



MAKING IT
Count

Fresh Look for “Washington Update”

Upcoming Events

- Nov 20 – “Washington Update” Full-day Mtg @ U of U Alumni Hall Health Sciences Bldg
- Jan 22 – “CFO Forum” Full-day Mtg @ St. Mark’s Hospital
- Mar 19 – HFMA/AAHAM Alliance Mtg.—Full-day mtg. (more details to come)

On Friday, November 20, The HFMA Utah Chapter will hold its annual “Washington Update.” The meeting will be held in Alumni Hall—in the Health Sciences Building on the campus of the University of Utah.

The change in venue is not the only change for the Chapter’s traditional November meeting. Two new speakers will provide chapter members an update on rules and regulations being enacted in Washington and their impact on healthcare finance.

Leading off, Mr. Ed Giniat—National Line of Business Leader—Healthcare and Pharmaceuticals—KPMG, will give chapter members an update on the status of the various healthcare reform proposals being debated in both the House and Senate, and their potential impacts on the healthcare industry.

Also presenting will be Ann King CPA—Partner and Firmwide Leader in Healthcare for BKD LLP, and Richard Ferrone CPA Managing Partner, Ferrone and Associates CPAs. Ms. King will be providing the “Medicare Update” and Mr. Ferrone will provide an update on Personal Income Tax Issues.

Following Mr. Ferrone’s presentation, Chrissy Daniels, Associate Administrator of Operations, University Health Care will provide an update and tour of the New Pavilion at University Hospital.

The speakers at this meeting bring over 50 years combined experience in the health care industry and will offer a new and fresh perspective to the annual “Washington Update.”

Once again, reduced pricing is being offered for this chapter meeting, with the cost for chapter members only \$75 and \$100 for nonmember registrants. Chapter members are encouraged to take advantage of what will be an exceptional educational opportunity.

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President's Message

Making it Count... a message from our president

September Meeting

If you were unable to attend our September conference, you missed a great one. I would like to thank Henry Gardner again for arranging the fantastic venue at Zions Bank and the program committee for all its hard work in making the meeting a success.

November Meeting

Coming up on November 20, at the University of Utah we have another great program with speakers addressing healthcare reform, Medicare updates (new speaker), personal income tax issues and what's new at the U (new pavilion). Hope to see you there.

Chapter Satisfaction Survey

The Utah Chapter will mail a survey toward the end of October to a random sampling of our members. If you are selected to receive the 2009 HFMA Chapter Survey, we hope you will take a few minutes to complete this short survey.

Making It Count is the HFMA National Chair's theme for 2009-10. Your response can help us make it count for all our members. The information we gather will help our chapter and HFMA National identify the services that are most important to you, the education topics that hold the most value for you, and areas of service that we can enhance.

We thank you for sharing your ideas and helping us continue to provide the services and resources you need to respond to today's ever-changing healthcare finance landscape.

Get Certified

If you have not already heard, the Chapter will reimburse you for the cost of taking a successfully passed exam, a \$125 value. This offer is valid until April 30, 2010. If you have any certification questions such as borrowing study guides or scheduling an exam, please call or email Mark Vawdrey, our certification contact. Mark's contact information can be found on the Chapter website at: <http://www.hfma-ut.org/officers.asp>



**Charles Birkinshaw MHA/MBA
Chapter President
2009-2010**

HFMA Utah Chapter Welcomes Its Newest Members

The HFMA Utah Chapter wishes to welcome its two newest members:

Troy J. Larkin

President

Appeal Specialists

Hilaree Nelson

Accounting Manager

Intermountain Healthcare

HFMA is a great organization with much to offer, from quality education to networking to service & leadership opportunities . We look forward to getting to know our new members in upcoming events.

