



## President's Message



Dear Friends and Families of HFMA-EMC,

As I reflect on being President of the chapter during the past year and consider my HFMA experiences, I realize that being president is an incredible gift. Thank you to the board members, committee chairs and members on another successful year. The successes gained this year are the result of the combined efforts of all of the individuals who volunteered their time and talents to the Chapter.

We've experienced some wonderful gains this year such as our last Member Meeting held March 23<sup>rd</sup> at the Holiday Inn in Livonia with speakers Larry Goldberg, Marilyn Lita-Klein, and Dan McColl. The meeting was well received with over 100 people in attendance. Thank you to the Insurance and Reimbursement committee and all the volunteers who contributed their time and resources.

A special "congratulations" to Maria Abrahamsen, Linda Height, Daniel Murphy and Maryanne VanHaitsma on receiving the **Frederick T. Muncie Gold Award**. The Muncie award is given to members who earn 100 total founders points and after many years of dedicated service to the EMC. Congratulations to Stephanie Bono, Robert Carlesimo, Terry Goodbalian, Dale Inda, Sheldon Mandelbaum and Kristi Nagengast on receiving the **Follmer Bronze Award**. Congratulations to **New Member of the Year** Megan Menkveld. Thank you very much for your contribution to the Chapter.

I also want to extend best wishes to our newly elected Officers and Board of Directors for the 2006-2007 year.

### Officers

Kristi Nagengast - **President**  
Mary Whitbread - **President-Elect**  
Stephen Collard - **Secretary**  
Stephen Loree - **Treasurer**

### Board of Directors

2005 – 2007	2006-2008
Nancy Allcroft	Elyse Berry
Brian Brady	Sue Dimic
Cheryl Comeau	Kenneth Lipan
Robert Lauer,	Kenneth Marcus
William Maxbauer	Joseph Scallen Jr
Peter Stewart	

As the year ends, I look forward to seeing each of you at the Healthcare Conference and last membership meeting of the year on May 2, 2006 at the Doubletree Hotel in Novi. Educational speakers will cover consumer-driven healthcare, control improvement, improving operating margins and key performance indicators followed by a social hour where we will recognize new Officers and Board members.

I encourage each of you to find your niche in our chapter and to volunteer to serve. Even if you offer to do only one thing, during the year, you will help the chapter and personally grow from doing so.

In closing, thank you once more for your incredible support of chapter events, functions and activities during the 2005–2006 chapter year. I am honored to have served as Chapter President and look forward to years of continued activity with the HFMA.

Thank "YOU" for partnering with me.

*Marina*



### March 23, 2006 meeting (left to right):

Kristi Nagengast, Sara McGlynn, Mary Whitbred, Bill Lubaway, Ken Lipan, Marina Houghton



March 23 Meeting

## Member-Get-A-Member Campaign Bonus Rewards

### We've extended the Member-Get-A-Member Special Bonus Reward Deadline...

Member-Get-A-Member sponsors now receive a BONUS reward for every new or former\* member recruited between November 1, 2005, and February 28, 2006!

Once HFMA receives the information on the newly sponsored member, you'll receive your bonus reward: An HFMA Leather Trimmed Gloss Business Card Case. Additionally, for every member you recruit after the initial member, you will receive a Target® GiftCard.

These rewards are in addition to the other great prizes and rewards you can earn by recruiting members, including HFMA apparel items, gift certificates, cash and the ULTIMATE REWARD of a \$5,000 travel gift certificate from Tower Travel!\*\*

**\*Sponsors will receive credit in the Member-Get-A-Member campaign for former members who reinstate (reactivate) their memberships between October 1, 2005, and April 30, 2006. Sponsors will also continue to receive credit in the Member-Get-A-Member campaign for new members who join (or have joined) between June 1, 2005, and April 30, 2006.**

**\*\* Travel certificate good for two years from issue date and can be used for any combination of airfare, hotel or rental car purchases.**

If you have questions contact Tina Wood, Membership Committee Chair, (586) 741-4465, or mail to: [twood@mcgh.org](mailto:twood@mcgh.org).



## Make Sure You Take Part in the Chapter Membership Contest

### What is it?

A FRIENDLY CONTEST to reward HFMA chapters that make the greatest progress over the next three months in increasing the number of CFO members.

### Who can participate?

All HFMA chapters.

### Really...What is it?

In addition to the Davis Chapter Management Awards normally associated with membership success, HFMA National has decided to sweeten the pot for this year! At the end of the fiscal year (May 31, 2006), the chapters who have experienced the following will win a \$500 Ticketmaster Gift Certificate to be used for themselves and their chapter volunteers:

- Chapter with the **greatest percentage of growth of CFOs** from March 1, 2006, to May 31, 2006
- Chapter with the **greatest increase in raw numbers of CFOs** from March 1, 2006, to May 31, 2006

### What can you win?

A \$500 Ticketmaster Gift Certificate to be allocated among chapter volunteers at the discretion of the chapter leader. All awards will be presented at ANI.

### When does the contest take place?

The contest begins on March 1, 2006, and will conclude on May 31, 2006. All winners will be notified at the conclusion of the contest.

Please contact Susan Stokes at [susan-stokes@hfmaemc.org](mailto:susan-stokes@hfmaemc.org) or by phone at 586-786-9532 if you know of a CFO who is not a member with their contact information and we will contact them.

