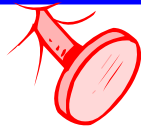


Bama Chatter

HFMA ALABAMA CHAPTER

VOLUME XXXIX, NO. 6

MAY / JUNE 2000



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Hospital Outpatient PPS Released

Submitted by Brad Leonard

Reprinted with permission from Ernst & Young

Due to the short implementation time frame, hospitals must focus first on operational readiness.

On March 31, HCFA published on its Web site the long-awaited hospital outpatient prospective payment system (OPPS) with implementation scheduled for July 1, 2000.

The rule also implements a provision of the Omnibus Budget Reconciliation Act of 1986 prohibiting Medicare payments for non-physician services furnished to a hospital outpatient by a provider or supplier other than a hospital, unless the services are furnished under arrangement with the hospital. It not only creates extensive requirements for provider departments and provider-based entities, but also incorporates some changes mandated by the Balanced Budget Refinement Act of 1999.

The OPPS is based on ambulatory patient classifications (APCs), totaling 451 rather than the 346 originally proposed in 1998, and applies to any hospital participating in the Medicare program except critical access hospitals and hospitals in Maryland that are paid under a cost containment waiver. Outpatient services provided by Indian Health Service will continue to be paid separately, as will services already being paid under an existing fee schedule (e.g., clinical lab, therapies, physicians).

The rule is extensive and complex, and its full effect will take years to play out. However, the OPPS will move hospitals from charging for outpatient services based on historical costs to charging for services based on properly assigned *Current Procedural Terminology* (CPT) codes.

(Continued on page 3)

Continued Participation is Key

It's hard to believe that approximately one year ago I received my copy of *Bama Chatter* and realized that I was reading Kathy Nelson's last President's message. The next President's message would have to come from me! I must admit I felt excitement and apprehension at the same time. Now that a year has passed, the one thing that has been confirmed without a doubt is a statement I made at last year's Annual Institute "the great tradition of this Chapter is attributable to the active participation of the membership."

I want to thank the

officers, Annette, Paul & Phil, for all their support during the past year as well as the Board of Directors, Committee chairs and all the other volunteers. This truly is one of the premier chapters in the country and is a direct result of the support the membership provides the Chapter.

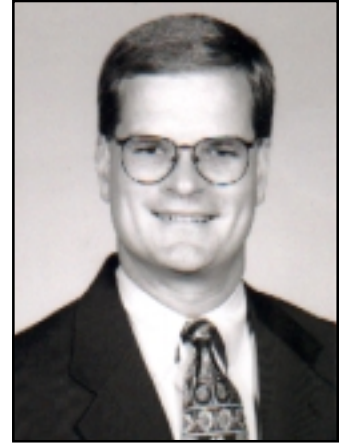
I strongly encourage everyone to continue to take an active role in the Chapter as we move into the new year. Through your continued active participation, this Chapter can provide the necessary leadership to address the numerous issues that all

healthcare organizations are facing during these challenging times.

There is no question that these are difficult and uncertain times in our industry and the demands on our time have never been greater.

However, I also believe it is during times such as this that the Chapter can provide the greatest benefits to its members; so stay active, attend a meeting, write an article, serve on a committee, recruit a new member.

Again, I want to thank all of you for giving me the opportunity to serve as President of this truly great



W. Curt Miller, CPA
President, Alabama Chapter
HFMA

chapter during this past year, and I look forward to seeing all of you in Destin for the Annual Institute as well as all the other Chapter activities for the upcoming year.

Curt



HFMA Annual National Institute 2000

June 25-28, 2000
Walt Disney World
Dolphin
Orlando, Florida

To register or for
more information,

- Online: www.hfma.org
- Toll free: 1-800-252-4362, Option 2

AlaHa Encouraging You to Speak Out!

Many of you have seen the commercials sponsored by AlaHa encouraging viewers to contact their federal lawmakers regarding the impact of the Balanced Budget Act of 1997. As mentioned in our last issue, please do so and encourage your family, friends, coworkers, patients, whoever, to do the same. Unless Congress passes legislation giving Alabama some relief, it could mean devastating effects to the hospitals in our state.

Deloitte Consulting, hired by AlaHa to study the impact of the BBA on Alabama hospitals, has predicted that 70% of our state's hospitals would be operating in the red this year. Plus, 14 of these hospitals are expected to totally run out of cash this year and might close. And the worst is yet to come. With the BBA reducing payments over a five-year period, the amount of reductions will increase this year and the next two years.

