



Payers Corner and Healthcare News

*Medicare's Future
Payment Methodology;
FTC Extends
Enforcement Deadline
for Identity Theft Red
Flags Rule; Guilty
Pleas for HIPAA
Violations.*

Page 2 and 4

Healthcare Legal Updates and

Gloryanne's Corner
*Untangling the FTC
Breach Notification
Rule and OIG Work
Plan 2010*

Page 3

Turn It Up During a Downturn Part 2: Teach Your Team To Do More With Less

*Cheryl Mann shares
tips to increase your
team's productivity
despite budget cuts.*

Page 5

Chapter News

*PFS Road Shows; Cali-
fornia Fall Conference
Recap; Webinars;
Monthly PFS Forum*

Pages 6-8, 10

Spotlight on Member

*Christine Sarrico, VP/
CFO at Enloe Medical
Center and Past
President of HFMA
Northern California
Chapter, is profiled.*

Page 9

Membership

*New Members;
Invitation to Join the
informal HFMA
Triathlon Club; Job
Opportunities; Chapter
Sponsors*

Pages 9-11

President's Message

*Ken Jensen
Chapter President
2009-2010*



This year sure is going fast. As you may know, the primary purpose of our association is education. A side benefit is making professional contacts and developing long-term friendships. HFMA National does focus on each Chapter's education hours per member and in our case the expectation is over nine hours per member per year. That means we need to accumulate over 9,000 hours of education before the end of May. In prior years, although it was a bit of a stretch, our Chapter met its goal. So far this year we are significantly behind in education hours compared to prior years at this point in time. Attendance at our main venues is down. Much has to do with the economy and the state of each hospital's and vendor's financial position. One of the first things to go is education and travel. Our Chapter is making every effort to provide reasonably priced education through road shows and webcasts. The road show education presentations are geared towards minimal travel and expense, and try to maintain the side benefit of meeting other folks in our business. The webinars are VERY reasonable

and allow groups at the place of employment to keep up to date on current issues and topics. You are encouraged to participate in these venues and every hour counts.

This is not to say that one should not take advantage of the larger programs if you can. Every effort is being made to keep the larger programs affordable. Recently our Chapter subsidized each member to attend the Fall Conference. Coming up, great programs are being put together for the Region 11 Conference in Las Vegas and the Spring Symposium in Sacramento. This is your association so take advantage of your membership and participate. If I had not pushed myself to participate, I am sure that my education would probably have come from other programs at some cost. I also would never have made such great contacts such as **Jerry Bajada, Paul DeMuro, Laura Zehm, Bernadette Mills (Jensen)** and many others.

Over time and through the Chapter, I have been able to find great staff and vendors to work with. Some of the staff include **Bob Moore** (deceased), **Joe Lapid, Nancy Arata, Cindy Rudow** and others. I will not name the vendors, but through their participation we have found some great ones.

It really comes down to convincing those making the decisions for your participation that the education and associations benefit you and your organization.

**HFMA Northern California
Education and Events Calendar**
Visit www.hfma-nca.org for details
and to register online

November 13, 2009

PFS Road Show

Natividad Medical Center, Salinas, CA
\$35 for HFMA Members
\$45 for Non-Members
Group discount: \$10 off on registration fee per person for a group of 3 or more

December 10, 2009

Form 990: A Year in Review

FREE Webinar presented by Moss Adams LLP and sponsored by HFMA Northern California
Earn 1 unit of CPE credit (to be issued by Moss Adams LLP)

January 8, 2010

PFS Road Show

Sutter Center for Health Professions, Sacramento, CA
\$35 for HFMA Members
\$45 for Non-Members
Group discount: \$10 off on registration fee per person for a group of 3 or more

January 24-27, 2010

Region 11 Symposium

Las Vegas, NV
www.hfmaregion11symposium.org

March 25-26, 2010

HFMA Northern CA Spring Conference

Sacramento Marriott Hotel, Rancho Cordova, CA
Exhibit and sponsorship opportunities available. Contact Barry Brown at barry@rashcurtis.com

PAYERS CORNER

Medicare's Future Payment Methodology - the ACE Demonstration

Summary of presentation from the California Fall Conference held in Monterey on September 13-15, 2009

Cindy Rudow, FHFMA
 Director, Patient Financial Services
 ValleyCare Health System
crudow@valleycare.com



CMS launched a three-year Acute Care Episode (ACE) Demonstration to test the use of a global payment for an episode of care as an alternative approach to payment for service delivery. The global payment will cover all Part A and Part B services, including physician services, pertaining to the in-patient stay for Medicare fee-for-service beneficiaries.

CMS selected Ardent Health to participate in the ACE Demonstration. Ardent Health has acute care hospitals in Colorado, New Mexico, Oklahoma, and Texas.

Tulsa, Oklahoma started the ACE demonstration on May 1, 2009. Ardent agreed to accept a set global payment for specific cardiovascular and orthopedic procedures, then they pay the participating physicians. Ardent discovered there was a wide range of physician personal preferences. One orthopedic surgeon may complete the entire surgery without assistance while another orthopedic surgeon may use four specialists. Ardent recognizes the need to develop protocol to establish a "Best Practice." Since the ACE Demonstration is scheduled to last three years, we will continue to monitor the program and share Ardent's findings with our physician community.

There is speculation that the ACE payment methodology may not be applicable to providers in California because physicians cannot be employed by hospitals per state regulations. However, there is the possibility that CMS may deny payment for claims in the future if the physician's final diagnosis and the hospital's final diagnosis do not match because Palmetto GBA now processes Part A and Part B claims for providers in California.

In preparation for the potential CMS payment methodology, our health system has formed a committee with representatives from the Information Technology, Patient Financial Services, Health Information Management, Utilization Review and Business Development Departments to work together to provide access of the hospital's final diagnosis to physicians so the 1500's concur with the hospitals' UB04 claim forms.