Tips for Avoiding H1N1 and Seasonal Flu

The following tips for avoiding H1N1 Flu come from the Utah Department of Health, Bureau of Epidemiology, and the Centers for Disease Control (CDC). The following, and additional information on disease prevention can be found at:

<http://health.utah.gov/epi/h1n1flu/groups/prevention.html>

http://www.cdc.gov/flu/protect/habits.htm?s_cid=swineFlu_outbreak_internal_003

1. Receive the Flu vaccine(s)
2. Cover your mouth and nose with a tissue or elbow (not your hands) when coughing and/or sneezing.
3. Wash your hands with soap and water frequently—especially after coughing or sneezing. If soap and water are not available, an alcohol-based gel may be an effective option
4. Avoid touching your eyes, nose and mouth
5. Avoid close contact with People who are sick
6. If you are sick—stay home! People with flu-like symptoms should stay home at least 24 hours after a fever is gone (without using fever-reducing medication).
7. Practice healthy habits—get enough sleep, be active, try to reduce/manage stress, drink plenty of fluids, eat a healthy diet

News From HFMA National

The following articles are used with permission from HFMA News; For more news visit, www.hfma.org/hfmanews

H1N1 Flu Emergency Declaration Now In Effect Facilitates Regulatory Waivers

In an effort to proactively address the ongoing pandemic, President Obama on Sunday signed a [National Emergency Declaration](#) on H1N1 influenza that allows healthcare systems to quickly implement disaster plans should they become overwhelmed.

As experts expected, H1N1 flu is moving rapidly throughout the country and the majority of states now have widespread influenza activity. This declaration gives authority for the Department of Health and Human Services (HHS) to waive certain regulatory requirements for healthcare facilities in response to the ongoing pandemic. Specifically, healthcare facilities will be able to submit waivers to establish alternate care sites, and modified patient triage protocols, patient transfer procedures, and other actions that occur when they fully implement disaster operations plans.

Waivers still require that specific requests be submitted to HHS and processed, and some state laws may need to be addressed as well.

Requirements that may be waived include those related to Medicare, Medicaid or the Children's Health Insurance Program (CHIP), the Emergency Medical Treatment and Active Labor Act (EMTALA), and the Health Insurance Portability and Accountability Act (HIPAA).

Healthcare System Wastes Up to \$850 Billion Annually: Report

The U.S. healthcare system wastes between \$600 billion and \$850 billion annually, according to an analysis published by Thomson Reuters. The report identifies the most significant drivers of wasteful spending based on a review of published research and analyses of proprietary healthcare data.

Unnecessary care represents an estimated 40 percent of healthcare waste, according to the [report](#). This category, which includes unwarranted treatment such as the over-use of antibiotics and the use of diagnostic lab tests to protect against malpractice exposure, accounts for \$250 billion to \$325 billion in annual healthcare spending.

Other drivers of wasteful spending that are quantified in the report include fraud (19 percent), administrative inefficiency (17 percent), medical errors (12 percent), preventable conditions (6 percent), and lack of care coordination (6 percent).

More News from HFMA National

CMS Issues Guidance on RACs

The Centers for Medicare & Medicaid Services (CMS) has released four new FAQs regarding Recovery Audit Contractors (RACs) in the past four weeks. Excerpts from these FAQs are re-printed, in part, below.

[How long is the RAC discussion period?](#)

The discussion period begins with the time of notification (demand letter for automated reviews and the review results letter for complex reviews) through the time recoupment occurs. The discussion period normally requires written notification to the RAC. The discussion period does not extend the provider's appeal timeframes.

[I heard that RAC medical record request limits will be based on my 2007 claims volume, then I heard on 2008. Which is it?](#)

Limits in the remainder of the fiscal year ending September 30, 2009, are based on claim volume in the 2008 calendar year. This differs from our original announcement that limits in the current year would be based on 2007 claim volumes.

[Will Code N432 appear on the remittance advice for RAC adjusted claims?](#)

CMS created code N432 to identify RAC adjusted claims, however CMS believes the code is being superseded in some of the systems by code N469 which is the Section 935 Limitation on Recoupment code. We are working to correct this problem in the system. Providers will receive demand letters for all RAC adjusted claims. These letters will allow providers to keep track of RAC adjustments versus all other claims processing adjustments.

[If I am a chain provider whose FI is WPS \(serving as the national fiscal intermediary\) who will my RAC be?](#)

This answer assumes the hospital originally had Mutual of Omaha as the claims processing contractor and the merger of WPS and Mutual of Omaha is how WPS became the provider's claim processing contractor. WPS currently serves as a national fiscal intermediary in CMS. They service providers in the majority of the states. These providers have not yet transitioned to a MAC. WPS will work with all 4 RACs. If WPS is your claim processing contractor (as the national fiscal intermediary and not part of the local jurisdiction) your RAC is based on your physical location. For example, if you are located in Tennessee, but WPS is your claims processing contractor your RAC is in Region C.