AlaHa has made it easy - you can contact your representatives and senators through their website - just log on to www.alaha.com



(Hospital Outpatient PPS Released, continued)

Due to the short implementation time frame, hospitals must focus first on operational readiness, including:

- Is there adequate staff in place to properly CPT code claims?
- Is the charge master accurate?
- Have physicians and non-physician practitioners been educated about the critical need for documentation that can be translated into CPT codes?

Hospitals need to assess the overall financial impact that OPSS will have, as well as perform patient-by-patient adjudication comparisons.



ALABAMA CHAPTER
Healthcare Financial Management Association

2000-2001 Annual Institute
May 30 - June 2, 2000
Sandestin Beach Hilton Golf and Tennis Resort
Destin, Florida

Hotel Information: Sandestin Beach Hilton
4000 Sandestin Boulevard South • Destin, Florida 32541
Telephone: (850) 267-9500

Individuals attending the Alabama Chapter Annual Institute are responsible for making their own room reservations. Please make them as soon as possible . . . other than our reserved room block, the hotel is **BOOKED** during our meeting dates.

Call the *Sandestin Beach Hilton* at (850) 267-9500 and mention HFMA to receive the discount rate of \$170.00.

Registration Information: Contact Paul Graham at
(205) 838-3343, or E-mail: ptgraham@ehs-inc.com

CPE CREDIT: This program has been approved for 20 hours of CPE credit by the Alabama State Board of Public Accountancy for continuing professional education credit. Five of these qualify for Accounting & Auditing CPE credits.

APC's

You've got Questions - We've got Answers!!

Outpatient PPS based on APCs begins July 1, 2000. Are you ready? Do you know the impact on your organization?

Your HFMA Chapter, along with National HFMA is offering several educational opportunities to help you become knowledgeable about this newest payment system.

- Thursday, May 11, 2000
8:00 -12 noon
Medical Forum
Birmingham, AL
"APC's - They're Here"
- Tuesday May 30, 2000
4:30 - 6:00 p.m.
Annual Institute
SanDestin Hilton
Instructional Workshop on Medicare APC's
- Friday, June 2, 2000
9:00 - 10:15 a.m.
Annual Institute
SanDestin Hilton
"Outpatient PPS - A Last Chance Preparedness Assessment"
- Wednesday, May 31, 2000
2:00 - 3:45 p.m.
Audio-Teleconference sponsored by National HFMA
To register contact National HFMA at 1-800-252-HFMA ext. 2
"Ready for APC's"
- Tuesday, June 27, 2000
2:30 - 4:30 p.m.
National Annual Institute
Orlando, FL
"APC's Over the Long-Term"
- Update Topics to be included at the both the Summer Institute and Fall Institutes

Live The Hawaiian Spirit At This Year's Annual Institute

Submitted by Dawn Walton, CPA

What would the Annual Institute be without a couple of Hawaiian shirts showing up at the reception on the pool deck or the banquet. It seems you can always count on Jerry Chambers and Butch Rowell to be in the fashion. Their sense of style prompted me to ask "Where did these shirts come from?" And now you, too, can know the rest of the story....



The History of The Hawaiian Shirt

The Hawaiian shirt... One of the most extraordinary fashion statements in the history of the human race came from ancient Hawaii.

Cloaks of hand-tied feathers.

Tiny feathers of brilliant red, yellow and black. The red feathers were the most highly prized, and an all red cape could only be owned by the highest ranking chief of an island.

The feathers came from fewer than a half-dozen species of small

native birds, birds which have since been pushed to the point of extinction by modern ecological disorders. Hawaiian fowlers caught these birds high in the tree-tops by smearing branches with sticky sap and baiting the goo with berries. After they had plucked the few feathers that were brightly colored, they cleaned the birds with kukui oil, then released them.

In this delicate way, commoners paid their taxes. For the chiefs were always greedy for these feathers. A magnificent cape was proof to the world of a chief's worldly power. He wore it into battle as his insignia. Naturally, every single enemy warrior was itching to nab it.

We can assume that the feather capes traded hands often in violent old ancient Hawaii. Only a chief could own one, today only museums have them.

It is in honor of this ancient tradition that we wear the Hawaiian shirt...so we can all be "the King."



