

SUNFLOWER

SEEDLINGS

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SUNFLOWER (KANSAS) CHAPTER

A QUARTERLY CHAPTER NEWSLETTER

Fall 2006

Quarterly Meeting
January 24th and 25th
at
Marriott Hotel
Junction City, KS

Select CDM Software Updates Carefully by Debbie McDaniel



A hospital's CDM plays a critical role in a hospital's billing process. Even with the onset of automated resources for analyzing the CDM with

software the end-all solution for updating and maintaining it has yet to be found.

Meeting the requirements for compliance and obtaining appropriate reimbursement from all payers demands vigilance from software vendors and CDM coordinators, as well as frequent communication throughout the hospital's revenue cycle (RC) information flow.

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“ARSI Helps Attorney Claim Legislative Victory!” by Kecia Kesler

For the last decade, ARSI and a number of attorneys employed to represent our clients have argued with Kansas Courts over the statute that exempts our county hospitals and clinics from paying docket fees (also known as filing fees or court costs) in order to file lawsuits on hospital receivables. The original statute was somewhat vague in its definition of exempt entities. Several District Judges had ruled that some of our hospitals must pay the filing fees simply because

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**President's
Comments
by
Terry Pound**

Change! Most of us hate change to some degree, but we all agree that change is inevitable and in most cases necessary. In September, Angie Martin and I attended the Region 8 Presidents' Conference. At this meeting, we learned about two significant changes that will occur June 1, 2007.

The first change is in regards to our chapter incorporation and by-laws. Effective June 1st, we will be required to be incorporated in the state of Illinois, by HFMA National. This will require changes to our by-laws and it will change how we conduct the business of the Chapter.

The second change is in regards to the DCMS System we currently use to recognize chapters across the nation with awards National gives to chapters each year.

Both of these changes will most likely not be apparent to our members, however, it will be to our Chapter leaders. I can assure you that work has begun already to prepare for these changes. We will keep members informed as we proceed.

On a separate note, but also changing is our relationship with Blue Cross Blue Shield as the FI for Kansas. We have truly been blessed with the relationship we've enjoyed all these years. This relationship does not exist in other states. We should be in constant attention to what transpires in the next year. For now, please let the Blue Cross staff know how much you've appreciated this relationship over the years. It will be a change, that is for sure!

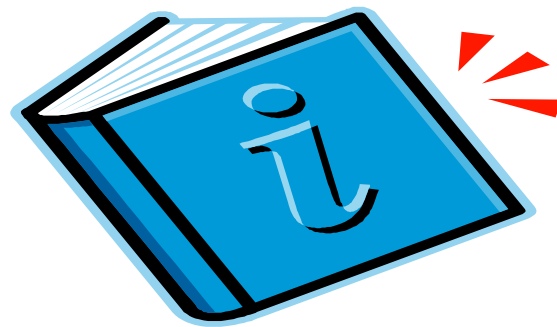
CERTIFICATION CORNER

Did you know.....

Attaining an HFMA certification designation indicates achievement of a high level of professional competence that is measured by meeting certain experiential and professional requirements. HFMA certified members are granted current status for a period of three years from June 1 closest to the date of obtaining certification. All HFMA certified members are required to maintain their designation through participation in continuing education.

Check out <http://www.hfma.org/certification/certmaintenance/> for additional information about certification maintenance.

Becky Newton and Elgin Glanzer, Co-chairs,
Professional Excellence Committee



To contribute to the Sunflower Chapter Newsletter, please contact Jane Postin at Jane.postin@ksmedcenter.com
Or 316-300-4026

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Select CDM software that works for you

Your hospital's RC committee, including health information management (HIM), patient financial services (PFS), finance, nursing and ancillary and administration, should evaluate and select CDM software.

The best-case scenario includes incorporating their evaluation into the request for proposal (RFP) process. By using key principles of project management, *e.g.*, time constraint, cost, scope, quality, human resources, change and risks, the RC committee can define deliverable objectives from CDM software implementation.

To help determine the software solution that will work best for your hospital, complete and document an evaluation checklist:

- What is the interoperability of the proposed software with your current PFS software?
- Does the proposed CDM software have a successful interface history with the hospital's current billing and claim-scrubbing software?
- Will the CDM conversion be an automated or manual process, and what quality-control measures does the vendor provide to ensure it converts accurately and comprehensively? Will a testing schedule be provided and completed by the vendor?
- Are standard reports available to download the CDM into Microsoft Excel or other user-friendly applications?
- What training and ongoing education are available to help personnel use the software to its fullest functionality?
- How is vendor-provided data measured and reported? Is it reliable and high quality?
- How timely are updates (developed from federal revisions) to hospital claims processing and reimbursement manuals?
- Is a medical necessity module available?
- Is peer data available for prices, procedure descriptions and clinical department modeling? What criteria are applied to screen data for compliance requirements mandated

by the OIG and federal programs?

