



first illinois speaks

A Newsletter from HFMA's First Illinois Chapter

October/November 2006

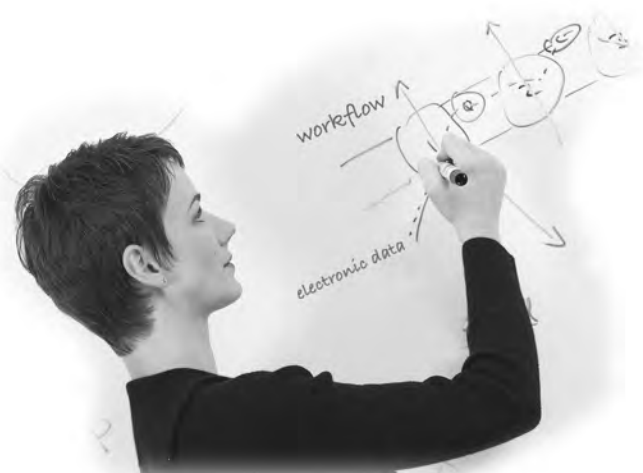
Courage

IN LEADERSHIP

Strategy Management Systems for Comprehensive Revenue Cycle Management

BY BRIAN SAVAUGEAU

A strategy management system for revenue cycle management offers the potential for significantly improving operational and delinquency performance for healthcare providers of various sizes and types. Many of these solutions, sometimes referred to as adaptive control systems, are geared toward supporting a variety of decision-making activities such as authorizations, payment plans, deductibles, charity and deferments.



INSIDE:

Highlights and Recap
First Illinois Chapter Events

May 2006 CFO Committee
Golf Outing

June 2006 ANI Recap

July 2006 First Illinois Chapter
Transition Dinner

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The healthcare industry has been under significant consolidation pressure during the past decade. These organizations are challenged with efforts to combine multiple legacy systems, develop common user interfaces and analyze performance metrics across the organization. During the same time, new adaptive technology allowed institutions to replace or supplement existing systems. Interestingly, smaller organizations also have benefited from new decision technology in terms of affordability and availability, freeing resources to continue servicing their communities healthcare needs

Hospitals and health care providers are burdened with consumer debt. This factor must be taken into account when planning and implementing strategies for improving operational efficiencies throughout the complete revenue cycle management process. The purpose of this article is twofold: to explore the key components of a comprehensive revenue cycle management strategy and to assess the features of customized software and applications service provider offerings in the market place.

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President's Message



As summer draws to a close, the heart of our chapters year is fast approaching. Our education programs start in September with "Access Gone Wild", our joint sponsored program with AIPAM. The upcoming months will find multiple education programs ranging from Accounting, Managed Care, Receivables, IT and Reimbursement issues. During these programs we plan to provide our usual high quality educational tracks that meet our chapter needs.

This year we are also planning opportunities for our membership to come together in more social settings to allow networking and idea sharing to occur. Our first such event was on September 19th at U.S. Cellular Field to watch the World Champion Chicago White Sox battle the Detroit Tigers for supremacy in the American League West. Sorry Cub Fans, maybe next year!!

Look for a second networking event in the spring as we continue to strive to provide multiple options for our membership to reap benefit from their membership, whether that is via our traditional educational programs our award winning newsletter or our many other efforts to participate in the chapter.

Participation is the key and the challenge I put before every member; find the mechanism that best works for you to both reap benefit from our chapter efforts, but also to give back to both the chapter and association for the betterment of healthcare in our market. It is only through giving of your time and experience that the chapter can continue to prosper. 🍀

Sincerely,

Vince Pryor
President
First Illinois Chapter HFMA

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First Illinois Chapter HFMA 2006-07 Officers and Board of Directors

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President-Elect	James Watson
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Eleanor Michalek, Carl Pellettierre, Elizabeth Simpkin,
Sylvia Sorgel

First Illinois Chapter News, Upcoming Chapter Events & Committee Updates

Accounting and Reimbursement Committee:



The First Illinois Chapter, for the first time, will offer a dual track program that includes both the Accounting and Reimbursement Educational Program as well as the Revenue Cycle Program. The A/R program for this chapter year will take place on:

Thursday, January 18th, 2007
William Tell Inn, Countryside.
Time: To be announced

Co-Chairs Pat Moran and Brian Katz are currently in the planning phases of the program and all volunteers are welcome to share their insight and expertise. For more information, please contact either Pat or Brian at the following:

Pat Moran – 312-602-3549
Brian Katz – 312-665-5652

CFO Committee:

As in previous years, the CFO Committee will begin planning their annual education program followed by golf. The date for this year's outing is Friday, May 4th, 2007 however, a final location has not been determined. Co-Chairs of this year's CFO Committee are Jeff Rooney and Guy Alton.