More News from HFMA National— cont.

Reid Supports Public Option

In what has been portrayed as a turning point in the debate on healthcare reform legislation, Senate Majority Leader Harry Reid (D-Nev.) announced Monday that he will seek to bring a reform bill to the Senate floor that includes a public option. An opt-out clause in the bill would allow states to decide by 2014 not to participate in the government plan, Reid said.

Other public-option approaches under consideration include a "trigger" that would create a government plan if private insurers do not offer policies at affordable prices.

The proposal Reid discussed Monday is a merger of two bills previously approved by Senate committees.

Healthcare Charitable Giving Up Slightly, Study Finds

Philanthropic giving for health care in the United States grew by just 2.9 percent—or about \$241 million—to \$8.6 billion in 2008, according to a report issued by the Association for Healthcare Philanthropy (AHP). Grateful patients, businesses, foundations, and other donors made \$8.588 billion in charitable contributions to healthcare facilities and organizations in 2008, the AHP's [Report on Giving](#) determined.

This 2.9 percent increase was about half the growth rate achieved in 2007, when donations totaled \$8.347 billion.

Accounting for much of the slight advance in giving was the fact that most not-for-profit hospitals and healthcare systems closed their books before the last quarter of 2008, when U.S. gross domestic product plunged more than 5 percent. Institutions that closed their books on Dec. 31, 2008, actually saw a 0.2 percent dip in annual giving.

More than eight of every 10 donations came from individuals, whose contributions comprised 60 percent of all philanthropic funds raised by not-for-profit healthcare institutions last year. One in 10 donations were made by businesses, including business-sponsored foundations, representing 17.5 percent of all funds raised, down slightly from 2007. Noncorporate foundations accounted for less than 3 percent of donors but almost 14 percent of revenues. Other giving sources, including hospital auxiliaries, public agencies, and civic groups, accounted for 8.6 percent of total funds raised in 2008, compared to 7.5 percent in 2007.

More News from HFMA National - cont.

Moody's: Downgrade Pressure Easing but Impact of Healthcare Reform Still Uncertain

The number of rating downgrades declined notably for the first time in the third quarter of 2009 following three consecutive quarters of unprecedented heavy rating downgrade activity, according to an analysis released by Moody's Investors Service. The ratio of downgrades to upgrades (1.5 to 1) was also more balanced in Q3, a sharp change from the 19 to five (3.8 to 1 margin) and 17 to four (4.3 to 1 margin) ratios in the first and second quarters of 2009, respectively. However, year-to-date activity reported in *Moody's Not-For-Profit Healthcare Quarterly Review: Third Quarter 2009* still shows downgrades far outpacing upgrades with 45 rating downgrades and 15 upgrades (3.0 to 1 margin).

Citing adverse impacts of anticipated cuts in Medicare and Medicaid reimbursement, Moody's is maintaining its negative outlook on the not-for-profit healthcare industry until federal healthcare reform is finalized, despite the apparent easing of downgrade pressure. Other potential reform-related changes would have "uncertain outcomes for the industry, but there would be winners and losers," the rating agency said.

Moody's will continue to monitor the progress of these changes, including a tax on more costly health insurance plans, bundled payments, the advent of a public option or not-for-profit health cooperative, and quality/payment links. Moody's also stated that any effort to significantly reduce the uninsured population would decrease hospital bad debt and charity care, thereby bolstering profits.

House Committee Votes to End Antitrust Exemption for Insurers

The House Judiciary Committee on Wednesday approved a bill removing the federal antitrust exemption for health and medical malpractice insurers.

The bill, which cleared the committee by a 20-9 vote, calls for ending the exemption to ensure these insurers "cannot engage in price fixing, bid rigging, or market allocations to the detriment of competition and consumers." The exemption was granted under the 1945 McCarran-Ferguson Act, which defers insurance regulation to the states.