## HFMA-EMC 2005-2006 Awards

### **Follmer Bronze Award Winners**

Stephanie M. Bono, CPA  
Robert M. Carlesimo, CPA  
Terry A. Goodbalian, CPA  
Marina A. Houghton, CPA  
Dale T. Inda  
Sheldon P. Mandelbaum  
Kristi K. Nagengast, CPA, CIA

### **Muncie Gold Award Winners**

Maria B. Abrahamsen, JD  
Linda L. Height  
Daniel F. Murphy, CPA  
Maryanne Van Haitsma, FHFMA

### **Certification**

Timothy J. Meier, CHFP

### **Fellow Award**

Luke I. Meert, FHFMA

### **Chapter Award – New Member of the Year**

Megan Menkveld

### **Chapter Award – Outstanding Committee Chair Award**

Robert E. Lauer, CMA

### **Chapter Award – Lawrence C. Redoutey Award**

William J. Lubaway, FHFMA, CPA

### **Chapter Award - Thomas F. McNulty Award**

Michael Flasch, FHFMA

Congratulations HFMA-EMC Members for all your hours of service and dedication to our chapter! Awards were presented at the March Meeting.

ACCESS THE EASTERN MICHIGAN CHAPTER  
WEBSITE:  
[www.hfmaemc.org](http://www.hfmaemc.org)



## HFMA Certification Opportunity!!!

Since we had such an overwhelming response to the pilot study sessions for the HFMA Certification Core Exam recently offered in Midland and Grand Rapids, the three Michigan HFMA chapters have created another option for you in southeastern Michigan! We have decided to offer both a specialty coaching course and the opportunity to take the Accounting & Finance specialty portion of the Certification Exam. The coaching course will again be offered free of charge, and HFMA National will once again allow us to offer the discounted pilot rate of \$100 for the study guides. As an added bonus, 1 in every 5 exams scheduled will be free.

**Date:** Friday, May 19, 2006

**Time:** Coaching course from approximately 9:00 to 2:00

Exam to follow from 2:30 to 4:30

Location: Trinity Health (Care Choices Building), Conference Room F (2nd Floor), 34605 Twelve Mile Road, Farmington Hills MI 48331

If you are interested in this exciting opportunity--whether you have taken and/or passed the Core Exam or not--please contact Cindi Long at

248-652-5634 or [cclong@crittenton.com](mailto:cclong@crittenton.com) to learn more details. If you would like to register, please send your name, phone number and email address to Susan Stokes ([susan-stokes@comcast.net](mailto:susan-stokes@comcast.net)).

### HFMA/MACPA Healthcare Conference.

**Date: Tuesday, May 2, 2006**

**Location: DoubleTree-Novi**

### Agenda

Registration begins: 8AM

Conference begins: 8:30AM

Group Luncheon: 12:20PM

Afternoon Sessions begins: 1:10PM

Adjournment: 4:50PM

Post Conference Networking: 5-7PM - no charge to attend.

The reception is being sponsored by BCBSM, Lubaway, Masten & Company LTD., The Allcroft Group and Financial Health-Source, Citigroup SmithBarney and Wolinski and Company, C.P.A., P.C. Certified Public Accountants. Thanks to these wonderful organizations for making this reception possible. Hors D'oeuvres and beverages will be served. The installation of the 2006-2007

HFMA-EMC Officers and Board of Directors will also take place.

Registration Fee: \$199 for HFMA/MACPA members Guests: \$249

**Sign up on the chapter web site at [www.hfmaemc.org](http://www.hfmaemc.org)**

# WELCOME NEW MEMBERS!



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## Insurance and Reimbursement Committee

### Annual Update

The Insurance and Reimbursement Committee held its annual update at the Holiday Inn, Livonia, on March 23, 2006. Ninety-eight persons were in attendance.

The first featured speaker was Larry Goldberg, Director of Washington National Affairs – Health Care, for Deloitte Development, LLC. As in past years, Larry did an excellent job of covering current and upcoming changes in the Medicare program. His presentation covered the Medicare provision in the Deficit Reduction Act, the President's FY 2007 budget proposals, and other items.

## Following is a summary of the most significant points:

### Deficit Reduction Act:

- Data quality measures: Hospitals not submitting data quality measures will receive an update factor of market basket less 2% (\$300 million savings).
- Data quality information will be made public.
- Clarifies the determination of Medicaid patient days for disproportionate share hospital computation (\$1.2 billion savings).
- Reduction of bad debt payments to skilled nursing facilities (\$100 million savings).

*Continued on Page 10*

# HFMA ANNUAL GOLF OUTING



18 HOLES OF GOLF WITH CART



SCRAMBLE FORMAT



HOLE-IN-ONE & OTHER CONTESTS AND PRIZES



POP & BEER ON THE COURSE

**RESERVE NOW!**  
FOR MORE INFO CALL 313-874-4927

## AGENDA

AFTER GOLF - 8 P.M.  
OPEN BAR

9:00-11:00 A.M.  
CONTINENTAL BREAKFAST  
BURGERS AND DOGS AT THE TURN

10:30 A.M.  
SHOTGUN START

5:00 P.M.  
ROAST SIRLOIN & CHICKEN DINNER

DIRECTIONS TO TANGLEWOOD GOLF CLUB  
LOCATED ON THE SOUTH SIDE OF 10 MILE ROAD  
BETWEEN NAPIER AND MILFORD ROADS IN  
SOUTH LYON.