Once access to the hospital's final diagnosis becomes available to physicians, the next challenge will be for them to accept a delay in the submission of their claims for payment. Currently, 1500's can be submitted immediately after services are rendered. Our facility has a four day hold (after the patient's discharge) so the physicians will have to wait a minimum of four days to access the final diagnosis to submit their claims.

perotsystems®

Your Revenue Cycle Partner

www.perotsystems.com/revenuecycle • 1-800-659-8883
revenuecyclesolutions@ps.net

FTC Extends Enforcement Deadline for Identity Theft Red Flags Rule

At the request of Members of Congress, the Federal Trade Commission is delaying enforcement of the "Red Flags" Rule until June 1, 2010, for financial institutions and creditors subject to enforcement by the FTC.

The Rule was promulgated under the Fair and Accurate Credit Transactions Act, in which Congress directed the Commission and other agencies to develop regulations requiring "creditors" and "financial institutions" to address the risk of identity theft. The resulting Red Flags Rule requires all such entities that have "covered accounts" to develop and implement written identity theft prevention programs to help identify, detect, and respond to patterns, practices, or specific activities – known as "red flags" – that could indicate identity theft.

The Commission previously delayed the enforcement of the Rule for entities under its jurisdiction until November 1, 2009. The Commission staff has continued to provide guidance to entities within its jurisdiction, both through materials posted on the dedicated Red Flags Rule Web site (www.ftc.gov/redflagsrule), and in speeches and participation in seminars, conferences and other training events to numerous groups. The Commission also published a compliance guide for business, and created a template that enables low risk entities to create an identity theft program with an easy-to-use online form. FTC staff has published numerous general and industry-specific articles, released a video explaining the Rule, and continues to respond to inquiries from the public. To assist further with compliance, FTC staff has worked with a number of trade associations that have chosen to develop model policies or specialized guidance for their members.

On October 30, 2009, the U.S. District Court for the District of Columbia ruled that the FTC may not apply the Red Flags Rule to attorneys. Today's announcement that the Commission will delay enforcement of the Rule until June 1, 2010, does not affect the separate timeline of that proceeding and any possible appeals. Nor does it affect other federal agencies' ongoing enforcement for financial institutions and creditors subject to their oversight.

The Federal Trade Commission works for consumers to prevent fraudulent, deceptive, and unfair business practices and to provide information to help spot, stop, and avoid them. To file a complaint in English or Spanish, visit the FTC's online [Complaint Assistant](#) or call 1-877-FTC-HELP (1-877-382-4357). The FTC enters complaints into Consumer Sentinel, a secure, online database available to more than 1,700 civil and criminal law enforcement agencies in the U.S. and abroad. The FTC's Web site provides free information on a variety of [consumer topics](#).



Untangling the FTC Breach Notification Rule

Michael A. Dubin
Associate
Hooper Lundy & Bookman, Inc.
mdubin@health-law.com

On August 17, 2009, the Federal Trade Commission (FTC) issued its final Breach Notification Rule as a companion to the breach notification regulations issued by the U.S. Department of Health and Human Services (HHS) just two days later on August 19, 2009. (You can read about the HHS breach notification regulations in HFMA's August/September 2009 Newsletter (<http://www.hfma-nca.org/Newsletter/>).

Originally proposed in April 2009, the FTC Breach Notification Rule (FTC Rule) requires compliance by vendors of personal health records (PHR) -- such as web-based repositories used for tracking individual health information -- and entities offering third-party applications for PHRs, such as information uploaded from heart monitoring equipment. It does not apply to HIPAA-covered entities or business associates; they are covered under HHS companion regulations. The FTC rule also explicitly excludes physicians from the coverage of the FTC Rule. The effective date of the FTC Rule is September 24, 2009.

For PHR vendors, the FTC Rule requires notification of U.S. citizens and residents, and the FTC when a breach in security occurs which involves the unauthorized acquisition of unsecured identifiable health information. Like the HHS regulations, discovery occurs when the breach is known or should reasonably have been known by the vendor.

For third party service providers, notification must be made as specified in the contract between the third party service provider and the PHR vendor or, in the absence of such a contract, to a senior official at the PHR vendor with an acknowledgement that such a notification was received. In turn, the PHR vendor must provide a breach notice to its customers. The third party service provider must additionally include an identification of each individual whose information was acquired during such a breach.

Under the FTC Rule, notification must be made "without unreasonable delay," but in no case more than 60 calendar days after discovery. The notification period may actually begin before an entity conclusively establishes that a breach has occurred. The FTC clarified that the 60-day clock starts early and will not be delayed so that an entity can fully complete its "investigation to determine whether unauthorized acquisition has occurred, whether PHR identifiable health information has been breached, or whether the information breached was unsecured."

For breaches involving 500 or more people, the local media must be notified within the 60-day period. Of course, the FTC must always be notified of a breach. Breaches involving 500 or more people must be reported to the FTC within 10 business days of discovery (the 60-day period still remains in effect for the public notification). For smaller sized breaches the PHR vendor or related entity may report to the FTC annually, by maintaining a log and submitting it to the FTC within 60 calendar days of the end of the year, together with a copy of the notifications sent to consumers.

Continued on page 10



The OIG Work Plan 2010 Is Out

Glorianne Bryant, RHIA, RHIT, CCS, CCDS
Managing Director of HIM
NCAL Revenue Cycle
Kaiser Permanente
glorianne.h.bryant@kp.org

It's that time of year again - October - and the Office of the Inspector General (OIG) has released its annual work plan for the upcoming year. Some important targets have been called out in the work plan that is noteworthy for healthcare professionals, finance and compliance.

The work plan covers a wide range of healthcare delivery settings and providers. Medicare A, B, C and D are listed with focused areas. Also, Medicaid, Children's Health Insurance Program, Investigations, Public Health Programs, Human Service Programs and Department wide Issues. Medicare, the Nation's largest purchaser of healthcare (and, within that, of managed care), processes over 1 billion fee-for-service claims per year.