House Speaker Nancy Pelosi (D-Calif.) is planning to include the measure in the healthcare reform package that Democrats hope to bring before the full House in November, according to a [report](#) today in the *Washington Post*. A companion bill has been introduced in the Senate.

Member Profile - Jacob Gundersen

Job/Dept./Company I work for: I work in Decision Support for the University of Utah Hospitals and Clinics

My family includes... myself and my wife, we also have two dogs which my wife considers part of the family but I do not. They're dogs.

The best part of my job is... Being able to focus most of my time on improvement. As decision support, our primary charge is to find opportunities for the hospital to do things in better ways. This is a challenge that doesn't get old, we are constantly looking at new things.

If I'm not at work you'll find me... probably at home. I am a huge geek so I spend most of my free time reading and doing research.

Pets... As I said, two dogs, both pugs, not part of the family

Hobbies . . . I read a lot, I spend a little time working out at the gym, when the weather is nice I enjoy a good hike with my wife.

My proudest moment was... Graduating from Law School/Business School

The best advice I ever received . . . You have to learn to follow before you will know how to lead. Someone that I didn't know very well shared this with me, I found it to be a generous gesture.

I joined HFMA because... I wanted to be able to network within the industry. I have found that no amount of study can substitute for familiarity with the people that make up an industry.

My favorite food is... definitely pizza.

A book that I would recommend . . . Black Swan by Nassim Nicholas Taleb, - This book is written by a highly technical Quant and talks about the limitations of knowledge

Education - JD/MBA from Indiana University and a Bachelor's from University of Utah.

A person may be surprised to know that... I love Zombie movies.



Jacob Gundersen
Decision Support
University of Utah Hospital

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2009-2010 Chapter Events

- **September 18** "State of the Economy" Full-day Meeting - Zion's Bank Building 18th Floor - Keynote Speaker: Representative David Clark—Utah Speaker of the House
- **November 20** "Annual Washington Update" Full-day Meeting — University of Utah Alumni Hall—Health Sciences Building - Tour of newly expanded facility will be provided
- **January 22** "CFO Forum" Full-day Meeting—St. Mark's Hospital Education Center Auditorium
- **March 19** "HFMA/AAHAM Alliance Meeting" Full-day Meeting (More details to come)
- **May 21** "Officer installation & Annual Golf Outing" - Half-day Meeting (More details to come)

2009 Utah Chapter HFMA Sponsors

Platinum Level Sponsors - \$3,000 Annually



2009 Utah Chapter HFMA Sponsors - Continued

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The logo for IASIS Healthcare is displayed within a gold-bordered box. The word "IASIS" is in a large, blue, serif font, with the "I" and "S" being significantly larger than the "A" and "I". A thin blue horizontal line is positioned below "IASIS". Below this line, the word "HEALTHCARE" is written in a smaller, blue, sans-serif font, followed by a registered trademark symbol (®).

University Health Care



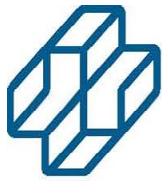
2009 Utah Chapter HFMA Sponsors - Continued

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“Washington Update”

November 20, 2009, 8:15 AM – 3:00 PM

University of Utah

Eccles Health Sciences Education Building

Alumni Hall, 2nd Floor (see map for location)

Member cost: \$75

Non-member cost: \$100

6 CPE Hours

- | | |
|----------|---|
| 8:15 AM | Registration, Networking and Continental Breakfast |
| 8:45 AM | <p><i>“National Healthcare Reform”</i>
 Ed Giniat, Partner, U.S. Leader, Healthcare & Pharmaceuticals
 KPMG</p> |
| 9:45 AM | Break |
| 10:00 AM | <p><i>“Medicare Update”</i>
 Ann King, CPA, Partner and firm-wide Healthcare Leader
 BKD, LLP</p> |
| 12:00 PM | Lunch |
| 12:45 PM | <p><i>“Personal Income Tax Update”</i>
 Richard Ferrone, CPA Managing Partner
 Ferrone & Associates, CPAs</p> |
| 1:45 AM | Break |
| 2:00 PM | <p><i>“Update & Tour of the New Pavilion”</i>
 Chrissy Daniels, Associate Administrator of Operations
 University Healthcare</p> |
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