TAKE I-96 WEST TO WIXOM ROAD EXIT AND  
HEAD SOUTH ON WIXOM TO 10 MILE ROAD.  
TAKE 10 MILE ROAD WEST ABOUT TWO MILES.

## HFMA ANNUAL GOLF OUTING RESERVATION FORM

DETACH AND RETURN THIS PANEL WITH CHECK BY  
FRIDAY, MAY 26TH

**NO RESERVATIONS WILL BE ACCEPTED WITHOUT PAYMENT.  
ONLY THE FIRST 144 PAID ENTRIES WILL BE ACCEPTED.**

NAME: \_\_\_\_\_

ORGANIZATION: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

PHONE: \_\_\_\_\_

PLEASE RESERVE:

\_\_\_\_\_ **COMPLETE PACKAGE - \$145**  
GOLF, CART, DINNER AND  
OPEN BAR AFTER GOLF - 8 P.M.

\_\_\_\_\_ **DINNER ONLY - \$45**  
DINNER AND OPEN BAR AFTER  
GOLF - 8 P.M.

NOTE: NON-METAL SPIKES ARE MANDATORY

## HFMA ANNUAL GOLF OUTING FOURSOME NAMES

DETACH AND RETURN THIS PANEL WITH CHECK BY  
FRIDAY, MAY 26TH

NAME: \_\_\_\_\_

ORGANIZATION: \_\_\_\_\_

PHONE: \_\_\_\_\_

NAME: \_\_\_\_\_

ORGANIZATION: \_\_\_\_\_

PHONE: \_\_\_\_\_

NAME: \_\_\_\_\_

ORGANIZATION: \_\_\_\_\_

PHONE: \_\_\_\_\_

NAME: \_\_\_\_\_

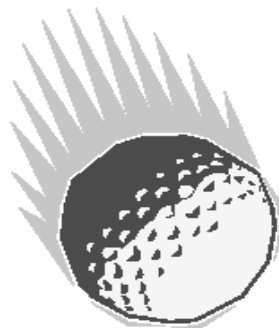
ORGANIZATION: \_\_\_\_\_

PHONE: \_\_\_\_\_

MAKE CHECK PAYABLE TO HFMA  
AND RETURN TO:

HENRY FORD HEALTH SYSTEMS  
1 FORD PLACE, 5F CORPORATE ACCT.  
DETROIT, MI 48202  
313-874-4927  
ATTENTION: ROB CARLESIMO

HENRY FORD HEALTH SYSTEM  
1 FORD PLACE, 5F CORPORATE ACCT.  
DETROIT, MI 48202  
ATTN: ROBERT CARLESIMO



# HFMA

ANNUAL GOLF OUTING  
THURSDAY, JUNE 15, 2006



TANGLEWOOD GOLF CLUB  
53503 W. TEN MILE RD.  
SOUTH LYON, MI 48178  
(248) 486-3355

# Support HFMA-EMC!

## Sponsor a Hole at the Golf Outing

Hole sponsors will have a sign at the tee box area with their company name and special mention throughout the outing via other signage and announcements. Your support helps HFMA continue to provide valuable resources to our members.

There are four sponsorship options:

1. Hole Sponsor = \$200
2. Specific Hole Sponsor = \$300 –request a specific hole to sponsor
3. Prize offering – donate a door prize
4. **NEW! GOLD TEE SPONSOR** – Regular hole sponsorship and foursome package = \$750

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### HFMA Sponsorship Form

2006 Annual Golf Outing

Tanglewood Golf Club

June 15, 2006

Sponsor Name for Sign: \_\_\_\_\_

Contact Name: \_\_\_\_\_ Contact Phone \_\_\_\_\_

#### Advertising Options:

\_\_\_\_\_ Hole Sponsorship \$200

\_\_\_\_\_ Specific Hole Sponsorship \$300\*

\_\_\_\_\_ Prize Offering for Drawing \*\*

\_\_\_\_\_ Gold Tee Sponsorship \$750

\*Please phone ahead to Megan Menkveld (313) 874-4803 for first come, first served hole selection.

\*\* The committee will select prizes from combined contributions. Your name will be mentioned during the drawing, recognizing your contribution.

**Please mail the check payable to HFMA-EMC, form and/or prize offering by Friday, May 26, 2006 to the following address:  
Henry Ford Health System, Attention: Rob Carlesimo, 1 Ford Place, 5F Corporate Accounting, Detroit, MI 48202**



## MEDICARE COVERAGE OF BARIATRIC SURGERY – CMS GIVES WITH ONE HAND AND TAKES WITH THE OTHER

*Maria B. Abrahamsen*  
*Dykema Gossett PLLC*  
*mabrahamsen@dykema.com*

*April 2006*

Medicare has changed its policy on coverage of bariatric surgery for treatment of morbid obesity. Under the new policy:

### ***Beneficiary Characteristics.***

- The beneficiary must have a body-mass index equal to or greater than 35, at least one co-morbidity related to obesity, and have unsuccessfully pursued medical treatment for obesity.
- CMS opted not to prescribe a minimum period of medical treatment before resorting to surgery, but noted that a number of trials recommend 6-12 months of medical treatment and “we believe that to be reasonable.”
- Treatment for obesity alone (i.e. without a co-morbidity) remains non-covered.
- CMS had proposed in November 2005 to limit care to beneficiaries under age 65, but abandoned this age limit in its final decision.