Education Committee:

The HFMA Education Committee kicked off its annual chapter program on Tuesday, August 22nd, 2006. Held at the DuPage Club, Committee chairs Brian Sinclair and Liz Simpkin facilitated the annual meeting of chapter committee co-chairs. The goal of the education committee is to ensure that the individual committees chairs are familiar with the procedures and deadlines involved in getting one of the programs off the ground. Discussion points included deadlines for mailing, brochure production and general timetables for planning to share with committee members as well as identifying roles and responsibilities for the committees and their chairperson. Both Brian and Liz will be available throughout the year as questions arise.

Information Technology Committee:

The 2006-07 Information Technology Committee planning activities are currently underway for the annual IT program entitled "Interoperability: Vision, Execution and Funding of One of the Political Season's Hottest Topics". This year's educational program date is:

November 16th, 2006
7:30 a.m. to 1:00 p.m.
ARAMARK Headquarters
2300 Warrenville Road
Downers Grove, IL 60515

Committee Co-Chairs for this year are:

Eric Tate, (630) 799-8210
Greg Wimbrow, (815) 790-9502

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In Memoriam In Remembrance of Harold Staidl



It is with sadness that The First Illinois Chapter recently learned of the passing of one of its longtime members and former Chapter Presidents, Harold J. Staidl.

Harold Staidl became a member on November 1, 1966 and remained an active dues paying member until his passing, despite the fact that he was retired.

He served the chapter tirelessly through the years and received numerous awards in recognition of his contributions and service to First Illinois, including the following:

- First Illinois Chapter President – 1973/74
- William G. Follmer Bronze Award – 1974
- Robert H. Reeves Silver Award – 1978
- Frederick T. Muncie Gold Award – 1983
- Alice V. Runyan Chapter Achievement Award – 1982; this award recognizes members for outstanding achievements and dedicated service and contributions to the chapter – Harold was one of 9 individuals who have received this distinguished honor.
- Founders Medal of Honor – 1991
(5 Years before Bob Shelton, another longtime contributor to the First Illinois Chapter!!)

Harold and his wife Shirley retired several years ago to Fort Myers, Florida – in spite of the distance, Harold remained in close contact with the Chapter through First Illinois Speaks, and his surviving son, Al Staidl. Harold is survived by his wife – Shirley and his son (also a First Illinois member) Alan and a large loving family. Our collective thoughts are with his family and he will be truly missed.

Just few short words about my dad, Harold Staidl.
He was a wonderful man who had a great healthcare career.
We had a great relationship, more so as brothers than as father/son.

We were definitely golfing buddies!
I miss my dad. But I know he is in a better place now where he can dwell in peace and comfort, free from the trials, tribulations, and pain which often accompanies the human life condition.
While it is good that I know the pain of his loss, I also know that this will diminish with time.

However, all my memories shall allow him to live in my heart forever.

— Alan Staidl

Harold Staidl was one of those First Illinois Chapter members who always stood out in your mind. It was difficult to forget him

because one of the most valued gifts he gave to the Chapter was his son Al. Knowing Al, you knew he came from good stock.

I recall information from the Chapters 50th Anniversary History that indicated that in Harold's year as Chapter President (1973/74) a splintering of the Chapter was averted when there was discussion of a "separate division" being set up "for the newly merged credit managers group" that occurred during his term.

Harold's long-term (over 35 years) and knowledgeable involvement with the Chapter was evidenced by his participation in the writing of the 50-year history along with other notables, Bob Shelton and Bob Hamann.

Harold received every Founders Merit Award available between 1974 and 1983, the Alice Runyan Chapter Achievement Award in 1982 and was a Medal of Honor Award recipient in 1991.

He loved his golf and was a fixture at the annual outing, even after his retirement. One of my fondest memories of Harold and his wonderful wife Shirley was their hosting of the Chapter's Installation of Officers event at Edgewood Valley Country Club. That, as he, was a Class Act.

- Dick Zeiler, First Illinois Member; Past President, First Illinois 1978/79; fellow recipient, Alice V. Runyan Chapter Achievement Award, 1986

Tall and distinguished, always a smile on his face...that is how I remember Harold Staidl. He was a leader, an encourager, and was instrumental in advancing the prominence of HFMA and the First Illinois Chapter.

Harold dedicated hundreds of volunteer hours to the Chapter before, during and after his year as Chapter President. He played such a key role in the success of the Annual Golf Outings and the Annual Social Events (dinner dances), and he also served as the Chapter Historian.

He was a golfer extraordinaire and had a great sense of humor. On the personal side, Harold was one of only a handful of people to significantly impact my life and career! He asked me to join the Golf Committee in 1975, which sparked my involvement in HFMA and contributed to my career advancement.