The following three OIG Work Plan areas were noted for hospital providers:

Hospital Re-admissions

We will review Medicare claims to determine trends in the number of hospital re-admission cases. Based on prior OIG work, CMS implemented an edit in 2004 to reject subsequent claims on behalf of beneficiaries who were re-admitted to the same hospital on the same day. Pursuant to CMS' "Medicare Claims Processing Manual," Pub. No. 100-04, ch. 3, § 40.2.5, if a same-day re-admission occurs for symptoms related to or for evaluation or management of the prior stay's medical condition, the hospital is entitled to only one diagnosis-related group payment and should combine the original and subsequent stays into a single claim. Providers are permitted to override this edit in certain situations. We will test the effectiveness of the edit. We will also determine the extent of oversight of re-admission cases. Pursuant to the Social Security Act, § 1154(a)(13), quality improvement organizations are required to review hospital re-admission cases to determine whether the hospital services met professional standards of care. A re-admission is defined as a case in which the beneficiary is readmitted to a hospital less than 31 days after being discharged from a hospital.

(OAS; W-00-10-35438; various reviews; expected issue date: FY 2010; new start)

Reliability of Hospital-Reported Quality Measure Data

We will review hospitals' controls for ensuring the accuracy of data related to quality of care that they submit to CMS for Medicare reimbursement. The Social Security Act, § 1886(b)(3)(B)(vii), requires that hospitals report quality measures for a set of 10 indicators established by the Secretary as of November 11, 2003. Section 501(b) of the MMA established a reduction in payments of 0.4 percent to hospitals that did not report quality measures to CMS. The Social Security Act, § 1886(b)(3)(viii), as added by the Deficit Reduction Act of 2005 (DRA), § 5001(a), expanded this payment reduction to 2 percent effective at the beginning of FY 2007. We will determine whether hospitals have implemented sufficient controls to ensure that their quality measurement data are valid.

(OAS; W-00-10-35438; various reviews; expected issue date: FY 2010; new start)

Continued on page 4

Doctor and Two Former Hospital Employees Plead Guilty to HIPAA Violation

Little Rock – Jane W. Duke, United States Attorney for the Eastern District of Arkansas, along with Thomas J. Browne, Special-Agent-in-Charge of the Little Rock Division of the Federal Bureau of Investigation, announced today the guilty pleas of Dr. Jay Holland, age 56, of Little Rock, Arkansas; Sarah Elizabeth Miller, age 28, of England, Arkansas; and Candida Griffin, age 34 of Little Rock, Arkansas. Each pled to a misdemeanor violation of the health information privacy provisions of the Health Insurance Portability and Accountability Act (HIPAA) based on their accessing a patient's record without any legitimate purpose. The pleas were accepted by United States Magistrate Judge Henry L. Jones, Jr.

Dr. Holland, Medical Director of Select Specialty Hospital, located on the 6th floor of the St. Vincent Infirmary Medical Center (SVIMC), admitted that after watching news reports on television, he logged on to the SVIMC patient records from his computer at home and accessed a patient's files to determine if the news reports were accurate. He stated he then logged off the computer admitting that it was inappropriate for him to be looking at the file. He admitted he accessed the file because he was curious. Dr. Holland stated that he had had HIPAA training and that he understood he was violating HIPAA when he accessed the file. SVIMC suspended Dr. Holland's privileges for two weeks and required him to complete on-line HIPAA training.

Sarah Elizabeth Miller, formerly an account representative at SVIMC, Sherwood Campus, was responsible for checking patients in and out of the clinic and for processing patient billing. In order to perform her duties, she

had access to the SVIMC patient records program which includes all locations, not just that of the Sherwood clinic. Miller admitted that on October 20 and 21, 2008, she accessed a patient's files approximately 12 times out of curiosity. She admitted that she accessed the records without any legitimate purpose. Records show that Miller was trained on HIPAA privacy laws by SVIMC. SVIMC fired Miller from her position.

Candida Griffin was the emergency room unit coordinator at SVIMC. Her responsibilities were secretarial in nature – ordering patient tests and data entry into electronic patient files for patients in the emergency room. Griffin admitted that on October 20, 2008, she was told by the charge nurse to set-up an alias for a particular patient admitted to the emergency room. On October 21, 2008, after the patient had been moved to ICU, Griffin admitted that she became curious about the patient's status and accessed the medical chart to find out if the patient was still living. Griffin did not inform anyone about accessing the chart however, hospital records show that the patient's records were accessed three times that day by Ms. Griffin.

SVIMC records show that Griffin was trained on HIPAA privacy laws. SVIMC fired Griffin from her position. Pursuant to plea agreements with the United States, Holland, Miller and Griffin pleaded guilty to a misdemeanor violation of the health information privacy provisions of the Health Insurance Portability and Accountability Act ("HIPAA") based on their accessing a patient's record without any legitimate purpose. Each faces a maximum penalty of 1 year imprisonment, a fine of not more than \$50,000, or both. A sentencing

date has not yet been set, but it is anticipated to be within the next 45-60 days.

"The HIPAA privacy protections are real, and we hope that through vigorous enforcement of HIPAA's right-to-privacy protections and swift prosecution of those who violate HIPAA, we can deter those in the medical industry who have access to protected health information from searching others' medical records merely to satisfy their own curiosity," stated Duke. To report a HIPAA violation, follow the instructions at the US Department of Health and Human Services Office for Civil Rights website: www.hhs.gov/ocr/privacy/howtofile.htm or call 214-767-4056, the regional office with oversight over violations occurring in Arkansas.

This case was investigated by the Little Rock Division of the Federal Bureau of Investigation and was prosecuted by Assistant U.S. Attorney Laura G. Hoey.