### ***Covered Procedures***

- CMS will cover only open and laparoscopic Roux-en-Y gastric bypass, laparoscopic adjustable gastric banding, and open and laparoscopic biliopancreatic diversion with duodenal switch.

### ***Facility Requirements***

- Prior to adoption of the new national coverage decision, CMS did not limit the Medicare-enrolled hospitals in which Medicare-covered bariatric surgery could be performed.
- Now bariatric surgery is “reasonable and necessary” only if performed in a facility that is either certified by the American College of Surgeons as a Level 1 Bariatric Surgery Center or certified by the American Society for Bariatric Surgery as a Bariatric Surgery Center.
- Among the elements of these facility certification standards which are important to CMS are the minimum number of bariatric cases that must be performed at the hospital and by each surgeon.

Continued on next page



### **Healthcents Newsletter :**

Maryanne VanHaitsma, Editor:

Phone: (248)549-2703

E-Mail: [mvanhait@dmc.org](mailto:mvanhait@dmc.org)

Please send all comments/questions/articles to me at the above e-mail address. See calendar for submission deadlines. Thank you for your continued support!



**CARDIAC REHAB: FINAL MEDICARE CHANGES**

*Maria B. Abrahamsen*

*Dykema Gossett PLLC*

Effective for dates of service beginning March 22, 2006, there are significant changes in Medicare’s coverage of cardiac rehabilitation. The new national coverage decision follows years of OIG audits of cardiac rehab programs and more than a year of internal study by CMS. Following are the key changes.

	<u>Pre-3/22/06</u>	<u>As of 3/22/06</u>
Covered Diagnoses	<ul style="list-style-type: none"> <li>• Acute myocardial infarction within prior 12 months</li> <li>• Coronary bypass surgery</li> <li>• Stable angina pectoris</li> </ul>	<ul style="list-style-type: none"> <li>• All diagnoses covered before 3/22/06</li> <li>• Heart valve repair/replacement</li> <li>• PTCA or coronary stenting</li> <li>• Heart or heart-lung transplant</li> </ul>
Duration	<ul style="list-style-type: none"> <li>• Up to 36 sessions over 12 weeks</li> <li>• More than 12 weeks (up to 24 weeks) only with carrier or FI approval</li> </ul>	<ul style="list-style-type: none"> <li>• Up to 36 sessions over 12-18 weeks</li> <li>• Carrier or FI may approve more than 18 weeks, up to 72 sessions over 36 weeks</li> </ul>
Components	Cardiac rehab is defined as an exercise program for cardiac patients; no definition of components.	Program must be “comprehensive” and include: <ul style="list-style-type: none"> <li>• medical evaluation</li> <li>• cardiac risk factor reduction</li> <li>• prescribed exercise</li> <li>• Education</li> </ul>
Physical Space	Program is conducted in area used exclusively for cardiac rehab during sessions.	No requirement
Physician Supervision	A supervising physician must be present “in the exercise program area,” but not necessarily in the exercise room. (Many FI’s determined that the availability of an emergency department physician or a code team did <u>not</u> satisfy this requirement.)	<p>“Direct physician supervision” is required, which means:</p> <ul style="list-style-type: none"> <li>• physician supervision is <u>presumed</u> to be satisfied if rehab program is conducted on hospital’s main campus</li> <li>• in hospital off-campus location and in a physician clinic, a supervising physician must be in the suite and immediately available to assist.</li> </ul>
“Incident to” a Physician’s Service	Cardiac rehab is covered as a service “incident to” a physician’s service. (There has been confusion regarding the types of physicians to whose services rehab may be incidental.)	<ul style="list-style-type: none"> <li>• CMS appears to state that when cardiac rehab is performed in a physician clinic, it must be provided as part of an ongoing treatment relationship with the billing physician.</li> <li>• Cardiac rehab furnished in a hospital outpatient department must be ordered by a physician who personally sees the patient periodically and sufficiently often to assess the course of treatment. (CMS declined to specify further the physicians to whose services cardiac rehab may be incidental.)</li> </ul>
EKG Rhythm Strips	EKG rhythm monitoring strips are required.	Not required
Exit Criteria	Guidelines provided by CMS.	Not prescribed

CMS' comments to the new national coverage decision include the following additional information of interest:

- The required physician supervision of cardiac rehab programs may not be performed by a physical therapist.
- Physical therapy services furnished during cardiac rehab sessions may not be billed separately (i.e. in addition to the rehab session).
- Carriers and FIs may adopt local medical review policies that supplement the requirements of the national coverage policy.
- The “physician supervision” requirement applies to all components of cardiac rehab, not just to exercise sessions.
- CMS declined to cover cardiac rehab based on a diagnosis of congestive heart failure.
- Cardiac rehab may be covered for a single beneficiary after each qualifying event that the beneficiary experiences (i.e. there is not a 72-session lifetime cap).