What started as a business relationship blossomed into a friendship with Harold, his wife Shirley and later his son, Al and wife Marianne. All who knew him will miss him!

— Sue Petru, First Illinois Chapter Member,
Past President 1984/85, fellow recipient
– Alice V. Runyan Chapter Achievement Award, 1988

Al Staidl's father? That guy Harold? Wait a minute...isn't he too young to be Al's father? That was my first impression when I first met Harold...the man who always had a smile, greeting everyone as a friend. Finally I learned that Al and his father were called the "Staidl Brothers." What a "brother" in Harold. One of the many nice attributes about Harold is that when you asked "how are you doing" not only did you never get a litany of complaints as is often the case, but instead he turned the question around and asked you how you doing...he rose past his own interests and made you feel like you were the most important person when you were with him. This is a rare quality and one which deserves emulation. Too often we are so selfishly self absorbed that we forget that others would like some recognition and acknowledgement. When you walked away after having chatted with Harold, you always felt really good about that encounter.

To Al, on the loss of your "brother" and to Harold's wife and grandchildren and family, we extend our sincerest sympathies. I was honored to have known Harold. May he rest in peace.

— Elaine Scheye, First Illinois member and Chairperson,

From the Editors



Welcome to the official New Chapter year, and let us take this time to thank HFMA President Vince Pryor and the remainder of the First Illinois Board of Directors for allowing use the opportunity to be your Newsletter Committee.

And we are your committee. One of our primary goals is to make sure we produce a newsletter that is of value to our membership. We see that goal being met by:

1. Publishing articles and information that have relevance to today's environment.
2. Providing and promoting HFMA resources to membership
3. Seeking membership's input to the content of the newsletter.

In this issue, we have featured an article on the importance of well functioning systems and their impact on an organization's overall revenue cycle management capabilities.

We continue to search out the optimal layout, balance of articles and updates, and content structure to serve you, the chapter membership, in the most beneficial manner.

As you will note, we have also dedicated a portion of the newsletter to update you an HFMA events. HFMA provides many resources to its membership, at local, regional and national levels. Every once in awhile, we like to remind chapter members of the resources available and update them on events and other HFMA news. An example of this is the HFMA websites – if you have not checked them out lately, you may want to see for yourself the breadth and depth of the national website – www.hfma.org and our own First Illinois chapter website – www.firstillinoisHFMA.org. Improvements are always on the way – be sure to check back often!

We continue to look for articles and insights for publication topics, so if you are interested in submitting an article for publication, please let us know. Most of us aren't professional writers, so don't worry about style. If you have an idea of content and substance, we will work with you to get it in the right form. Listed below are topics slated to appear in the coming editions:

- Pay for Performance Contracting Issues
- Impact of PEPPER reports
- Transparency in Pricing
- Coding and Reimbursement Strategies
- Managing capital pools
- Asset servicing and the management of risk
- Increasing Company Margins

We continue to be appreciative of the sponsors that continue to support HFMA, both at a national level as well as specific to the First Illinois Chapter. Their sponsorship allows a great deal of educational program and value to be brought to the membership at large – consider that their industry expertise and willingness to provide educational support ultimately benefits you as the member. We look forward to their continue support for the coming year.

Please free to contact any of us if you have any questions/comments/suggestions or if you are interested in volunteering your efforts towards *First Illinois Speaks*. We are looking forward to another great year of information sharing and education! ☺

Coming in Next Month's *First Illinois Speaks*

Coming in the December issue of *First Illinois Speaks*

Σ
HFMA 101 – It's All About You

Σ "Access Gone Wild"

Σ "Magical Mystery Tour" summary

Σ Performance Based Contracting Issues

Σ PEPPER Reports and Compliance Issues

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TECHNOLOGIES

HFMA Events

CFO Committee Education Session Golf Outing

May 6, 2006

The 12th Annual CFO Committee Education Session/ Golf Outing was held on Friday May 6th at the Calumet Country Club. The education session focused on the difference between the Electronic Health Record and Electronic Medical Record and was attended by over 70 healthcare executives as well as reporters from Modern Healthcare.

Former National HFMA Chair Ron Long and Alex Rodriguez from the health Alliance of Greater Cincinnati led a great presentation on the pitfalls, opportunities, and lessons learned from implementing a RHIO.

First Illinois President Vince Pryor and Marilyn Wilson of Kurt Salmon and Associates presented selecting an EMR system – Issues and Implications and shared their experiences at Ingalls Health System.

Shana Jones led a wonderful discussion with many practical ideas regarding her experiences implementing an EMR and the promises and pitfalls of doing so.