**RECOGNIZED LEADERS IN
GOVERNMENT
PROGRAMS ELIGIBILITY
AND PATIENT ADVOCACY
SERVICES**

<http://www.diversifiedhealthcare.org/>
Phone: (714) 772-1588
info@diversifiedhealthcare.org

OIG Work Plan ... continued from page 3

Hospital Admissions With Conditions Coded Present-on-Admission

We will review Medicare claims to determine the number of inpatient hospital admissions for which certain diagnoses were coded as being present when patients were admitted to the hospitals, referred to as present on admission (POA) and will determine which of the diagnoses were most frequently coded as POA. Pursuant to the Social Security Act, § 1886(d)(4)(D), and CMS Change Request 5679 (Pub. 100-20, One-Time Notification, Transmittal 289), acute care hospitals are required to report on their Medicare claims which diagnoses were present when patients were admitted to hospitals. For certain diagnoses specified by CMS, hospitals receive a lower payment amount if the specified diagnoses were acquired in the hospital. We will also determine which types of facilities are most frequently transferring patients with a POA diagnosis specified by CMS to hospitals and whether specific providers transferred a high number of patients to hospitals with POA diagnoses.

(OAS; W-00-10-35500; various reviews; expected issue date: FY 2010; new start)

Certainly the areas of OIG focus are not limited to the above, but these do represent areas both finance and compliance should discuss and develop an action plan for. Self monitoring is the best practice of the day for healthcare providers. Working collaboratively and with a multi-disciplinary team can bring about accuracy payments and healthcare compliance all at the same time. Review the OIG Work Plan at your next department meeting and see what evolves and gets attention.

The OIG Work Plan 2010 can be reviewed at: www.oig.hhs.gov/publications/docs/workplan/2010/Work_Plan_FY_2010.

Turn it Up During a Downturn: How to Increase Team Productivity Despite Budget Cuts (Part 2 of 3)

Cheryl Mann, MBA, CPCC, PCC

President, Goals InSight

cheryl@goalsinsight.com



As you may recall from the last edition of The Edge, this article is part two of a three-part series covering the 3 tips to increase your team's productivity despite budget cuts!

Last month's issue focused on the importance of tip #1: **Improve productivity by learning how to improve team relationships.** This time, we will explore tip #2: **Teach your team how to do more with less.**

There are many different ways that you can help your team learn how to maximize their efficiencies with fewer resources. Of course, the solutions you choose will depend on your team's particular situation, as there is never a "one size fits all" solution. Here are a few ideas:

Clarify your specific resource situation

What are the specific resources that are not currently available due to budget cuts or other circumstances. Fewer human resources? Fewer capital resources? Others? Remember that in your role, you may have more access to specific resource information than your team members, which makes it even more critical that your team understands very clearly what the specific situation is. Until those specifics are shared and discussed with the team, it can often feel over-

whelming and stressful for your team members.

Talk about the resource situation with your team so that everyone is on the same page

You could say something along the lines of "We've all been feeling the pinch of having fewer team members and you've been asking when we will be able to fill those positions; so I thought it would be helpful for us to talk specifically about what these next six months will look like for our team so that we'll all be on the same page together." Remember that in the absence of information, it's human nature for team members to make up information – so, prevent "what if-ing," gossip and misunderstandings on your team by proactively talking with your team about the current situation. During these conversations, give your team the opportunity to express their feelings about the situation, whatever those feelings might be (e.g. frustration, stress, disappointment). After they've had a chance to vent their feelings, encourage the team to move on to creating solutions together.

Encourage "glass half full" perspective

Talk with your team about the resources that the team DOES have. You can help your team see that things are not all doom and gloom by acknowledging all of the resources

that the team DOES have. There are always things to be grateful for, and the more you can help your team identify these things, the easier it will be for them to start focusing on the positive aspects of their work together. This type of shift helps a team move from focusing on survival to long-term success, using a "glass half full" vs. "glass half empty" mindset. This technique will also help your team focus on their relationships and build camaraderie, as they start to realize that they DO have a choice in how they perceive their current situation.

Help your team stay focused

Here's a specific team example that may give you some ideas for your own team.

CASE STUDY

A management team we worked with recently was having trouble keeping up with the numerous new client and IT initiatives that needed to be implemented, both short and long-term, combined with their ongoing roles as well as additional new initiatives that often came from the executive suite. This team constantly felt like they were constantly putting out fires without the time and energy to do anything well (sound familiar?).



Continued from page 5

During their team development program, this team created an agreement with each other that said they would start “focusing on the vital few” projects. In other words, this team chose to do fewer things with bigger impact (highest priorities that yielded measurable results), rather than trying to continually take on more and more (with fewer resources), which was propelling them further down the burnout path.

Using this technique allowed the team to start interacting with each other and the company leadership in a very different way – instead of automatically saying “yes” to all projects and getting even more burned out, they started asking questions, such as “how does this priority fit into our existing priorities” and “we just can’t take on this project without moving another one to a lower priority, so which one would you like us to move?” By using this “focus on the vital few” tech-

nique, this team was able to become more collaborative and focus on their highest priority and biggest impact projects, and ultimately be much more productive with fewer resources.

By trying these four techniques, along with others that your team may create, you can help your team be successful with tip #2: Teach your team how to do more with less in order to increase your team’s productivity despite budget cuts!

Be sure to check in with the next edition of The Edge, where we’ll explore the third and final tip: Use stress reduction techniques to reduce fear and feelings of pressure in order to increase your team’s productivity despite budget cuts!

Cheryl Mann is a team development specialist and nationally-recognized speaker on this topic. Learn more at www.goalsinsight.com.

The 2009 PFS Road Shows

Maria E. Dryden

Attorney, McDonough Holland & Allen

Chairperson, Northern CA Compliance Committee

mdryden@mhalaw.com

The 2009 HFMA Northern California PFS Road Shows are off and running. This year, the program is focused on Stomping Out Denials and includes a variety of topics and speakers to address the latest developments in preventing claim denials and complying with new federal privacy regulations.

The line up of speakers begins with **Wayne Wasden**, Vice President of SOURCECORP Healthserve Consulting Division. Mr. Wasden is sharing practices and strategies for preventing claim denials upfront through pro-active intervention in the claims payment process.

Second in our lineup of speakers is **Susan Volmer**, Regional Representative, Provider Relations Organization EDS, an HP Company. With the help of regional representatives, Ms. Volmer discusses the top 10 inpatient and outpatient Medi-Cal denials and how to follow up on these claims to ensure payment.