**WHEN PUSH COMES TO SHOVE HOSPITALS  
WILL LOSE MONEY IN BITS AND PIECES  
THROUGH THEIR ER!**

A minor rule change on billing for additional pushes in the ER will change what you get paid from Medicare. Unfortunately, you will get paid less.

Transmittal 785 Section 230.2B update; “Hospitals are to bill for additional IV pushes of different substances...” only to bill when different substances of drugs are provided via intravenous push in the same encounter”.

Transmittals are fun reading and are available from the web site [cms.hhs.gov/transmittals](http://cms.hhs.gov/transmittals). At this web site you can choose your reading of transmittals by year, for 785 go to year 2005.

If you do not want to do the reading here is the straight interpretation. *If you push the same drug multiple times you will get paid for only one push. Last year you got paid for every push. It is common to have many pushes of the same drug in the ER. (2 to 8 to many more). At \$47.20 payment per push even a small hospital will note the impact. That means your colossal hospital with major traumas will really notice the impact. Making the issue worse consider the patient starts in the ER then goes to Observation all pushes for the same drug will not be reimbursed..*

**The audience for this article is financial professionals but two professional groups that need to be aware of this change are your billing and clinical services. Please note to your billing personnel the need to bill/code C8952 when the**

**substance pushed is different. C8952 is no longer can be billed in multiple units of the same substance. Clinical services have a major documentation change is requirement. Clinical personnel are excellent at documenting the time they start a push but less likely to document when they “complete”. They must identify in the documentation the “time completed”.**

Out of this same Transmittal there is a positive financial opportunity. Infusions started in the field can now be billed for by the receiving hospital from the point the hospital receives the patient. A hospital is now able to bill for the first hour of intravenous infusion a patient receives while at the hospital, even though the hospital did not initiate the infusion. The hospital should bill with C8950 or C8954. It is very important to note in the documentation the starting and completion times counting from when the patient arrives in ER.

Every January 1<sup>st</sup> brings us new changes in billing and charging rules. This change was not identified until February by CMS intermediaries or hospitals.

Dave P. Cavell, CHFP  
Director Patient Accounts  
Chelsea Community Hospital

- Rehab 75% rule transition period extended one year. This will impact hospitals with distinct part rehabilitation units (costs \$100 million).
- Imaging – Part B only – there will be a reduction in payments for multiple images on contiguous body parts (\$2.8 billion savings).
- Sets up limits on payment for ambulatory surgery centers – cannot exceed payment rates for same services in hospital outpatient departments (\$300 million savings).
- Provides update for physician services (costs \$7.3 billion).
- Revises payments for therapy services (costs \$500 million).
- Accelerates implementation of Part B premium subsidy (\$1.6 billion savings).
- Effective 1/1/2007, Medicare will pay for ultrasound screening for abdominal aortic aneurisms.
- Provides for a one-year freeze in the home health payment rate (\$2 billion savings).

#### **President's Budget Proposal:**

- Go to HHS website and get HHS budget document to review all proposals impacting Medicare and Medicaid.
- Update factors set to market basket minus 0.45% in 2007, and market basket minus 0.4% in 2008, and 2009.
- Phases out Medicare bad debt payments over 4 years.
- Extends eligibility requirement for ESRD coverage from 30 to 60 months.

#### **Other Items:**

- There is movement toward the use of APRDRG's as basis for payments.
- Medicare Trust Fund Report due out April 1 (no fooling....).

The second speaker was Marilyn Litka-Klein from the Michigan Hospital Association who focused on the Michigan reimbursement scene. Her presentation included the following points:

- President's budget proposal will impact Michigan Hospitals by about \$55 million, \$38 million due to lower update factors and \$17 million due to bad debt proposal – hospital-specific reports are available from MHA
- The CMS Occupational Mix Survey only addresses nursing positions, but should include other labor categories as well.
- Michigan Medicaid will move to APC payments, probably on 10/1/2006 – reports on financial impact on indi-

vidual hospitals were sent to the CFO's in late December or early January. Initially, the Medicaid Services Administration (MSA) will use Medicare fee screens, reduced by 58%.

- There is a bill in the legislature to repeal the Single Business Tax, but no replacement is proposed.
- The State budget proposes to distribute GME funds through HMO's.
- Michigan Medicaid to implement DRG grouper version 23.0 on 4/1/2006.
- Effective May 1, MSA is implementing co-payments of \$50 for IP admission, \$3 for ER, non-emergent, \$1 for OP services and \$2 for physician office visits. We need to implement POS collections for this, does not pay to mail bills.
- State recently recouped excess payments from 6/30 and 9/30 hospitals for IP and OP charge/cost limits, about \$4 million.
- Medicaid DSH -- \$40 of \$45 million distributed in late January, balance to be distributed in Sept.
- BCBSM update increase of 3.9% for hospitals for FY's beginning 1/1/2006; capital update of 0.9%. Moving to grouper 23 effective 10/1/2005.