Jeff Rooney of Rush North Shore Hospital led a great panel discussion with the speakers and audience regarding EMR and HER and where healthcare is going. We would have gone on forever, but for a beautiful day out-

side and a lovely golf course with super fast greens.

Everyone enjoyed the golf and the weather. A good time was had by all at the Calumet Country Club. Our thanks to Dave Nelson of SSM St. Francis Hospital for arranging the outing.

Save next year's date of May 4th, 2007 for next year's outing. ☘



Shana Jones



Jeff Rooney

HFMA Events

First Illinois Chapter Transition Dinner

July 18, 2006



Al Staidl and Jim Heinking

Over 100 1st Illinois Chapter HFMA members attended the annual transition dinner, held at the Wyndham Drake Hotel – Oak Brook on Tuesday, July 18th, 2006.

The evening's program kicked off with a reception hour, which provided HFMA member, both veteran and newcomers alike, the opportunity to socialize and discuss pressing healthcare issues. After the reception concluded, the dinner turned to business related issues – outgoing president James Heinking provided highlights of the successes of the 2005-06 Chapter Year, including welcoming the incoming 2006-07 Chapter President – Vince Pryor. Following introductory comments, as well as a presentation of awards for the 2005-06 year, Pam Burns, Regional Executive for Region 7 conducted an official induction of all officers and board members for the 2006-07 year.



Janet Blue

Vince Pryor took the opportunity to present 2005-06 committee chairs for with personalized tokens as a thanks for their efforts during the previous year – additionally, several chapter leaders were also recognized at the local dinner for receiving awards at the national ANI in June 2006. Those awards represented specific efforts in enhancing Chapter initiatives. Following the awards and installation, Vince Pryor – 1st Illinois Chapter

President for 2006-07 – outlined his goals for the coming chapter year and announced recent Founders Points award recipients – present to receive her Follmer Bronze Award was Mary Ann Klis. Jane Bachmann, Directory Chairperson, was also highlighted as a chapter Medal of Honor recipient.



Jim Watson



Pam Burns



Kent Radar

The evening was not all work and no play – to ensure the evening did not end on a serious note, new entertainment joined the HFMA audience for this year – comedian Kent Rader entertained the group to close out the festive evening,

providing a humorous perspective of being a health-care professional in a complex environment.

Judging by the turnout and camaraderie, the evening was a tremendous success and the First Illinois Chapter looks forward to your attendance at the 2007 Chapter Transition Dinner. ☘



Mary Ann Klis & Vince Pryor

HFMA Events

HFMA's 2006 Annual National Institute

June 17-20, 2006

The First Illinois Chapter was well represented at HFMA's 2006 Annual National Institute held June 17-21 in Orlando, Florida.



Outgoing Chapter President Jim Heinking after receiving First Illinois 7 chapter awards

This year's conference was a great success, featuring an all-star lineup of speakers, including Lesley Stahl, David Gergen, Pat Williams and Fred Lee; 74 breakout sessions and an exhibit hall filled with 250 leading healthcare vendors. As attendee Rich Cohan, Vice President, Corporate Responsibility/Chief Audit Executive for Exempla Healthcare put it:

"This was a fantastic ANI. The keynotes and educational sessions were very well coordinated and the quality absolutely superior. My friends and peers commented on how well the goals of ideas, tools and results were achieved. I whole-heartedly concur.

The First Illinois Chapter was represented well at the Awards Ceremony, taking home 6 awards for achievement during the past chapter year. The First Illinois Chapter was recognized for the following:

- Silver Award – Membership Retention
- Yerger Award for Membership
- Yerger Award for collaboration
- Yerger Award for website achievements
- Chapter Award for certification efforts



Members of the First Illinois Chapter delegation at the Chapter Awards Dinner

Seated – Left to Right Alexis Washa, Susan Adams, Vince Pryor; Standing – Left to Right Brian Washa, Liz Simpkin, Jim Watson, Jim Heinking, Cathy Jacobson, Martin D'Cruz



Outgoing Chapter President Jim Heinking with out HFMA Chairman Rich Rodriguez and new Chairman Joe Fifer.

Committee Updates continued from page 2

Managed Care Committee:

This year's annual Managed Care Education Program will take place on:

Thursday, March 15th, 2007
William Tell Inn, Countryside
Times to be announced

Kickoff meetings are scheduled throughout the fall; for more information, please feel free to contact the committee Co-chairs for this year:

Cathy Peterson – 773-580-6800
Denise Cameron – 773-250-1119

Medical Group Practice Committee:

The 2006-07 Medical Groups & Physicians Committee is accepting any and all volunteers to help plan this year's educational program.

The program will again be an all-day educational session:

Thursday, February 15th, 2007
Law offices of Gardner, Carton and Douglas, Chicago

Planning meetings for the committee are scheduled to begin in October of 2006. For more information or to sign up, please contact Committee Chair Elaine Scheye at 773-989-9315 or at elaine_scheye@thescheyegroupltd.com.