Next in the program are **Brian Taylor** and **Devan McCarty**, attorneys with the firm McDonough Holland & Allen PC. Mr. Taylor and Mr. McCarty’s practice includes advising hospitals, health systems and medical foundations in a wide variety of legal issues affecting reimbursement, including managed care contracting, non-contracted provider reimbursement, development of policies and procedures to comply with statutory and regulatory obligations, and dispute resolution, including arbitration and litigation. Mr. Taylor and Mr. McCarty will be discussing primary and secondary payer obligations under the Coordination of Benefits regulations. Mr. Taylor and Mr. McCarty emphasize the practical application of the regulations and focus on providing examples to explain what providers should get paid and from whom.

The program ends with a presentation from **Marcia Augsburger**, who has practiced law at McDonough Holland & Allen PC for over 20 years, representing providers, insurers, third party administrators, and others in the healthcare industry. Ms. Augsburger will be updating us on the new HITECH Amendments to the HIPAA Rules which govern provider obligations to secure patient health information. Ms. Augsburger explains the new breach and notification rules and their exceptions, the expanded risks to providers under HIPAA and how to evaluate and reduce those risks, and the harsher penalties that providers currently face.

The PFS Road Shows are designed to provide the latest developments and information to program attendees in a convenient and cost effective forum. The Road Shows are organized in local facilities in order to reach as many HFMA members and non-members as possible. In addition to the presentations, the PFS Road Shows include lunch and refreshments and an opportunity for attendees and speakers to network, share ideas and experiences, and get to know others in the healthcare community. We hope you can attend one of the programs and look forward to seeing you there!

CATCH THE LAST TWO LEGS OF THE PFS ROAD SHOW

- **November 13, 2009 - Natividad Medical Center, Salinas, California**
 - **January 8, 2010 - Sutter Center for Health Professions, Gateway Oaks, Sacramento, California**
- Visit www.hfma-nca.org to download the event flyer and registration form, and to register online.

STOMPING OUT





Fall Conference in Monterey

Steve Thompson, MBA, FHFMA
 Director, Patient Financial Services
 Marin General Hospital
thompsst@sutterhealth.com

Copies of presentations from the 2009 California Fall Conference are posted on the event website:
<http://www.hfma-cafallconf.org/materials.lasso>

On September 12-14, 2009, the Northern and Southern California Chapters hosted the annual Fall Conference at the Hyatt Hotel in Monterey. As the host chapter this year, we were proud to be able to showcase this event and provide the backdrop for one of the most successful educational events of the year.

Even with the weather almost postcard perfect, a number of attendees joined the Sunday sessions to hear about some of the topics noted below:

- Patient Charge Estimates
- Capital Market Updates
- Improving Private Payer Relations
- Medi-Cal Updates
- Legal Update
- Productivity Improvement Strategies and Tools

The Sunday reception provided the backdrop for providers, sponsors, and others to network in a casual and informative environment. While talking with many of attendees, the enthusiasm and opportunity to mingle with peers was evident. Of course, it should be noted that a few days away from the office to learn new ideas and enjoy the beauty of Monterey is hard to pass up.

Monday morning, **Jay Gellert**, CEO of Healthnet Inc., opened with an informative perspective of the current healthcare environment at the Federal and State levels. Mr. Gellert offered a sobering view of the current healthcare environment as well as some optimistic views of the future. Once the keynote speaker had warmed up the audience,

we were provided with the opportunity of hearing a gifted panel, which included **Duane Dauner**, CEO of California Hospital Association, and others representing health plans, physicians, and healthcare advocacy arenas.

The remainder of the day was devoted to a variety of presentations covering Patient Financial Services, Managed Care and Finance. Each of the breakout sessions were geared to meet the overall diverse needs of our HFMA members and guests. These sessions help the healthcare financial professional to be better equipped with the tools of knowledge needed to understand the ever-changing landscape of healthcare.

Monday night offered more time to network and to evaluate the overall products being offered by our sponsors. This year provided the chance to meet with a number of our established sponsors and the opportunity to meet with new ones. This informal setting provides the unique chance to talk with the sponsors to see what they currently offer in a one-stop approach and to establish follow up meetings as needed.

Tuesday morning opened with a panel discussion about Pay for Performance and the potential impact on providers, physicians, and patients. Looking forward with this plan in mind reminds us of the issues that we are faced with daily and how we assure ourselves that there is a true benefit to everyone.

Lunch time was filled with the wonderful and amusing anecdotes from the famed author, **Larry Wilde**. He was able to convey a

wonderful message of the need for humor, laughter, and respect for our patients and for ourselves. To paraphrase Mr. Wilde, "We have to be ready to laugh at ourselves. Find the humor and the compassion."

The closing speaker, and by no means the last choice, was **Cindy Ehnes**, Director of the Department of Managed Healthcare. Cindy has been a speaker on a number of occasions and she never fails to provide a realistic evaluation of the Managed Care arena; but she also includes optimism about the changes and trends for the future of Managed Care within California.

As the conference came to a close and attendees were about to venture home, the level of energy and renewed enthusiasm was resonating within everyone. For the committee members that work so hard to make this happen, the end offers that sense of pride in seeing the program come together and meet expectations. I know that the committee works tirelessly behind the scenes, and without their enthusiasm and assistance, we could not make this happen.

As the committee takes a few seconds to proudly ponder the work that they accomplished, their thoughts are rapidly replaced with the knowledge that the next sessions for Region 11 and the Spring Conference must be planned and finalized.

To all that were there, we want to extend a huge Thank You and remind you that next year this program will be offered at the Hyatt in Long Beach. Looking forward to seeing all of you there.

Webinar: Education for the Future - Attending via Internet

Walton K. Luke, FHFMA, MBA

L.H & Associates, LLC

E-Learning Committee Co-Chairman

wluke007@aol.com

A Successful Webinar Beginning

On Monday, August 24, 2009, from 1:00 pm to 4:00 pm, Region 11 (the seven chapters of Northern California, Nevada, San Diego & Imperial Counties, Washington~Alaska, Hawaii, Oregon, and Southern California) presented a "Live Internet Video Streaming/Webinar" CFO Panel Discussion on "Healthcare Reform—What are you doing to prepare for it?" And, for only \$15.00 per facility with minimal promotion (a lot of the effort was spent on ensuring the quality of the presentation using the new webinar and presenter strategies), 67 participants were in attendance. They gave the event above average to excellent reviews (especially for the price).

