



# TARHEEL NEWS

## SUMMER 2023

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[WWW.HFMA.ORG/CHAPTERS/REGION-4/NORTH-CAROLINA.HTML](http://WWW.HFMA.ORG/CHAPTERS/REGION-4/NORTH-CAROLINA.HTML)

# Message from the President: A Moment in Time

Christine Sibley  
Assistant Vice President, Managed Health  
Advocate Health



Thursday, June 1st was my first official day as President, NCHFMA. I was on vacation in Williamsburg, VA and started my day with a round of golf on the Blue Heron course at Ford's Colony Country Club. While I did not have sunny skies, it felt great to be outdoors and for a few hours focusing only on my golf game. The concert I sang in the previous Sunday was behind me – no music to review and with no performance looming no need to avoid caffeine (I could enjoy my morning coffee!). I put my cell phone on mute and ignored the temptation to check my office emails during the round. I was also trying not to think about whether or not our roof was leaking (we awoke the previous Saturday to find water coming through the ceiling in our sunroom from the heavy rains of the night before). After golf, it was off to a winery to taste some of the local VA wines. My husband and I sipped wine and reviewed the next year – personal vacation time, HFMA-related travel, my concert schedule, the kitchen renovation which will start soon (maybe), and the outpatient procedure that means my husband will have to temporarily chauffeur me while I am unable to drive.

Why am I sharing this? Because I want you to know that I understand the importance, and the challenge, of achieving work-life balance. We all have different responsibilities at work and home and balancing those two elements can be challenging. Stepping forward to volunteer is one more element to add to the equation. It is almost impossible to divide your time equally. Every day we have to make choices. How will I use the time I have today? This hour? This 15-minute block of time. Which brings me back to June 1st. The two weeks leading up to that day had been busy with the in-person transition meeting for the NCHFMA Board, a meeting on our kitchen renovation leading to more delays, organizational changes at work, extra rehearsals leading up to the annual America Sings concert – and oh yes, that leaking ceiling! All that before the 8-hour drive to Williamsburg in the rain. But standing on the 1st tee that morning I put everything aside for a few hours to relax and recharge. Just like your day, my day only has 24 hours and I have to choose how to spend them. While it isn't always easy, I do find time for work, life, and NCHFMA.

NCHFMA is a volunteer organization. We have no paid staff. To be successful we need a broad and diverse group of volunteers. Diversity brings different perspectives and personalities. In addition, the more volunteers and greater diversity, the more we learn from each other and come up with unique ideas. Without a broad base of volunteers, we will not have the necessary members ready to step into leadership roles as our current leaders age out or step away for other reasons.

Research (Yotopoulos, A., n.d.)<sup>1</sup> has found three common barriers to volunteering. Not surprisingly, one is a lack of time and volunteer schedules that are inflexible. A second is that people don't have information about volunteer opportunities, or the opportunity is not interesting or lacks purpose. Finally, one out of four people don't volunteer because no one asked them to!

# Message from the President

Continued

So how do we overcome those barriers?

***Lack of time*** - Many of you have heard us talk about our goal to increase the number of active volunteers by introducing micro tasks and simplifying our volunteer structure. Last summer I used the analogy of “how do you eat an elephant? – one bite at a time.” What does this mean? Any amount of time you can contribute is important. Over the next year, we will focus on engaging members through “micro tasks”. We will achieve this through several approaches: broad recruitment (general call for volunteers) and targeted recruitment (Do you write? We need articles for our newsletter). We will solicit volunteers for virtual as well as in-person events. For some of you, a virtual volunteer assignment may provide the flexibility you need to engage with the chapter on your own time and in your own space.

In the next few months, you will see communication via our website and social media with specific opportunities for you to get involved with the Chapter.

***Lack of information or the opportunity isn't interesting*** – We need to make sure we are matching the skills and experience of our volunteers to the roles available. To do that we need to know the interests and abilities of our volunteers. A choral society I previously belonged to captured the usual demographic information of members and also information on their skills and interests. Using that information, we found someone in our group with graphic design skills to do our posters, someone with technical skills to manage our website, and many other skills beyond their singing talents. It takes more than singers to put on a concert.