Membership Committee:

2006-07 hopes to be another promising year for membership growth in the First Illinois Chapter, according to Janet Blue, Chairperson of the 2006-07 Membership Committee. As of July 31st, 2006, the 1st Illinois Chapter has 1,283 active members. For questions about committee participation or membership in general, you may contact Janet at 630-916-1166, Ext. 120

Annual HFMA Golf Outing Committee:

As in past years, mark your calendar for the annual First Illinois HFMA chapter golf outing – the Friday right before Labor Day! Friday, May 25th, 2007. For those relatively new to HFMA or

who have never participated in the outing previously, the day is a combination of good golfing, the opportunity to win prizes and socialize with fellow HFMA members and enjoy a good BBQ dinner!

Planning for the outing will begin during the fall season – if you are interested in helping plan the event, or have general questions, please feel free to contact either of the committee chairs for 2006-07:

Ron Hennings, (630) 424-4016
Dan Cook, (312) 523-6041

Revenue Cycle Committee:

The First Illinois Chapter recently offered a dual track program in conjunction with the Accounting and Reimbursement Committee – over 120 participants attended a full day of timely presentations with a variety of speakers – Look for a program summary in the December issue of *First Illinois Speaks*. ☺

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First Illinois Outlines Its 2006–2007 Strategic Plan

BY PAULA DILLON

EXECUTIVE SUMMARY

The First Illinois Chapter continues to be a viable organization of healthcare professionals and interested individuals who are dedicated to provide education and networking opportunities to the general chapter membership. The chapter officers, board of directors and committee volunteers performed a self-assessment on strategic plan goals at the April 2006 Strategic Planning Session.

The environmental observations and essential issues are summarized in the Executive Summary. The Strategic Plan outlines our guiding principles, business and strategic direction.

ENVIRONMENTAL OBSERVATIONS

An understanding of the environment in which the Chapter provides services to its members is crucial to identifying strategies and setting goals. Over the last two decades, the restructuring of the US economy into a global economy, the rapid acceleration of technological innovation, the increasing speed at which information is disseminated, and the changing demographics as baby boomers have aged has initiated tremendous changes within all industries. The impact of these changes within the healthcare field is outlined below:

Transformation

1. As the evolution in the managed care environment continues, strategic imperatives focus on methods to decrease costs while improving productivity and quality.
 2. Evolving reimbursement such as consumer driven savings plans will place the choice for healthcare services directly in the hands of the consumer
 3. Although less invasive treatment options have reduced the need for lengthy and costly hospital stays, healthcare costs have continued to increase. These costs are associated with new advanced technologies, high-end diagnostic tests and procedures, and new drug therapies. All of which are in demand today from consumers and their physicians.
 4. As Healthcare providers apply innovative strategies to enhance market position and build strategic alliances, the federal government is increasing its efforts to identify and prosecute fraudulent and abusive activities. The Sarbanes Oxley Act or "SOX" is a US law passed in 2002 to strengthen corporate governance and restore confidence in the organization.
 5. What does SOX address?
 - a. Establishes new standards for Corporate Boards and audit committees
 - b. Establishes new accountability standards and criminal penalties for corporate management
 - c. Establishes new independence standards for external auditors
 - d. Establishes a Public Company Accounting Oversight Board (PCAOB) under the Security and Exchange Commission (SEC) to oversee public accounting firms and issue accounting standards.
6. Rapidly transforming healthcare environment has created a tremendous need for information, not just for clinical and operations management, but for strategic decision making. HIPAA issues combined with changing information needs are driving the largest systems upgrades and replacement activity ever seen.
 7. Not-for-profit hospitals are facing more stringent Internal Revenue Service filing requirements. In Illinois and across the United States, the not-for-profit hospital is regularly defending tax exempt status. Current trends at hospitals are to dedicate resources and develop audit committees with mostly independent standing. The primary function of the audit committee is oversight of the operating practices of the hospital.
 8. Employers and consumers have access to information as never before and have increased their demand for high quality healthcare service and cost accountability.
 9. When Managed care first emerged and became prevalent in the market, risks were shifted from

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For further information:
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cpellettieri@pellettieri.net



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insurers to providers. Providers reacted by building larger delivery bases in order to assume those risks and worked on reducing costs while broadening their service lines to provide a comprehensive and seamless continuum of care.

Now, as managed care penetration has reached a plateau costs are shifting to employers and employees in the form of higher healthcare premiums, higher co-payments and deductibles, and/or tired co-payments.

Consolidation

System development and market consolidation are ongoing both within the provider and payer segments.