This was all done as a sponsored event by the Hawaii Chapter with the HFMA Region 11 Presidents' Meeting held at the Orchid Hotel in Kailua Kona, on the Big Island of Hawaii. But there is more to this event that you are not aware of – the Northern California Chapter Volunteer Leaders assisted in playing an important role in making all of this happen. For a better perspective, we need to start at the beginning.

2008 HFMA Region 11 Presidents' Meeting

In August of 2008, this meeting was held at the Turtle Bay Resort in Kahuku, Oahu, Hawaii. There, the Region 11 Executive-Elect Mickey Duke discussed a need for 24/7 education that was inexpensive and accessible at anytime for those HFMA members who were known insomniacs with a need for education that could be accessed from Chapter websites.

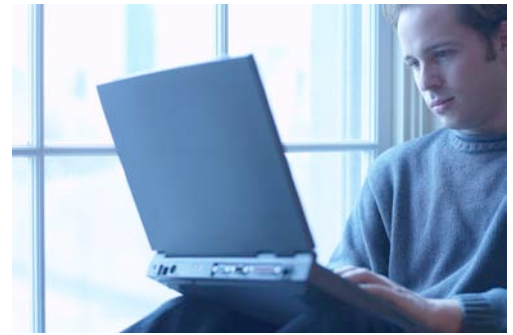
This led to a discussion with **Chuck Acquisto**, past President of our Chapter at the December 2008 Chapter Board Meeting. There, **Steve Thompson**, FHFMA, PFS Director of Sutter Health Marin General Hospital, and I spoke to **Ken Jensen** CFO of ValleyCare Health System in Livermore, and Chapter President-Elect, about this need. He approved the formation of our 24/7 Webinar Committee. Steve became the Chairman and I was named the Co-Chairman of this Committee. We planned our first event to be held at a hospital site in Reno, Nevada with the Nevada Chapter as the Host for our Yerger Award winning PFS Road Show. Back then the Nevada Chapter contracted on a short term basis with a healthcare webinar service and the two chapters shared costs and activity.

That event was sponsored and supported by the Region 11 Treasury, and although successful, the webinar service used had a number of glitches that were not satisfactory to us. This was reported back to the Region 11 Presidents and President-Elects, and the Northern California Chapter made a decision to take a more active role in selecting a more stable webinar service that was also less expensive and better manageable in assisting the region for the upcoming 2009 Presidents' Meeting at the Orchid Hotel on the Big Island.

Behind The Scenes Planning For The Upcoming 2009 Region 11 Presidents' Meeting

In February 2009 at the Northern California Chapter Board Retreat, **Kathy Cain**, CFO/VP of Finance at St. Agnes Medical Center in Fresno and upcoming Chapter President-Elect, discussed her interest in putting a CFO Panel presentation together for this webinar event if we were interested. The Region 11 Executives discussed this with the Hawaii Chapter Volunteer Leadership, and they were very interested in a high level CFO Panel led by Kathy as the Moderator. Within several months, Kathy put together the CFOs who were hand-picked and at the upcoming Regional meeting: **Ken Jensen** our Chapter President to discuss "Reform and Physician Relations"; **Diana Gernhardt**, FHFMA, Hospital CFO for Oregon Health & Science University and Oregon Chapter President to discuss "One State's Response to Reform"; and **Jim Heilsberg**, CFO at Whitman Hospital, Colfax, Washington and Washington~Alaska Chapter President-Elect, to discuss "Reform as It Applies to Community Access Hospitals (CAH)."

Simultaneously, **Jayne Kroner**, Marketing Director for The Cirius Group and Chapter Secretary, who at that time was responsible for 24/7 Webinar Committee (now renamed E-Learning Committee), requested that we do a "due diligence" review of several webinar service providers before committing the Chapter to a contract for webinar services. As time was getting short, I reported to both **Mickey Duke** of the Nevada Chapter and upcoming Region 11 Executive, as well as **David Epstein** of the San Diego and Imperial County Chapter and upcoming Executive-Elect of our Chapter. Within a month we selected WebEx, a Cisco Company operating out of Fremont, California. Steve, the Chapter Secretary; **Geli Argao**, the Chapter Administrative Assistant; and I all previewed a



demonstration before contracting with WebEx that was much to our liking. They provided what we wanted to see in a webinar service plus technical support for any webinar training the Chapter might want.

Changing The Location of The Webinar Broadcast

Initially, the broadcast itself was to be at the Orchid Hotel, but it suddenly became too expensive to hold it there with all the added costs that were needed for the presentation. Instead, the Hawaii Chapter was able to get the North Hawaii State Hospital and we were able to hold a dry run the day before the event. There were a number of technical concerns to address, but with Geli Argao in control of the event from her location in Northern California and WebEx Technical Support assisting from another site, along with Hawaii Chapter President **Tammy Dumlao** and **David Epstein**, Region 11 Executive-Elect, as the onsite monitors, the webinar was effectively produced with good results.

The Conclusion—It Is Just The Beginning

For those in attendance on the webinar--it was well executed. The speakers were very good, if not great. The subject matter was "hot topics/ongoing concerns," and all in all, a fantastic 1-1/2 hour educational event.

This is something that the Chapter can build on successfully for future successful webinar productions and bring to Region 11. This was a successful culmination of collaborative efforts by not just Region 11 Volunteer Leaders, but also the Northern California Chapter Volunteer Leadership, without whose active roles and involvement, such successful educational events just wouldn't happen.

Newsletter Comments

Is there a topic that you'd like to read about or get featured in the chapter's newsletter? Please send your suggestions to Terry Paff, Newsletter Committee Chair, at terry@rashcurtis.com. You tell us the topic, we'll go find the article.