The third speaker was David McCall, the CEO and managing partner of MedSolutions, who spoke on the requirements of effective managed care contracting and managed care revenue cycle strategies. He spoke on the pressures that contribute to ineffective managed care contracts, and what needs to be done to implement an effective managed care contracting process. Suggestions included:

- Ranking payors by revenue/service volume.
- Reviewing current contracts for carve-out items, termination procedures, denial/appeal processes, formulas and language.
- Assess and review current services, utilization, cost, charge and payment data.
- Look at your internal systems to assess revenue cycle improvements and contract compliance processes and improvements.
- Know what you want and have data to back up your proposals.
- Build a strong negotiating team.

*Submitted by Steve Loree*



We promise not to bore you with line-by-line explanations that you can read for yourselves. However, we will talk about:

**COST REPORTING  
101**  
**Monday, June 19, 2006**

- Trial balances, roll ups, statistics, matching cost and charges and payor utilization. Why adjust anything.
- Where third party payor revenue comes from and how it relates to hospital revenue.
- Reimbursement jargon including PS&Rs, front sheets, FD-622s, and how these items relate to revenue booked by payor.
- Believe it or not, the cost report is used for many purposes. So, what you put in the cost report does affect your payment and payment increases. Find out how to look at costs as a payor does.

**Eastern Michigan Chapter  
Presents:**

**Agenda**

8:30 - 8:45	Registration, Networking, Arriving Late
<b>8:45 - 10:30</b>	<b>“ABCs of Medicare Cost Reporting”</b> Guided tour of the basic cost report worksheets. Case study. Principles but no regulations.
10:30 - 10:45	Break
10:45 - 11:30	<b>“Where’d That Revenue Come From Anyways?”</b> PS&Rs demystified but not simplified. Why you can’t get there from here.
11:30 - 12:00	<b>“Who Cares What the Cost Report Shows?”</b> Medicare, Blues, Medicaid, Congress, 3 <sup>rd</sup> party payors, competitors.
12:00 PM	Adjourn

**Here’s What We Are Going to Cover**

If you are looking for a basic understanding of the hospital cost report, this seminar is for you.

We will use a case study to illustrate how the major worksheets work, where the data comes from and how it all comes together to approximate payor-by-payor cost.

**Location**

St. John Corporate Finance Office  
28000 Dequindre Rd.  
Room S-102  
Warren, MI 48092-2468

**Speaker:**

**Bill Lubaway, FHFMA**

**Lubaway, Masten & Company  
Novi, Michigan**

Bill Lubaway is a frequent speaker on health care finance who is known to occasionally challenge the status quo. As an active HFMA member, he chaired the Michigan HFMA Chapters Annual Fall Conference for a decade and is a past president of the Eastern Michigan Chapter. Mr. Lubaway is a former partner with Plante & Moran and a former hospital CFO. Presently, Mr. Lubaway is the president of a health care financial management consulting firm.

Mr. Lubaway received his bachelor’s degree in accounting and his MBA from the University of Detroit-Mercy.

**CONTINUED ON NEXT PAGE**

**Registration Form**  
**Cost Reporting 101**  
**Monday, June 19, 2006**  
**St. John Corporate Finance Office**  
28000 Dequindre Rd.  
Room S-102  
Warren, MI 48092-2468

Please return this form and your check payable to: **HFMA-Eastern MI Chapter**

**By Mail:** HFMA Registration  
Susan Stokes  
13064 Burningwood Drive  
Washington, MI 48094

**Register On-Line!**

Visit the Eastern Michigan Chapter Web Site at [www.hfmaemc.org](http://www.hfmaemc.org)

**By Fax:** (586) 786-7396

**E-Mail:** [susan-stokes@hfmaemc.org](mailto:susan-stokes@hfmaemc.org)

**CPE Credits: 3.25**

**Registration Fees:**

**HFMA Member: \$40**

**Non-Member Guest: \$50**

Name \_\_\_\_\_  
(As you would like it to appear on your name badge)

Company \_\_\_\_\_

Address \_\_\_\_\_

City, State & Zip \_\_\_\_\_

E-mail \_\_\_\_\_ or

Phone \_\_\_\_\_

Are you an HFMA member? \_\_\_\_\_

Member # \_\_\_\_\_ Chapter \_\_\_\_\_

## HFMA-PLACEMENT COMMITTEE

Here is a couple new open positions for this week. Also remember to check the Professional Recruiting section which follows.

### **Consultant-Healthcare Finance**

**Lubaway, Masten & Co, Novi**

Lubaway, Masten & Company, Ltd., a Michigan Health Care Consulting firm, is looking to hire experienced healthcare finance professionals.

#### **Qualifications:**

A minimum of four years health care finance experience is required in financial analysis, reimbursement, budgeting, or patient financial services. Salary is commensurate with experience.

#### **Contact:**

E-mail resume in strict confidence to [joe.masten@lubawaymasten.com](mailto:joe.masten@lubawaymasten.com).

Or send to:

Lubaway, Masten & Company, Ltd.

27780 Novi Road Suite 255

Novi, MI. 48377-3427

### **Senior Financial Analyst**

**St. John Health (Managed Care Dept), Warren**

The position is responsible for a wide range of financial analysis functions related to:

- Managed Care Contract Analysis – Review of proposed and existing
- Financial Impact Analysis
- Managed Care Contract Management functions
- HMO Risk Settlement Analysis
- Contract Compliance Analysis
- Payment Verification Analysis
- Contract Rate Development

#### **Qualifications:**

Candidates must possess a comprehensive knowledge of managed care, healthcare finance and third party reimbursement. Minimum qualifications include a bachelor's degree in business with an emphasis in accounting or finance and at least three years of experience. Knowledge of MS Excel required. Advanced analytical, PC (Microsoft Word, Excel, PowerPoint and Access), and communication skills are required.