The challenges facing healthcare employees are enormous as employers redefine themselves at an ever increasing pace. At the same time the employee market is tight with quality talent in short supply.

As traditional market segments wane and positions are streamlined, healthcare employees are encouraged to have multiple and diverse talents and must continually redefine themselves. The need for continuing education and development of new skills has become paramount to employee survival.

IMPACT ON FIRST ILLINOIS HFMA

Overall the need for ongoing education and opportunities for professional networking has never been greater. At the same time workdays have lengthened and pressures for improved productivity have heightened at the expense of personal hours available for family, friends and ones self. Furthermore, employers have reduced allocations available for professional membership and educational fees. Ironically the options for professional education and interaction have grown exponentially, creating a dilemma for professional organizations seeking to grow or even maintain their membership base.

ESSENTIAL ISSUES

Based upon the national and local environmental picture described above, the following are Essential Issues that were used to establish the goals and strategies to guide the Chapters future direction:

1. Employees are the greatest assets of a service organization. Their ability to obtain and utilize knowledge effectively maximizes their value to the organization and to their ongoing career development.

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2. Healthcare employees currently require a much broader scope of knowledge and more diverse skills to remain competitive and successful.
3. While HFMA is a personal (versus corporate) membership organization, its activities benefit not only the individual, but the employer as well by helping with staff development.
4. Members are shifting into different healthcare settings as the healthcare industry evolves.
5. The length of time an individual remains with a single employer is decreasing
6. The value of membership in relationship to its cost will continue to receive scrutiny; value is likely to increase dramatically with participation.

CORE VALUES

- **Excellence** – We believe in excellence in all that we do. We strive for a consistent and high standard of quality in each endeavor.
- **Teamwork** – Teamwork involves a strong partnership with members and voluntary leadership.
- **Innovation and Creativity** – Innovation and Creativity allows each member to express their work in interesting and unique forums.
- **Fiscal Responsibility** – Allows the chapter to continue to provide quality programs.
- **Resource** – Serve as a source of information, education and training for our membership.

FIRST ILLINOIS CHAPTER STATEMENT OF DIRECTION

The purpose of this strategic planning document is to clearly state the goals that the Chapter has established and plans to meet over the next year. The statements of direction, goals and action plans will be used by the Chapter’s Governing Board to direct the Chapter activities. The following are six statements of direction for the 2006 – 2008 year:

GOALS AND ACTION PLANS

1. Develop Education Program “Joint Venturing” with one new organization. The chapter will provide the resources to explore opportunities to partner with a known professional association and provide at least one new education program. The outcome will be expanded revenue base through the strategic partnership.
2. Develop Education Programs or settings that meet the memberships need in regard to timeliness and urgency of information. Such “Hot Topics” will be considered for webinars, audio conferences, email blast updates or special meetings.
3. Identify and Develop new chapter mentoring program. In order for the chapter to grow and thrive, new members must become involved in the organizations operations and recognize the

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Strategy Management Systems for Comprehensive Revenue Cycle Management (continued from page 1)

Understand the key components

They key components of a successful strategy management system for revenue cycle management include authentication solution, decision making technology, predictive scoring, analytical reporting, and business consulting and support. This combination provides for comprehensive and powerful solutions that do not necessarily equate to overwhelming complexity.

Authentication Solution

It all starts here. The increasing incidence of identity theft and fraud is having a growing effect on your bottom line. Never before has it been so critical that all of a patients information is verified and that you ensure that your customer is who he or she claims to be.

Allow the provider to determine the likelihood that the true consumer/ patient supplied the identifying information with flexible solutions that work in a real time environment. Use systems that focus on the importance of using multiple sources to certify the accuracy of patient provided data such as addresses, social security, and telephone numbers.

Decision Technology

The decision engine is the core machine driving information into actionable recommendations. Since the primary aspect of revenue cycle management is to maximize receivables and minimize costs, decision-making should be based on the evaluation of current strategies, historical performance and business policies.

Automated decision making is critical to risk management. Decisions may be based on a variety of data points in real time at the initial point of contact, creating operational efficiencies. This allows for point of contact staff, regardless of their level of credit training or experience, the ability to make immediate and informed decisions. There by freeing resources, while not inconveniencing the patient. Accounts can be segmented into distinct groups and then assigned specific actions.

Predictive Scoring

The purpose of predictive scoring is to eliminate the need for judgmental assessment when considering patient behavior. The scoring engine component takes raw data and transforms it into a simple, actionable score. Examples of scores used in

financial services, that predict a variety of outcomes include early delinquency, late-stage delinquency, charge-offs, bankruptcy, debt recovery and revenue. Scores are derived using credit reporting agency data, internal attributes, or a combination of both. Once a score is calculated, a specific outcome can be rank ordered in an effort to prioritize activities such as early collections. A similar approach can be implemented in healthcare to streamline process and efficiencies.