HFMA NORTHERN CALIFORNIA - SPOTLIGHT ON MEMBER

Christine Sarrico
VP/CFO
Enloe Medical Center
Years in Healthcare: 32
Years in HFMA: 23

"HFMA has provided a wonderful vehicle for me to make many friends in the industry whom are a constant resource to help me learn and grow professionally."

How did you end up in Healthcare? Did you choose it or did it choose you?

Just luck of the draw - my first job out of college was at St. Rose Hospital and here I am 30 years later.

Tell us about yourself

I grew up a military brat living on both coasts. I met my husband, Leo, in college and we have been married for 33 years. We have two kids; Missi who lives in Sweden and Christopher who works in the airline industry.

There's no right or wrong answer, but if you could be anywhere in the world right now, where would you be?

On a beach with a good book and chilled bottle of champagne

What do you like to do for fun in your spare time?

Reading, gardening, golf and travel

What's the last book you read?

Smoke Screen by Sandra Brown - a great mystery

What would you do if you won the lottery?

I would set up retirement funds for myself and my family then retire and travel. After our retirements are secure I would seek a charity to support.

What is your greatest achievement outside of work?

My marriage and my family

If you could be a superhero, who would you be and why?

Clark Kent - he is always helping the underdog

What's the best movie you've seen in the last three years?

I am not a movie person. I like books

Who are your heroes?

I admire my father and all strong women

The best advice I ever had was

Life's not fair - get over it

The best part of my job is

The people and the I love the stories that numbers tell

My favorite food is

Just one? Ice cream and French Fries

My first car was

Dodge Dart

My favorite car is

MGB

Favorite quote

"Just Do It"



WELCOME NEW MEMBERS!

- **Roxanne M. Aguilar** - Senior Accountant, Marshall Medical Center
- **Chequeta Allen** - Industry Marketing Director, Oracle USA, Inc.
- **Eric Baird** - RN
- **Haitham M. Bisharat** - Regional Sales Mgr, Meridian Leasing Corp
- **Kenneth Burrell**
- **Liz Carl** - Director, PFS, Caritas Business Services
- **Chris K. Choi** - Serent Capital
- **David A. Collins** - Assoc Area Finance Officer, Kaiser Foundation Health Plan
- **Regina R. Curry** - Audit Manager, Ernst & Young, LLP

- **Vanessa Drake** - Manager, Triage Consulting Group
- **Caroline Drakeley** - Director, Capital Program Management
- **Kim M. Donald** - Transition Manager, Kaiser Foundation Health Plan
- **Raquel Evangelista** - Sr. Financial Analyst, Stanford Cancer Center
- **Michael E. Gallagher** - CEO, MedeAnalytics
- **Peter Harding** - VP, Technology Crossover Ventures
- **Marcia Heisler** - PricewaterhouseCoopers
- **Julie A. Heitz** - Controller, Stanislaus Surgical Hospital
- **Brant Hunsaker** - VP, Wells Fargo

- **Madeline Hwang** - Associate, Summit Partners
- **Jill Larson** - Staff Accountant, ValleyCare Health System
- **Marianne Lester** - Coding & Reimbursement Coordinator, CHOMP
- **Mauricio O. Lopez** - Project Manager, Kaiser Permanente
- **Michael Magliaro** - VP, Tim Floyd & Company
- **Kristina Marsh** - Acct. Manager, Gardner Group
- **Pamela McCallon** - CHOMP
- **Roy B. McGovern, Jr.** - Business Devt., Healthcare Payment Specialists
- **Everett Morgan**
- **Mimi Park** - VP, Bank of America

- **Dona S. Pointon** - Manager of Patient Financial Advisors, Kaiser Permanente
- **Juna Polanco** - Chief Hospital Accountant, Natividad Medical Center
- **Navid Oreizy** - Associate, Technology Crossover Ventures
- **Stephen Reclusado** - CFO, Kings View Corporation
- **Mark Reynolds**
- **Syreeta Ross** - Director of Revenue Cycle, Kaiser Permanente
- **Marc Taxay** - VP Gen Counsel, MedeAnalytics
- **Wayne Wasden** - VP, SOURCECORP
- **Pamela Wells** - VP of Patient Care, Lucile Salter Packard Children's Hospital

Untangling the FTC Breach Notification ... continued from page 3

The notice must be in plain language and include the following:

- What happened (including the date of the breach and the date of discovery);
- A description of the types of information involved (such as the full name, SSN or date of birth);
- The steps individuals should take to protect themselves;
- A brief description of what the entity is doing to investigate the breach, to mitigate harm and to protect against further breaches; and
- The contact procedures and information for people to follow up with questions.

E-mail notice is sufficient if the individual is given a clear, conspicuous and reasonable opportunity to receive notice by first-class mail and does not exercise that choice. If there are 10 or more individuals for whom the PHR vendor or related entity does not have current contact information, it must provide substitute notice either by posting notice for 90 days on the home page of its website, or by publishing the notice in major print or broadcast media. Any media or web posting must include a toll-free phone number, which is to remain active for at least 90 days, for individuals to call to learn more information.

To ensure that consumers only receive a single breach notice for a single breach, the FTC clarified that the notice should come from the entity with whom the consumer has a direct relationship. If a PHR vendor is both a business associate and deals directly with consumers, it need not notify the customer receiving a breach notification on behalf of a HIPAA-covered entity.

- Although the final FTC Rule largely follows the original, proposed rule, there are some notable differences in the two, which include:
- The FTC Rule expressly adopts the HIPAA preemption analysis. Federal law preempts any "contrary" state law, but an additional state requirement that is not contrary is not preempted. PHR vendors and third party service providers should follow federal law, as well as any state regulations that have even more stringent requirements.
- The rule requires PHR vendors and related entities to notify their third-party service providers that the service providers are subject to the rule.
- The Rule contains a "Notice of Breach of Health Information" form (which can be found at <http://www.ftc.gov/healthbreach>), and should be used by vendors and related entities beginning on the effective date of the rule, September 24, 2009.
- There is no prescribed content for notices to the media, eliminating the original FTC Rule's requirement to include the same information required for individual notifications.