-Information from Leilani Traders Web Page-

The Dos & Don'ts of The Hawaiian Shirt

- A Hawaiian shirt should never be tight - loose and generous is the Aloha Spirit.
- A Hawaiian shirt is supposed to hang off your shoulders. This isn't a button-down dress shirt you're wearing. So relax.
- Caring for your Hawaiian shirt is of utmost importance. Hawaiian shirts thrive best in cold water and line drying. Natural buttons, such as tagua nut, coconut and bamboo, authenticate a Hawaiian shirt but are sensitive to temperature extremes and can crack.
- Most often Hawaiian shirts are made as limited editions - when you see one you like, grab it. When they're gone, they're gone.
- Where can you find authentic Hawaiian shirts? May I recommend:

www.leilanitraders.com

www.kahalatrading.com



MGAM Contest Deadline Approaching Fast!

by Pollyanna Brannan, Membership Council Chairperson

Can you believe we are finishing another year with HFMA? And the excitement of announcing our Member-Get-a-Member winner is growing! We will announce this lucky winner at the Annual Institute. The member with the most new recruits will win a fabulous 3 day/2night stay at the SanDestin Hilton Beach Resort. The **DEADLINE** for submitting/correcting member sponsorships for the contest is **May 22, 2000**, so don't delay!

Check your standing below and send any updates or corrections to Pollyanna Brannan at 1-800-264-2700 ext. 213. Even though this year's contest is drawing to an end, it is never too late to share HFMA with a friend. Continue to RECRUIT! RECRUIT! RECRUIT!



Richard E. Anthony, Jr.*
CashRetriever Systems, Inc.

Clark L. Bailey*
Winning Healthcare Solutions

Ross Bartee
Network Data Operations Rep.
Recruited by C. Shannon Lavett

Amy L. Bess*
Mizell Memorial Hospital

Deborah Blackmon*
Decatur General Hospital

Pamela A. Blazer*
University of Alabama at Birmingham

Julie C. Buford
Baptist Health System, Inc.
Recruited by Kevin S. Sheppard

Sonya C. Busby
Carraway Methodist Medical Center
Recruited by Ronald A. Evans

Justin K. Clark*
PricewaterhouseCoopers LLP

Temple Cole*
South Baldwin Regional Medical Center

Andrea L. Glover*
Sentry Physicians Services

Joseph E. Hawley*
American Family Care

Cecelia Carter Hill*
Beason & Nalley, P.C.

Kathy B. Hill*
Southeast Alabama Medical Center

Larry J. Hughes*
ICON

Shon Eric Ingram*
Holloway Credit Bureau Companies

Phillip W. Langston*
CashRetriever Systems, Inc.

Natalie P. Lovvorn*
MEDCO Services, Inc.

Terry McCullers*
Alabama E.R. Services

Randall L. Moon
Blue Cross and Blue Shield of Alabama
Recruited by Beverly A. Floyd

Michael F. Pou*

Jan N. Swiderski*
East Alabama Medical Center

Debra H. Tennyson*
Auburn University

Margie A. Trammel
Bessemer Carraway Medical Center
Recruited by Leigh B. Wright

* Please call us with your sponsor's name.

Member-Get-A-Member Sponsor Standing

SPONSOR	TOTAL RECRUITED
Amy Allen, Baptist Health System, Inc.	2
Elaine Averett, Grove Hill Memorial Hospital	1
Jules E. Avrard, III	1
Pollyanna Brannan, Holloway Credit Bureau Companies	1
Paul Burchfiel, Eastern Health System, Inc.	1
David Cashio, Decatur General Hospital	3
Doug C. Dewberry, George H. Lanier Memorial Hospital	2
Ronald A. Evans, Carraway Methodist Medical Center	1
Beverly A. Floyd, Blue Cross and Blue Shield of Alabama	1
William L. Henry, Jr., Blue Cross and Blue Shield of Alabama	1
Gwendolyn Johnson, Providence Hospital	1
David S. Kasuba, Warren, Averett, Kimbrough & Marino	1
C. Shannon Lavett, Blue Cross and Blue Shield of Alabama	1
Yolanda Rich, Baptist Health System, Inc.	1
Kevin S. Sheppard, Baptist Medical Center	1
Nancy R. Strachan, Thomas Hospital	2
Kerry W. Vermillion, Cullman Regional Medical Center	1
Dawn Walton, CACH HMO, Inc.	2
Leigh B. Wright, Bessemer Carraway Medical Center	1
TOTAL NEW MEMBERS RECRUITED FOR 1999/2000	77

MGAM LEAD RECRUITER

David Cashio at Decatur General Hospital is now in the lead with 3 recruits.

As you can see, Amy Allen, Doug Dewberry, Nancy Strachan and Dawn Walton all have 2 recruits each. So make a big year-end push and get those recruits lined up, signed up and on our list!

