarke, DHA, FHFMA, commented, “While the White House contends that these are ‘modest reductions in the rate of growth,’ many providers will feel the pinch in that costs are rising faster than Medicare payments. Medicare already pays hospitals less than the cost of providing service and these budget cuts only exacerbate that trend.”

Two days later, President Bush signed the Deficit Reduction Act of 2005, which will reduce Medicaid spending by almost \$5 billion and Medicare spending by \$6 billion over the next five years. According to the White House, the Deficit Reduction Act will reduce Medicaid spending by reducing federal overpayment for prescription drugs.

However, the act would also require a fifth of Medicaid enrollees to pay higher copayments and more for prescription drugs, according to a new report from the Congressional Budget Office. The CBO estimates that the higher copays will force 45,000 Medicaid enrollees out of the program in 2010 and 65,000 to drop out of Medicaid in 2015. Of those affected, 60 percent would be children.

Reaction to President Bush’s proposed 2007 budget ranged from applause to outrage. Senate Majority Leader Bill Frist (R-Tenn.) said the budget “challenges us to . . . scale back the rate of growth in entitlement programs which pose the greatest risk to our economic future,” while Senate Democratic Leader Harry Reid of Nevada said the budget asks “our seniors, our students, and our families to clean up his fiscal mess with painful cuts in health care and student aid.” According to HHS Secretary Michael Leavitt, if Medicare continues to grow at its present rate, it will represent 8.1 percent of gross domestic product by 2040 and 14 percent by 2070. “No nation can sustain that growth,” Leavitt said. Economist Paul Ginsburg at the Center for Studying Health System Change called the Medicare cuts “a very modest reduction.”

Bill to Require Illinois Hospitals to Provide More Free Care

In an effort to get Illinois not-for-profit hospitals to deliver more charity care, Illinois Attorney General Lisa Madigan introduced legislation that mandates tax-exempt Illinois hospitals give away an amount of care equal to at least 8 percent of hospital operating costs. If passed, the law would require hospitals to provide free care for uninsured patients whose income is below 150 percent of the federal poverty threshold and give discounts of 65 percent to 80 percent to those earning between 150 percent to 250 percent of the threshold. Rural and government hospitals would be exempt from the mandate. A separate piece of legislation calls for more consumer-friendly billing and collection procedures for all hospitals, including allowing patients to pay in installments and more limited use of collection agencies.

However, tax-exempt Illinois hospitals are marshalling forces to defeat the proposed bill. The Illi-

nois Hospital Association and the Metropolitan Chicago Healthcare Council met with legislators to discuss how the proposal would affect hospitals. The IHA says that the charity care mandates in this bill would create costs of \$739 million per year collectively for the 133 hospitals affected, would cause 28 hospitals that are already losing money to lose an additional \$1.58 million per year, and would push an additional 45 hospitals into deficits.

Arizona Becomes Latest State to Introduce Universal Healthcare Legislation

Rep. Phil Lopes, the top Democrat in the Arizona House of Representatives, introduced legislation in late January to create a state health plan to cover all Arizona residents who have lived in the state for more than a year. The plan would pool existing health-care dollars from employers, Medicaid, Medicare, and other payers to create a comprehensive insurance system. Lopes said it could be done with the \$30 billion now in the system and without new taxes or state funding.

Lopes’ proposal calls for the formation of a committee to work out the details, and then a phasing in of the program over three years. More than one-third of the state’s population is either uninsured or on Medicaid.

A December 2005 poll by the Arizona Republic newspaper showed 81 percent of registered voters supporting the state creating universal health care. Even with that kind of backing, Lopes, a former health planner from Tucson, says he has little faith that the Republican-controlled legislature in Arizona will pass the bill.

Arizona is one of more than a dozen states, including Illinois, Massachusetts, and New Mexico, that are weighing proposals to create some sort of state health system that covers all residents.



News Briefs (continued)

To Address Medicare Part D Confusion, States Take Matters into Their Own Hands; CMS Heeds Call

Start-up problems with the new Medicare Part D program have angered enrollees, frustrated pharmacists, and engendered legislative action in 31 states and the District of Columbia since the program took effect Jan. 1. The problems mainly relate to drug plan enrollment records--that is, coverage records not being available at the pharmacy, or enrollees being charged excess copayments. Of the states that have taken emergency or transitional action, most are temporarily covering prescription drugs for Medicare-Medicaid dual-eligibles and other Medicare enrollees.