***No one asked me!*** – O.K. That's an easy one. We will ask you! And if you can't say 'yes' to the first opportunity, we understand. Years ago, when I was serving on the Education Council, I was approached about my interest in taking a leadership role, but I deferred because I was working on my EJD in Health Law at the time. I didn't feel I could give more time to NCHFMA given my work, school, and choral involvement. I promised I would consider getting more involved with the Chapter when I graduated. And when that day came, the request to take on Education Chair followed shortly after. 18 years after joining NCHFMA, and many hours of volunteering, I am the President.

I will be in this role for twelve months. That's not a long time. The Chapter is still recovering from the disruption of COVID. We must find innovative ways to provide our members access to quality education (relevant, focused on current issues and challenges) with diverse content (content directed at members at different stages in their careers or in different finance-related roles). We have to achieve this while being good stewards of the Chapter's funds and mindful of the financial pressures faced by our members and their employers. None of this can be achieved without a strong volunteer base. We have to increase the engagement and retention of our volunteers. That is the key to the Chapter's long-term success.

# Message from the President

Continued

Our Chapter's mission is to be the leading resource for healthcare financial professionals by providing excellence in education, opportunities for development of professional relationships, and effective influence on healthcare policies. When Jason Nelms steps into the President's role in 2024, I want him and the Presidents that follow to have a strong volunteer base so the Chapter can continue to focus on and deliver on this mission.

As I did when I made my remarks at our March 2023 Annual meeting, I will leave you with the opening line from a favorite song, the Olympic anthem from the 1988 Summer Olympics in Seoul. The title is One Moment in Time. The first line sums up my personal motto and the theme for my year as President.

Each day I live I want to be a day to give the best of me - I'm only one but not alone.

Time and Talent are special gifts. Only you can give these. Will you share them with NCHFMA? No gift is too small.

I look forward to hearing from you.

Regards,

*Christine*

President NCHFMA 2023-2024

Please email me at [President@nchfma.org](mailto:President@nchfma.org) or any of our leaders (see below):

## **Executive Officers**

**President – Christine Sibley**  
**President Elect – Jason Nelms**  
**Secretary – Elaine Peeler**  
**Treasurer – Wendi Bennett**

## **Board of Directors (voting)**

**Ashley Sanders**  
**Ty Carson**  
**Kyle Fredette**  
**Phil Rooney**  
**Allison White**

*1Yotopoulos, A. (n.d.). Three Reasons Why People Don't Volunteer, and What Can Be Done About It – Stanford Center on Longevity. Stanford Center on Longevity. <https://longevity.stanford.edu/three-reasons-why-people-dont-volunteer-and-what-can-be-done-about-it/>*

# 2023-2024 NCHFMA Chapter Leadership

**Ms. Christine Sibley, MBA, EJD, CPA, FHMA**  
President  
Assistant Vice President, Managed Health Resources  
Advocate Health

**Mr. Jason Nelms, MHA**  
President-Elect  
Vice President  
Cone Health

**Ms. Elaine Peeler, MBA, FHFMA, CRCR, CHCA, COC, CPC**  
Secretary  
Manager, Revenue Cycle Quality Assurance  
Novant Health

**Ms. Wendi Bennett**  
Treasurer  
Director, Patient Finance  
Novant Health

**Mr. Ken Vance**  
Past President  
Retired

**Mr. Ty Carson**  
Director (Volunteers)  
Regional VP, Business Development  
GetixHealth

**Ms. Ashley Sanders, MBA**  
Director (Communications)  
VP, Business Development  
Revecore

**Ms. Allison White, MHA**  
Director (Chapter Services)  
Assistant Director, Revenue Integrity  
Cone Health

**Mr. Kyle Fredette**  
Director (Education)  
National Account Manager  
Huntington Technology Finance

**Phil Rooney**  
Director (Membership)  
Director, Patient Financial Services  
Advocate Health

**Ms. Elkin Pinamonti, MHA, CHAM**  
Program Chair  
Assistant Director, Patient Access & Financial  
Counseling  
Cone Health