Strategy monitoring includes evaluating delinquency ratios, account-level delinquency movement, cure rates, delinquency movement, payment projection and recovery rates. As well as better managed predictable outcomes.

Analytical Reporting

The purpose of analytical reporting is to provide interactive, quantitative feedback about patient management strategies, scorecard effectiveness and emerging trends. Scorecard monitoring, performance and strategy monitoring are just a few types of reports to consider when observing the strategy management environment.

continued on page 11

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Strategy Management Systems for Comprehensive Revenue Cycle Management (continued from page 10)

Score distribution comparison, scorecard performance and characteristic evaluation are reports beneficial to evaluating a scorecard. A score distribution report is used to see if the actual score distribution has changed from the forecasted distribution. A scorecard performance verifies that the model still ranks the outcome predicted. Evaluating characteristics focuses on identifying which characteristics are more powerful than others in explaining scorecard and policy rule performance.

Business Consulting

The last component of a strategy management solution for revenue cycle management is business consulting. Business consulting can range from developing scorecards and strategy to quantifying trends, assessing strategy tests and creating recommendations.

Business consulting also can involve integrating strategy management with operational programs such as automated collection systems and opera-

tional workflow re-engineering initiatives. Ultimately, best practices in business consulting are meant to be an extension of a client's revenue cycle management strategy.

Conclusion

Strategies for revenue cycle management are extremely effective in lowering collection costs, increasing operational efficiencies, reducing delinquencies and improving customer services. Authentication, automated decision making, predictive scoring and automated collections are necessary components to a comprehensive strategy management solution for the healthcare field. The foundation underneath these key components is the data's consistency, freshness, accuracy, depth and content. The best decisions begin with the best information.

In general, the solutions are offered to small, medium and large organizations across multiple industries to enhance the decision making process. In the past, hospitals viewed decisioning

systems as being complicated and cost prohibitive. In today's marketplace they are available to all organizations and have provided enough value to be deemed indispensable. ☞

— *Brian Sauvageau is a Consultant, Healthcare Services, with Experian and a member of the First Illinois Chapter of HFMA. Mr. Sauvageau can be reached at brian.sauvageau@experian.com*

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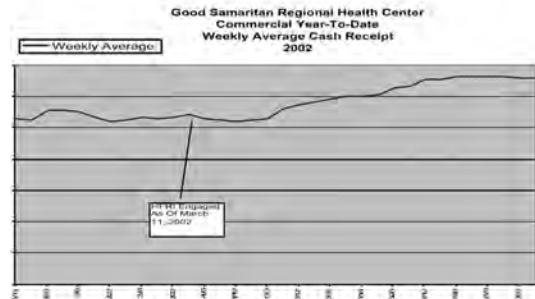
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value of membership. Mentors will be identified to work with new members to assist them in getting the value out of HFMA.

4. Certification: Encourage our members to be certified. Establish a committee chairperson tasked with the responsibility to pursue members who are eligible for HFMA certification. Report progress to the Board regularly.
5. Establish liaison with at least one local university to enroll student members in HFMA, which should provide a mechanism for potential recruitment of financial people into the marketplace.
6. Evaluate the opportunity to put on a national caliber meeting with multiple tracks and sponsors in our marketplace, potentially with other Illinois chapters.

**GOAL #1:
Develop Education "Joint Venturing"**
Identify a liaison within the First Illinois Chapter to lead initiative and assign one or two Board members to develop a strategic alliance. This

collaboration would allow for identifying the correct partners and developing an appropriate educational program.

**GOAL #2:
Develop "Hot Topic" Response Program**
First Illinois wishes to increase and participation of the Hospital Senior Financial Managers (SFM). We hope to accomplish this through the use of Evaluate use of webinars/audio conferences and Establish an advisory panel that could send out an email article around critical issues. We would potentially consider scheduling an event out of sequence or after-hours to address a key topic.

**GOAL #3:
Identify and Develop New Chapter Leadership**
First Illinois is interested in establishing a mentoring program that would help connect newer members to the chapter with the hope of engaging them in activities and involvement. We would seek to identify a committee chair and get 10 commitments from currently active members to assist in this process.

**GOAL #4:
Certification**
The intention of First Illinois is to provide resources that would encourage our members to become certified – this could be accomplished by establishing a program chairperson to coordinate these efforts; obtain member commitments from those who have attended LTC and conduct an early campaign to identify those members who desire to become certified.

**GOAL #5:
Develop a Student Membership Program**
Develop a student membership program with a local college to recruit quality individuals to our industry. Partner with a local college or university. Provide a mechanism via the website for students to post their resume and credentials. Σ
—Paula Dillon is the 2006-07 Newsletter Editor for First Illinois Speaks and a member of the First Illinois Chapter of HFMA.