#### **Contact:**

Please e-mail resumes to:

Margaret.Endres@Stjohn.org

Margaret Endres

Director Financial Operations, Managed Care

St. John Health

28000 Dequindre

Warren, MI 48092

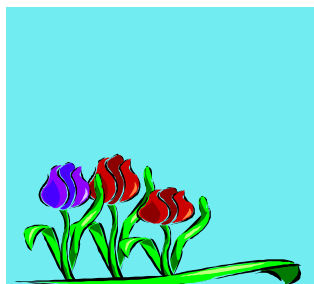
## Offerings from Professional Recruiters\*\*:

**\*\* For HFMA member information and convenience only. Inclusion in this notice does not imply endorsement.**

For your job openings for financial professionals, we encourage you to use this service to notify our members of the opportunities in your organization. Contact me for more information:

Bob Lauer, 248-858-6156, or by e-mail, [LauerR@trinity-health.org](mailto:LauerR@trinity-health.org).

<b>Job Title</b>	<b>Job Location</b>	<b>Recruiter</b>	<b>contact: e-mail</b>	<b>Posted</b>	<b>contact: phone</b>
CFO	southeast Mich	Dan Deffet	<a href="mailto:info@deffetgroup.com">info@deffetgroup.com</a>		740-666-7600
CFO	Grand Rapids	Michelle Whittaker-McCracken	<a href="mailto:MWhittaker@wgsearch.com">MWhittaker@wgsearch.com</a>		734-475-9300
CFO	Gaylord	Jim Delmotte	<a href="mailto:JimDelmotte@comcast.net">JimDelmotte@comcast.net</a>		313-885-4780
Corporate Controller	Southfield	Robert Eberline	<a href="mailto:RobertE@prosearchgroup.com">RobertE@prosearchgroup.com</a>		248-553-7700 ext 104
Director, Reimbursement	Southfield	Michelle Whittaker-McCracken	<a href="mailto:MWhittaker@wgsearch.com">MWhittaker@wgsearch.com</a>		734-475-9300
Manager, Patient Accounting	Petoskey	Michelle Whittaker-McCracken	<a href="mailto:MWhittaker@wgsearch.com">MWhittaker@wgsearch.com</a>		734-475-9300
Manager, Ambulatory Finance	Grosse Pointe	Michelle Whittaker-McCracken	<a href="mailto:MWhittaker@wgsearch.com">MWhittaker@wgsearch.com</a>		734-475-9300
Manager, Patient Financial Serv	Flint/Lansing	Michelle Whittaker-McCracken	<a href="mailto:MWhittaker@wgsearch.com">MWhittaker@wgsearch.com</a>		734-475-9300
Manager, Patient Financial Serv	Flint/Lansing	Michelle Whittaker-McCracken	<a href="mailto:MWhittaker@wgsearch.com">MWhittaker@wgsearch.com</a>		734-475-9300
Senior Financial Analyst	Detroit	Michelle Whittaker-McCracken	<a href="mailto:MWhittaker@wgsearch.com">MWhittaker@wgsearch.com</a>		734-475-9300
Senior Financial Analyst	Grand Rapids	Michelle Whittaker-McCracken	<a href="mailto:MWhittaker@wgsearch.com">MWhittaker@wgsearch.com</a>		734-475-9300





# Eastern Michigan Chapter 2005 - 06 Calendar



Date	Committee / Topic	Time	Location	Other Information
<b>May</b>				
5/2/2006	HFMA / MACPA Healthcare Conference	All Day	DoubleTree, Novi	
5/2/2006	Board Meeting / Installation of Officers/Networking	5-7PM	DoubleTree Novi	Meeting / Reception
5/3/2006	Managed Care	8:30-9:30 a.m.	St.John's, 28000 Dequindre, Warren, Conference Room TBD	
5/7/2006 - 5/9/2006	HFMA-Leadership Training Conference		Hyatt Regency, Huntington Beach, CA	Strategic Planning Conference sponsored by National HFMA
5/10/2006	Revenue Cycle	2PM	Beaumont Business Center, 500 Stephenson Hwy., Troy	
5/17/2006	Strategic Planning Board Meeting— Mini Leadership Training Conference	3-7 p.m.	Trinity Health, 27870 Cabot Drive, Novi, MI 48377	For all Officers, Board members and committee chairs
5/18/2006	Insurance & Reimbursement	8:30 a.m.	St.John's, 28000 Dequindre, Warren, Conference Room NL-2	
5/18/2006	Financial Analysis Decision Support	8:30 – 10:30 a.m.	St John Corp Offices 27800 Dequindre Rd Room S-102	
5/19/2006	Acctg. & Finance Specialty coaching course & exam	9AM - 4:30PM	Trinity Health (Care Choices Bldg.) 34605 12 Mile Rd., Farmington Hills, MI 48331	Contact Susan Stokes at susan-stokes@hfmaemc.org if you would like to register.
5/25/2006 - 5/26/2006	HFMA– SpringConference	3 days	Soaring Eagle Conference Center, Mt. Pleasant, MI	Golf on 5-24
<b>June</b>				
6/15/2006	Annual Golf Outing		Tanglewood Golf Course South Lyon, MI	
6/18/2006 - 6/22/2006	Annual National Institute		Gaylord Palms Orlando, Florida	
6/19/2006	Cost Reporting 101 workshop	8:30 - 12PM	St John Corp Offices 28000 Dequindre Rd. room S-102	