- What reporting functions—audit trails for all CDM changes or financial modeling—are included with the software? Are they user friendly or do they require IT expertise to compile the data and report? Can the software run when the audit functions are turned off?
- Does the vendor supply standardized audit processes for “what-if” modeling to test the CDM data?
- What policies and procedures are available for implementing the proposed software and converting to automated CDM updates and maintenance?
- What edits (OCE, CCI, etc.) are built into the CDM software? Are they customized to the hospital's payer mix, patient mix, etc., as part of the software's functionality? Is this a “user group” process or can individual end users define and implement customized edits?
- Does the vendor certify the accuracy of data provided with the software and its future updates?

Evaluate staff's qualifications

To successfully implement and use CDM software, evaluate your staff's skill set and gap assessment. For example, does your hospital's staff have the necessary credentials and experience with (1) health care information database design concepts, (2) aggregate data analysis and (3) data verification and integrity requirements?

If not, does the vendor provide this expertise or must the hospital bring in CDM consultants for support in addition to periodic external review?

Again, this evaluation must be conducted by the RC committee that represents every hospital department, including HIM, PFS, nursing, ancillary, finance and administration.

It's important to communicate results from the CDM software evaluations to all

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staff levels in the RC flow, which may take the form of internal reports to specific departments or groups.

The more carefully you plan, execute and report your assessments and implementation, the more likely the results will be accepted and required actions taken.

By Debbie McDaniel, MA, RHIA
 Managing Consultant
 BKD, LLC
 dmcdaniel@bkd.com
(Printed by permission from BKD Health Care News)

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They were district hospitals, and not county hospitals. Other Judges had not granted the fee exemption to any public hospital claiming they did not meet the definition of the county, city or state.

This legislative session, with ARSI's support and resources, attorney Benjamin Sherber worked closely with State Representative to draft a bill that clarifies these issues and more!

The result is that the Governor recently signed several bills into law that have an effect on docket and service of process fees. Senate Bill 337, which goes into effect July, 1, 2006, amended K.S.A. 60-2005 as well as K.S.A. 28-110, and provides that the state
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NEW MEMBERS

Mohr, David
 Goodno, Janell
 Cappuccilli, John
 Wolfe, Dean
 Mousley, Robin
 Baalman, Lisa
 Brown, Cindy
 Nitsch, Nancy
 Dunning, Nita
 Whitcher, Stephanie
 Dick, David
 Koepke, Eldon
 Eichenberger, Julie
 Rein, Roberta
 Eck, Glenda
 Reiff, Loise
 Angel, Dan
 Schauer, Ryan
 Carson, Vicki
 Holy, Lisa
 Walker, Christy
 Urban, Danny

Director of Managed Care
 CFO
 Marketing Consultant
 Senior Consultant
 Audit Manager
 Cost Management Analyst
 VP of Finance
 Controller
 Patient Account Manager
 Manager
 CEO
 CFO
 Controller
 Business Office Manager
 Accountant
 Operations Manager
 Director PFS
 Health Professional Recruiter
 Patient Account Manager
 Accounting Supervisor
 Patient Access Manager
 CFO

Via Christi Health System
 Stafford District Hospital Four
 Meditech
 BKD,LLP
 Chan Healthcare Auditors
 Salina Regional Health Center
 Memorial Hospital
 Mitchell County Community Hospital
 Rooks County Healthcenter
 CBIZ
 Mitchell County Community Hospital
 Mitchell County Community Hospital
 Mercy Health System of Kansas
 The Midland Group
 Community Memorial Hospital
 The Midland Group
 Via Christi Regional Medical Center
 U.S. Air Force
 Scott County Hospital
 Newman Regional Health
 North Kansas City Hospital
 Ellsworth County Medical Center

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and all municipalities are exempt from docket fees and service of process fees. Senate Bill 180, which was also recently signed into law, extends these same privileges to cases filed under the Ch.61 Limited Action code. The definition of a municipality is listed in K.S.A. 12-105a and includes amongst other things any political subdivision or taxing entity and their boards, and specifically lists hospital boards of trustees as one example.

Below are brief citations to each law referenced above. The full versions of the new laws can be found in the 2006 Kansas Session Laws or online at kslegislature.org.

The relevant portion of Senate Bill 337, which exempts municipalities from paying docket fees can be found in Section 18, and reads as follows; "On and after July, 1, 2006, K.S.A. 60-2005 is hereby amended to read as follows: 60-2005. The state of Kansas and all municipalities in this state, as defined in K.S.A. 12-105a, and amendments thereto, are hereby exempt, in any civil action in which such state or municipality is involved, from depositing court costs or paying docket fees prescribed by any other law of this state..."

The portion of Senate Bill 337 which exempts municipalities from paying service of process fees to a sheriff can be found in Section 13 and states; "...The state of Kansas and all municipalities in this state, as defined in K.S.A. 12-105a, and amendments thereto, are hereby exempt, in any civil action in which such state or municipality is involved, from paying service of process fees prescribed herein."