As of Jan. 13, 14.3 million beneficiaries were covered by the Medicare Part D program. Medicare is subsidizing almost 3,000 different plans in 34 regions.

On Jan. 13, CMS Administrator Mark McClellan ordered all insurers to fill a 30-day emergency supply of prescription drugs Medicare beneficiaries were taking before the new drug program began on Jan. 1. (That time period has since been extended to 90 days.) In addition, insurers have been instructed that low-income seniors are not to pay more than \$2 per generic prescription and no more than \$5 for other prescriptions.

Also, HHS Secretary Mike Leavitt said that steps were under way to remedy the rampant problems occurring since the Part D rollout. Leavitt said that help lines are now staffed by 4,500 operators--compared with 150 on Jan. 1--and that no beneficiary should leave a pharmacy without a filled prescription.

Nevertheless, Republicans and Democrats alike have complained about how the prescription drug program is being carried out. Bipartisan legislation was introduced

by senators Frank Lautenberg (D-N.J.) and Olympia Snowe (R-Maine) to require the federal government to reimburse the states that have paid for prescription drugs for dual-eligible seniors who have had trouble getting their prescriptions filled under Medicare Part D. Although CMS had said it will help states recoup the money from the private insurance plans administering the Medicare drug benefit, the legislation sought to have Medicare directly reimburse the states.

Consequently, CMS announced Jan. 24 that it will indeed reimburse states that have stepped in to pay for prescriptions for Medicare beneficiaries who have been denied drugs through problem-plagued Medicare Part D. CMS head Mark McClellan said that CMS expects states to first get reimbursement for drug costs from health insurers offering Medicare Part D, and then CMS will make up any shortfall in reimbursement. McClellan asked states to suspend payment for seniors' prescriptions by Feb. 15.

Nevertheless, the trickle of bills proposing to remedy the confusing program is turning into a stream. U.S. Sen. Carl Levin (D-Mich.) is asking Congress to make immediate changes to Medicare Part D. Among other things, Levin is proposing that the "doughnut hole" coverage gap that requires Medicare beneficiaries to absorb the full cost of their prescription drugs be closed.

Also, citing Vermont seniors' confusion over Medicare Part D, Rep. Bernie Sanders (I-Vt.) is expected to introduce legislation to replace the drug program with one that would waive or reduce the 20 percent copay and monthly premium for low-income seniors and place an annual cap of \$2,000 on out-of-pocket drug expenses.

And calling the Medicare bill "the biggest fiasco in memory," Democratic senators have introduced a bill that would require all prescription drug plans to provide new enrollees with at least 30 days of prescription drugs during their transition to Medicare.

Meanwhile, AARP is attempting to get Congress to revise Medicare Part D rules so that more seniors qualify for financial assistance under the drug benefit. The advocacy group also wants the government to negotiate drug prices instead of allowing insurance plans that sell Medicare Part D plans to set pricing.

The Medicare drug program--the largest expansion of Medicare since its establishment in 1965--was created in 2003 to address seniors' concerns about drug costs that were rising more than 10 percent a year. However, as many as 25 percent of seniors may find that their drug expenses are higher under Medicare Part D, according to a 2004 Kaiser study.

Hospital Mergers Result in Price Hikes and Drops in Quality: Study

After a decade of large numbers of hospital mergers, 88% of residents in metropolitan areas now live in highly concentrated hospital markets. A Robert Wood Johnson Foundation report that synthesizes research on the impact of those mergers found that hospital consolidation raised inpatient prices by at least 5% and up to 40% when merged hospitals were in close geographic proximity. Neighboring hospitals also often raised prices in response to merged hospitals' price hikes. Merged hospitals did realize a lower cost growth of 14% when they combined their operations, but quality dropped as well.

From Latest Chapter News - updated 3/1/06 - HFMA website



Guide to the Seasons of HFMA ...

Calendar for 2005 - 2006



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

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!
PUT THESE DATES ON YOUR CALENDAR NOW!**

New Utah HFMA Chapter Officers and Directors: 2006 - 2007

President	Alan Robinson	Director & Newsletter Chairperson	Boyd Chappell
President-Elect & Program Chairperson	Brent Davis	Director & Sponsorship Chairperson	Nicole Cozzo
Secretary & DCMS Chairperson	Laura Wood	Director & Certification Chairperson	Scott Schofield
Treasurer	Charles Birkinshaw	Director	Christa Beauchat
Director & Founders Contact	Lynn Kennington	Director	Deb Wynkoop
Director & Membership Chairperson	Bill Johnson		