In the event of a tie, we will draw names from all the lead recruiters.

To receive applications for new members or additional information, please call Pollyanna Brannan at 1-800-264-2700 ext. 213.

New Member Reception

On Tuesday evening, May 30 at the Annual Institute, there will be a New Member reception held from 5:30 - 6:00 p.m. Veteran members, please make every effort to attend.

Healthcare Financial Management Association

Alabama Chapter 2000 Member Survey

A requirement of the Davis Chapter Management System is to annually survey the membership to ascertain member satisfaction regarding chapter products and services, priorities, direction and management practices. The Quality Committee requests that you complete the survey and return it to Phil Cusa. The Quality Committee will tally the results and report back in a future issue of Bama Chatter. Note: this is the same survey that was mailed to members in April. If you have already completed and returned it, no need to again - if not, please take a moment and fill it out. We want to know your thoughts and suggestions.

1. How satisfied are you with the following aspects of education programs and services sponsored by the HFMA Alabama Chapter?

	VERY SATISFIED	SATISFIED	DISSATISFIED	VERY DISSATISFIED	DON'T KNOW
a. Education programs overall	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. Topics addressed	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c. Speakers at education programs	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d. Location of programs	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e. Cost of programs	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
f. Frequency of programs	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
g. Social activities overall	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
h. Opportunity for involvement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

2. Please rank the top three most important factors in your decision to attend chapter meetings. (Write one through three)

_____ Location of meetings	_____ Speakers
_____ Topics offered	_____ Family activities offered
_____ Time of month meeting held	_____ Social events
_____ Cost of hotel accommodations	_____ Networking opportunities
_____ Registration costs	_____ Type of site (hotel, resort, hospital meeting facility, etc.)

Does the HFMA Alabama Chapter need to improve those factors that you ranked 1 through 3? (Check one response for each item.)

	NO IMPROVEMENT NEEDED	NEEDS IMPROVEMENT	IF NEEDS IMPROVEMENT PLEASE OFFER SUGGESTION
a. Item ranked #1	<input type="checkbox"/>	<input type="checkbox"/>	_____
b. Item ranked #2	<input type="checkbox"/>	<input type="checkbox"/>	_____
c. Item ranked #3	<input type="checkbox"/>	<input type="checkbox"/>	_____

3. Concerning educational programs in general, should more time be allotted per speaker so that the speakers can (check one):

a. Go more in depth in their topic?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
b. Offer more time for discussion/question & answer?	<input type="checkbox"/> Yes	<input type="checkbox"/> No

4. If you have not attended any chapter programs this year, please check each item that has prevented you from attending (select as many as apply):

a. Inconvenient timing of programs: can timing be improved? _____

b. Work obligations _____

c. Program locations: suggest locations? _____

d. Program costs _____

e. Lack of relevant programming: what topic would be relevant? _____

5. How interested would you be in attending an HFMA chapter education program on the following topics? (Please check one response for each item):

	VERY INTERESTED	SOMEWHAT INTERESTED	NOT INTERESTED
a. Patient Financial Services	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. Managed Care	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c. Integrated and other forms of complex delivery systems	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d. Government and other Third Party Reimbursement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e. Strategic Planning and Budgeting	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
f. Capitation Accounting	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
g. Accounting and financial reporting	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
h. Professional and personal development	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
i. Long Term Care	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
j. Ambulatory Care	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
k. Physician Relations/Medical Groups	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
l. Policy and legislative issues (HC reform)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
m. Utilization/Quality Management	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
n. Case Management	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
o. Medical Ethics	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
p. Re-engineering	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
q. Education toward certification	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
r. Compliance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
s. Rural Health Issues	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
t. Leadership development	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
u. Other Specify: _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

6. Please indicate your level of awareness and satisfaction with each of the following services of the HFMA Alabama Chapter:

CHAPTER SERVICE	NOT AWARE OF	AWARE OF DISSATISFIED	AWARE OF NO OPINION	AWARE OF SATISFIED
a. Newsletter	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. Directory	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c. Employment Referral	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

7. What is the maximum price for accommodations you would be willing to pay in order to attend a chapter meeting?

\$ _____ per night (resort) \$ _____ per night (non resort)

8. Which day of the week is most convenient for you to attend a chapter education program? (Check two):

<input type="checkbox"/> Monday	<input type="checkbox"/> Thursday
<input type="checkbox"/> Tuesday	<input type="checkbox"/> Friday
<input type="checkbox"/> Wednesday	<input type="checkbox"/> Weekend