The FTC Rule can be found at <http://www.ftc.gov/os/2009/08/R911002hbn.pdf>.

You Too Can Compete In Triathlons!

Jim Strong from Sutter Coast and **Dan Dreblow** from J&L Teamworks are forming an informal HFMA triathlon club to compete during 2010. They would like to invite you to join them in this adventure.

Jim has no prior triathlon racing experience, however he is ready to "get off the couch" and spend some quality time in the ocean with some Great White Sharks (only kidding).

Dan has just completed his 20th triathlon at Playa del Rey. Dan's goal has always been to "Just Finish Baby" and by doing so twenty times, Dan's new goal has been to develop a team of HFMA friends to enjoy this unique experience.

Triathlon magazine is reporting that membership in the USA Triathlon is up 14% since 2008 (125,000 members) so your participation is very timely.

You will have the opportunity to participate in events with Jim and Dan up and down the West Coast starting in Spring, 2010. With winter approaching you will also have Jim and Dan be part of your training support system.

Dan's experience will help you avoid some of the common mistakes of new triathletes. For example, Dan discovered that the used wetsuit he had purchased was too small for his shoulders, and created a lot of resistance to the swimming stroke...but that was after his 14th race.

You will do better than that! Email Jim Strong at StrongJ@sutterhealth.org or Dan Dreblow at Dan.d@jteamworks.com for the time of your life ... guaranteed! (No membership fee, just a little sweat equity).

Join the Monthly PFS Forum every third Wednesday of the Month at 12 noon via audio conference - FREE

The HFMA Northern California Chapter has revived the monthly PFS Forum via audio conference. Under the leadership of Jayne Kroner, VP of Business Services at Cirius Group and co-chair Wende Weckbacher, PFS Director at John Muir Health, the PFS Forum will serve as a venue to discuss pressing issues concerning PFS professionals and exchange ideas. Discussion topics will be distributed to attendees prior to the scheduled calls.

Are you interested in joining? Email Jayne Kroner at jaynek@ciriusgroup.com.

ACS Revenue Cycle Managed Services

A/R Reduction Projects
A/R Conversion Assistance
Self-Pay, Insurance and Bad Debt Services
Full Business Office Outsourcing

To learn more about our services, contact Dave Schneider @acs-inc.com

expertise in action™



In Appreciation

Thank you to our Corporate Sponsors for their continuing support of the Northern California chapter

DIAMOND PARTNERS (\$5,000)



PLATINUM PARTNER (\$2,500)



GOLD PARTNER (\$1,750)



SILVER PARTNER (\$1,250)



BRONZE PARTNERS (\$750)



Job Opportunities

Visit the chapter website (<http://www.hfma-nca.org>) for details and a complete listing of job openings



- Associate Director of Management & Operations - HFS Consultants, Oakland (posted 10/28/09)
- Chief Financial Officer - Copper Queen Community Hospital, AZ (posted 10/26/09)
- Associate Director CBO - University Physicians Healthcare, AZ (posted 10/26/09)
- Chief Financial Officer - O'Connor Hospital, San Jose (posted 10/22/09)
- CPA Regional Vice President - The Toiyabe Group, NV (posted 10/9/09)
- Controller - Mee Memorial Hospital, King City (posted 9/23/09)
- Sr. Patient Financial Systems Analyst - NorthBay Healthcare, Fairfield (posted 9/23/09)
- Finance Tax Manager - Cedars-Sinai Medical Center, Los Angeles (posted 9/21/09)

Northern California Chapter Board of Directors

Kenneth Jensen - President
Kathleen Cain - President-Elect
Steve Thompson - Secretary
Jayne Kroner - Treasurer

Chuck Acquisto	Peter Hugenroth
Aimee Arata	Brian Marrs
Barry Brown	Will McCammon
Gloryanne Bryant	Matt Morgan
Dan Dreblow	Terry Paff
Maria Dryden	Cindy Rudow
Ramona Hernandez	Christine Sarrico

Newsletter Committee

Terry Paff - Committee Chair
Steve Thompson - Co-Chair

Mary Ackley	Jayne Kroner
Geli Argao	Frank Fedor
Gloryanne Bryant	Walt Luke
Kathleen Cain	Kathryn Leppert
Mike Dubin	Brian Marrs
Ramona Hernandez	Kim Miranda
Arlette Kendall	Mori Moriuchi
Deborah Knight	Cindy Rudow



CHANGE WAY

**12th Annual
HFMA Region 11
Healthcare Symposium**

CAESARS PALACE

Las Vegas, Nevada, January 24–27, 2010

**Don't miss out on this year's Region 11 Symposium.
Come join us for high caliber education and
lots of Face to Face Networking.**

**Highlights of this year's
general sessions include:**

- "The Guy on the Fairway" David Feherty
- "Healthcare Reform in a Changing America" David Brailer, MD, PhD; Facilitating Reactor Panel including: Richard Clarke, CEO of HFMA, Debora Kuchka-Craig, National Chair-Elect of HFMA and Corporate VP, Managed Care, MedStar Health, Columbia Maryland, and Bruce Fried, J.D., Partner of Sonnenschein Nath & Rosenthal LLP

- "The Obama Administration and the 111th Congress" Susan Dentzer
- "Even Eagles Need a Push to Soar in Changing Times" Janet Rush
- "Are You Relevant?" Ross Shafer

**All this plus breakout
sessions covering topics in
6 separate tracks:**

- Finance
- Revenue Cycle
- Leadership and Management
- Managed Care
- Compliance/Legislative/Legal

- Critical Access Hospital (NEW FOR 2010 - and for CAH only - call our information line and ask for the coupon code you will need to save \$200 off your registration fees)

Visit our website

www.hfmaregion11symposium.org
to download a brochure, register for the conference, and make hotel reservations. For more information, contact the HFMA Region 11 Healthcare Symposium Committee at (323) 266-HFMA.