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Publication Information

Editor 2006-2007

Paula Dillon.....(630) 627-4549 pauladillon@sbcglobal.net

Official Chapter photographer

Al Staidl

Advertising

Jim Ventrone.....(847) 550-9814 jmv@ventroneltd.com

Design

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HFMA Editorial Guidelines

First Illinois Speaks is the newsletter of the First Illinois Chapter of HFMA.

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Style

Articles for *First Illinois Speaks* should be written in a clear, concise style. Scholarly formats and styles should be avoided. Footnotes may be used when appropriate, but should be used sparingly. Preferred articles present strong examples, case studies, current facts and figures, and problem-solving or "how-to" approaches to issues in healthcare finance. The primary audience is First Illinois HFMA membership: chief financial officers, vice presidents of finance, controllers, patient financial services managers, business office managers, and other individuals responsible for all facets of the financial management of healthcare organizations in the Greater Chicago and Northern Illinois area.

A broad topical article may be 1000-1500 words in length. Shorter, "how-to" or single subject articles of 500-800 words are also welcome. Authors should suggest titles for their articles. Graphs, charts, and tables (**PDF or JPG only**) should be provided when appropriate. Footnotes should be placed at the end of the article. Authors should provide their full names, academic or professional titles, academic degrees, professional credentials, complete addresses, telephone and fax numbers, and e-mail addresses. Manuscripts should be submitted electronically, on computer disk or by e-mail as a Microsoft Word or ASCII document.

Founders Points

In recognition of your efforts, HFMA members who have articles published will receive 2 points toward earning the HFMA Founders Merit Award.

Publication Scheduling

Publication Date

December 2006
January 2007
April 2007

Articles Received By

November 24, 2006
December 22, 2006
March 5, 2007

New Members

The Chapter welcomes the following new members who have joined the organization between May and June of 2006. Welcome!

Linda Balice
Northwestern Medical Faculty Foundation

Brian Begrowicz
Infohealth Management Corp.

Nate Bihlmaier
Cerner Corporation

Amy Bloedorn
General Board of Pension

John Bodine
Houlihan Lokey Howard & Zukin

Denise Cameron
Neurologic & Orthopedic Institute of Chicago

Tony Chen
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Robert Downing
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Mike Eisele
Eisele Executive Search

Beth Frantz
Howard Brown Health Center

Robert Gienko, Jr.
Strategic Reimbursement, Inc.

Robert Guenther
Sonnenschein Nath & Rosenthal, LLP

Juanita Hardin
Harris N.A.

Brian Harms
GE Capital Corporation – Healthcare Finance Services

Antoniya R Irvin
University of Chicago, Department of Pediatrics

Thomas Jacobs
MedHQ

Charles Jolie
ECIN

Randal Johnson
Neurosource

Natalie King
Norwegian American Hospital

James LeBuhn
Fitch Ratings

Geoff Ligibel
Houlihan Lokey Howard & Zukin

James McHugh
Huron Consulting Group

Carol Miner
The Northern Trust

Iliana Nikolova
Investment Consulting

Reggie Nowacki
Children's Surgical Foundation

Layne Parrott
AIM Healthcare Services, Inc.

Sandra Patterson
University of Illinois at Chicago – College of Pharmacy

Wendy Plenty
Crowe Chizek & Company, LLC

Kay F. Pontious
Alexian Brothers Health System

Veloy Ramsey
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John Riddle
Dresner Partners

Diane Rodriguez
Edward Hospital

Monica Rusu

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CBIZ Valuation Group

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Lillibridge Healthcare Real Estate

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GE Healthcare

Debra Slaughter
Blickenwolf, LLC

Stephen Smith
RevXcel

Nikki Stackhouse
Cerner Corporation

John Storino
Huron Consulting Group

Knitasha Vernice Washington

Membership Update

Current counts of First Illinois HFMA Members
as of July 31, 2006:

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Education Calendar 2006-07

Thursday, November 16th, 2006
 Information Technology Program
 Aramark Headquarters, Downers Grove

Thursday, January 18th, 2007
 Accounting and Revenue Cycle Program
 Dual Track
 William Tell Holiday Inn, Countryside



Thursday, February 15th, 2007
 Medical Group and Physicians Education Program
 Offices of Gardner Carton and Douglas, Chicago

Thursday, March 15th, 2007
 Managed Care Education Program
 William Tell Holiday Inn, Countryside

Thursday, April 19th, 2007
 Education Program and Location, TBA

Friday, May 4th, 2007
 CFO Education Program and Outing, TBD

Friday, May 25th, 2007
 Annual 1st Illinois Chapter Golf Outing
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