The definition of municipalities is contained in K.S.A. 12-105a(a), which reads; (Emphasis added) "Municipality" means

And includes county, township, city, school district of whatever name or nature, community junior college, municipal university, drainage district, cemetery district, fire district, and other political subdivision or taxing unit, and including their boards, bureaus, commissions, committees and other agencies, such as, but not limited to, library board, park board, recreation commission, hospital board of trustees having power to create indebtedness and make payment of the same independently of the parent unit."

In addition, Senate Bill 180 extended the exemptions into ch. 61 Limited Action cases, see Section 15(b), "Poverty affidavit; additional court costs; exemptions for the state and municipalities. The provisions of subsection (b), ©, and (d) of K.S.A. 60-2001 and 60-2005, and amendments thereto, shall be applicable to lawsuits brought under the code of civil procedure for limited actions..."

Another bit of good news is that the "Emergency Surcharge" imposed by the Supreme Court a few years ago that assessed a \$5 fee to any pleading filed with the court has finally been abolished!

From Senate Bill 180 Sec.15© "The docket fee established in this section shall be the only fee collected or moneys in the nature of the fees collected for the docket fee. Such fee shall only be established by law or otherwise to collect a fee."

Along with rescinding the surcharge, the legislature did increase filing fees across the board, which affects any creditor that does not qualify for exemption.

New filing Fees:

For Ch 60 cases—\$14

For Ch 61 cases—\$0 to \$500=\$28

\$500.01 to \$5000=\$48

Above \$5000=\$94

Even this is good news because although the fees have increased, they will still be less than they were before when the surcharge was imposed on top of the old fee!

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The exception is Ch. 60 cases, which increased substantially, but the majority of hospital and clinic cases should be filed under Ch. 61, so the impact should be nominal.

We are thrilled to share this news and encourage you to use these new laws to your advantage! Please contact us should you have any questions at all.

Kecia Kesler
President/CEO
Account Recovery Specialists, Inc.

Kecia@arsico.com
(316)617-1600

Sunflower Chapter Board of Directors Meeting Summary

Martin Williams, Treasurer, noted that HFMA National is going to be on-line with QuickBooks. National will maintain the software and our records if we choose to participate. We will be able to access the QuickBooks software and files with a password. A motion was made to use National's web-based QuickBooks when it becomes available. Motion carried.

Terry Pound, President, discussed and referenced the following items included in the Board Packet:

- Final DCMS chapter acknowledgement report. Butch Ashley noted that we received 3 awards in education, membership growth and retention.
- Fred Lucky was the winner of the Morgan Award and his acceptance speech is included in the Board packet.

- CFO forum
- Newly certified Sunflower members

Jane Postin, communications, noted that the membership directory was going out this month. Items added this year include ANI date and place, credentials to committee members names, sponsors on the back cover, strategic plan and sponsor benefits.

Angie Martin, President elect, discussed the idea of the Chapter paying partial dues for new members from current member facilities. The committee will continue to evaluate the feasibility and cost of this.

Tish Hollingsworth presented the KHA report and discussed a couple of meetings scheduled for the next week including best practices on billing and collections.

**SUNFLOWER
(Kansas)
Chapter Officers
2006-2007**

TERRY POUND
President

ANGELA MARTIN
President Elect

ANGELA MIRATSKY
Vice President

ASHLEY SIMON
CLIFTON
Secretary

MARTIN WILLIAMS
Treasurer

BOARD OF DIRECTORS
MIKE METRO
Term Expires 2009

LARAIN GENGLER
Term Expires 2009

JANE POSTIN
Term Expires 2008

KEN JOHNSON
Term Expires 2008

ELGIN GLANZER
Term Expires 2007

TISH Hollingsworth
Term Expires 2007

COMMITTEE CHAIRS
MARK HOFFMAN
Audit

ELDON SCHUMACHER
By-Laws

LORI LACKEY
Founders Awards

JUDY SCOTT
History

VICKI MILLS
Nominating

ANGELA MIRATSKY
KEN JOHNSON
Membership

Becky Newton
Elgin Glanzer
Professional Excellence

KECIA KESLER
Sponsorship

Debbie McDaniel, Jane
Postin, Kim Mehuron
Communications

ANGIE MARTIN
MIKE METRO
Program

**2006-2007 Educational
Events**

NOV. 7, 2006
CAH Cost Report Workshop,
Holiday Inn, Hays, KS

APRIL 26-27, 2007
Annual Meeting and Banquet
Marriott Hotel, Wichita, KS

July 20, 2007
Quarterly Chapter Meeting
Doubletree Hotel, Overland Park, KS

JANUARY 24-25, 2007
Quarterly Chapter Meeting
Marriott Courtyard, Junction City, KS

JULY 18-19 2007
Cost Report Workshop,
Doubletree Hotel, Overland Park, KS

RURAL ASSISTANCE PROGRAM

The Rural Assistance Program is designed so that members from rural areas of the state have the opportunity to attend one quarterly meeting each year at no cost. The chapter will waive the registration fee and reimburse the member for meals, lodging and mileage. For more information about this program, contact any officer or board member.



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