9. How many education programs will your employer pay for each year? _____

Member Survey, continued

10. Total number of education programs you attended in the past year? _____
11. How many of the education programs you attended were HFMA activities? _____
12. How many years have you been an HFMA member? _____
13. Are you more or less involved in chapter activities than in prior years? (Please check one):
 More Same Less
14. In the following list of matrix committees, please check those that you would be interested in serving on:
 Council on Projects
 Council on Publications
 Council on Programs
 Council on Directory
 Council on Membership
 Council on Professional Excellence
 Past Presidents Advisory Council
 Patient Financial Services Council
 CFO Forum
 Awards Council
 Pro-Action Council
 Quality Council
 Corporate Compliance Officers Council
 Information and Technology Council
15. Would you be interested in becoming certified (CHFP or FHFMA)? (Please check one): Yes No Need More Information
16. Which one of the following best describes your job title? (Please check one):
 Executive Officer, including CEO, COO or Administrator
 Financial Officer, including CFO or VP for Finance
 Financial Director, including Director, Assistant Director or controller
 Operational Staff, including Accountant, Internal Auditor, or Financial Analyst
 Business Office Manager or Patient Financial Services Manager
 Other manager/supervisor (please specify): _____

 Consultant, including staff of an accounting firm, attorney, or independent consultant
 Other (please specify): _____

17. Which one of the following best describes your employer? (Please check one):
 Hospital
 Ambulatory Care Facility
 Home Health Agency
 Long Term Care Facility
 Physicians Group Practice
 Multi-facility Corporate Headquarters
 Managed Care Organization
 Integrated Delivery System
 Consulting Firm
 Accounting Firm
 Insurance Company
 Healthcare Equipment Dealer
 Law Firm
 Sub-acute Care Facility
 Bank or Brokerage Firm
 Other; please specify: _____

If you could make one change to the HFMA Alabama Chapter, what would that be?

Would you like to offer any additional comments?



THANK YOU FOR YOUR PARTICIPATION!

Please fax the completed survey to Philip Cusa at (334) 990-1498, or

Mail to: Philip Cusa, FHFMA
 Associate Administrator/CFO
 Thomas Hospital
 750 Morphy Avenue
 Fairhope, AL 36532

If you have any questions, call Phil at (334) 990-1510.

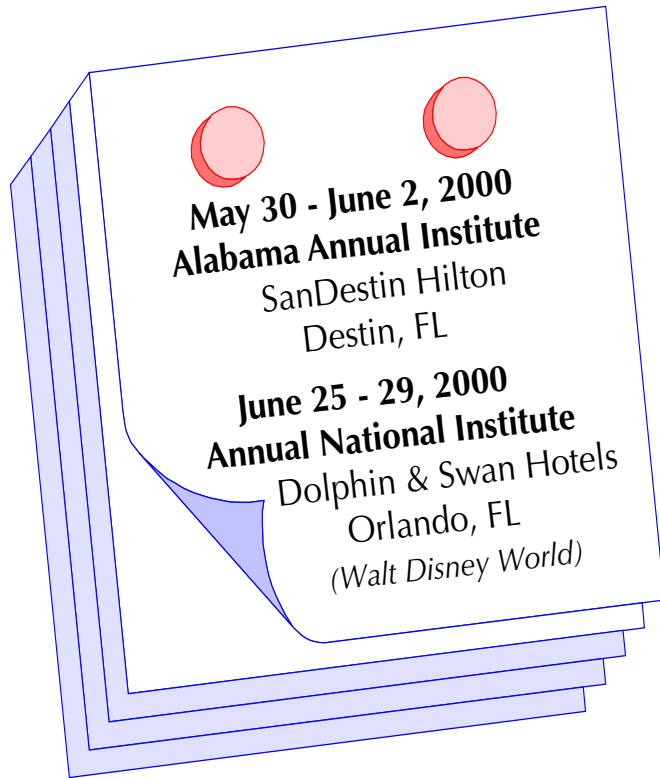
OPTIONAL INFORMATION

Name _____

Organization _____

Telephone _____

Mark Your Calendars Now & Make Plans To Attend ...



LOOKING AHEAD

In the upcoming issue of *Bama Chatter* watch for updates from both the Alabama and National Annual Institutes.

Dawn Walton, CPA

Editor

CACH HMO, Inc.

1600 7th Avenue South

Birmingham, Alabama 35233

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