**HFMA Eastern MI Chapter**  
**Officers, Board and Committee Members**  
**2005-2006**

**Officers**

Marina Houghton, CPA, President	(313) 566-9000	marinahoughton@wolinski.com
Kristi Nagengast, CPA, CIA, President-Elect	(248) 489-6514	nagengak@trinity-health.org
Sara McGlynn, CPA, Treasurer	(586) 268-2177	<a href="mailto:saramcglynn@comcast.net">saramcglynn@comcast.net</a>
Mary Whitbread, CPA, Secretary	(313) 874-9533	mwhitbr1@hfhs.org
Cynthia L. Long, FHFMA, Immediate Past President	(248) 652-5634	<a href="mailto:cclong@crittenton.com">cclong@crittenton.com</a>

**Board of Directors**

**2004-2006**

Elyse Berry	(810) 230-2081	eberry@healthplus.com
George Kuljurgis	(313) 225-6439	gkuljurgis@bcbsm.com
Tina Wood	(586) 741-4465	twood@mcgh.org

**Board of Directors**

**2005-2007**

Nancy L. Allcroft, CPA	(800)859-2780	<a href="mailto:allcroft@allcroftgroup.com">allcroft@allcroftgroup.com</a>
Brian Brady	(248) 603-0754	<a href="mailto:brian.brady@53.com">brian.brady@53.com</a>
Cheryl L. Comeau	(248) 489-6042	<a href="mailto:comeauc@trinity-health.org">comeauc@trinity-health.org</a>
Robert Lauer, CMA	(248) 858-6156	<a href="mailto:lauerr@trinity-health.org">lauerr@trinity-health.org</a>
Stephen W. Loree, CPA	(313) 887-5357	sloree@dmc.org
William Maxbauer	(734) 955-8168	<a href="mailto:william.maxbauer@chase.com">william.maxbauer@chase.com</a>
Peter A. Stewart, FHFMA, CPA	(248) 443-2065	<a href="mailto:pstewart@hap.org">pstewart@hap.org</a>

<b>Committee</b>	<b>Chairperson(s)</b>	<b>Telephone</b>	<b>E-mail address</b>
Awards/Recognition	Ken Lipan	(248) 347-1416	<a href="mailto:klipan1@hfhs.org">klipan1@hfhs.org</a>
Awards/Founder's Merit	Susan Stokes	(586) 786-9532	susan-stokes@hfmaemc.org
Certification	Cindi Long	(248) 652-5634	<a href="mailto:cclong@crittenton.com">cclong@crittenton.com</a>
CFO Liason	Jeff Ewald	(586) 228-4630	jeffrey.ewald@stjohn.org
Fall Conference	Bob Dery	(248) 223-3223	bob.dery@plantemorran.com
Financial Analysis	Steve Loree	(313) 966-2333	<a href="mailto:sloree@dmc.org">sloree@dmc.org</a>
Financial Analysis	Kristine Nelson	(586) 741-4284	<a href="mailto:knelson@mcgh.org">knelson@mcgh.org</a>
Insurance & Reimbursement	Megan Menkveld	(313) 874-4803	mmenkve1@hfhs.org
Insurance & Reimbursement	Sheila Pierson	(586) 753-1353	<a href="mailto:sheila.pierson@stjohn.org">sheila.pierson@stjohn.org</a>
MACPA/HFMA	David Nathan	(313) 596-7100	david.nathan@ey.com
Managed Care	Dale Morrison	(313) 664-8534	<a href="mailto:dmorriso@hap.org">dmorriso@hap.org</a>
Managed Care	Paul Brown	(313) 262-1253	<a href="mailto:pbrow@med.wayne.edu">pbrow@med.wayne.edu</a>
Member Meetings	Steve Fehlinger	248) 390-3085	abacus01@comcast.net
Membership	Tina Wood	(586) 741-4465	twood@mcgh.org
Newsletter	Maryanne VanHaitsma	(248) 549-2703	mvanhait@dmc.org
Placement	Bob Lauer	(248) 858-6156	lauerr@trinity-health.org
Nominations Committee	Bill Lubaway		
Social Activities	Peter Stewart	(248) 443-2065	pstewart@hap.org
Revenue Cycle/ PFS	Chris Cylkowski	(586) 498-4962	chris_cylkowski@bshsi.com
Revenue Cycle/PFS	Norma Miller	(248) 544-2300	nmiller-slake@sbcglobal.net
Social Activities	Robert Carlisemo	(313) 874-4927	<a href="mailto:rcarles1@hfhs.org">rcarles1@hfhs.org</a>
Sponsorship	Elizabeth Hausman	(248) 603-0643	elizabeth.hausman@53.com