**Mr. Tom Henderson**  
Partnerships Chair  
Regional Business Development Executive  
Credit Solutions, LLC

**Mr. Clint Stewart**  
Healthcare Finance Chair  
Executive Director of Finance  
Cone Health

**Mr. Jeff Wakefield**  
Healthcare Finance Chair  
Chief Financial Officer  
UNC Lenoir Healthcare

**Mr. John Lloyd, CHFP, CRCR**  
Compliance Chair  
Vice President, Healthcare Solutions  
Wakefield and Associates

**Mr. Kevin Leder**  
NASBA Chair  
Managing Principal, Raleigh Office  
CliftonLarsonAllen, LLP

**Mr. Jeffrey Weegar**  
NCHA Liaison  
Chief Financial Officer  
North Carolina Healthcare Association

**Mr. Brett McCone**  
Region Executive (Region 4)  
Senior Vice President  
Maryland Hospital Associate

# Welcome to our newest members!

Sarah	Cruickshanks	Duke University
Latonya	Love	Duke University
Sharon	Pettiford	Duke University
Bennett	Daley	Premier Healthcare Alliance
Khamida	Johnson	Trinity Health
Shaun	Dennis	Trinity Health
Gwendolyn	Carter	Atrium Health
Christopher	Neal	Atrium Health
Mary	Mieure	Mary Mieure Consulting, LLC
Leslie	Bradley	Novant Health
Chenelle	Hammonds	Atrium Health
Tyler	Fischer	Flagship Specialty Partners
Marnie	Manske	Duke Health
Kristen	Gonzalez	ECU Health
Kyle	McMahan	Premier, Inc
Lauren	Billy	One Medical
Solomon	Tran	Oracle
Carmetta	Francis-Service	Duke University
Emily	Waters	Genesa Reimbursement Group
Shelley	Typrin	U. S. Bank
Myka	Askew	Duke University
Bryce	Holbrook	JP Morgan
Tracy	Killian	Trinity Health of New England
Amye	Dodd	UNC Healthcare
Christopher	Mason	Wilkes Regional Medical Center
James	Neal	Oracle
Rebecca	Lazoff	Cone Health
LISA	CUSACK	Advocate Aurora Health
Alison	Iobst	Hartz Search
Cherokee	Halums	Kintegra Health
Jody	Zinn	Saber Healthcare
Katherine	Seidler	Duke University
Collin	Grose	FORVIS
Miguel	Cabral	Guidehouse
Michele	Sawyer	Trinity Health



# NCHFMA Awards & Scholarships



## North Carolina Memorial Award

Established in 1980, the North Carolina HFMA Memorial Award honors the memory of Roland H. Seals and Ronald A. Russell, two former members of the NCHFMA Chapter who demonstrated unselfish character and integrity while contributing sustained and outstanding service to NCHFMA and to the healthcare industry. In February 2015, the NCHFMA Board of Directors voted to add the name of Mary Amelia Bryant to the award in recognition of her immeasurable contributions to the North Carolina Chapter of HFMA and to the field of healthcare in general.

The NCHFMA Memorial Award is given as a tribute to the professional legacy of these three individuals and is intended to recognize other HFMA members who have, over a career of service, exhibited the same exemplary levels of commitment and character. The requirements for receiving the award are high; therefore, the award is not considered an annual one, but will instead be bestowed only when a member's contributions to the Chapter and the field of healthcare are noteworthy, outstanding, and sustained over many years of service.



## John H. Ketner Award

NCHFMA's John H. Ketner Award was established to honor John H. Ketner, one of the Chapter's charter members. The purpose of this prestigious award is to annually recognize a member who, in a given Chapter year, has put forth an extra effort both in time and quality of work towards the betterment of the Chapter's work toward meeting the Chapter's annual Davis Chapter Management goals. Any number of activities would qualify a person for this recognition. Past recipients who have been honored have served as Council Chairs (such as Publications or Programs), have been involved in coordinating major projects or programs, or have been involved in HFMA activities at the National level.



## Bill Moffitt Scholarship

It is the policy of NCFHMA to promote the field of healthcare financial management by awarding scholarships to outstanding students for the study of healthcare financial management.

Two scholarships (named in honor of J. William "Bill" Moffitt, Ed D.) are awarded each year, valued at \$2,000 each, and can be applied to room, board, tuition, and books. The scholarship awards also include a waiver of registration fees for the Annual Meeting and the Summer Institute for the scholarship year.

Outstanding students seeking a degree in healthcare administration or healthcare management with an interest in a career in healthcare financial management will be eligible.

**Details about each of these awards and scholarships can be found on the NCHFMA website under "North Carolina Awards & Scholarships".**

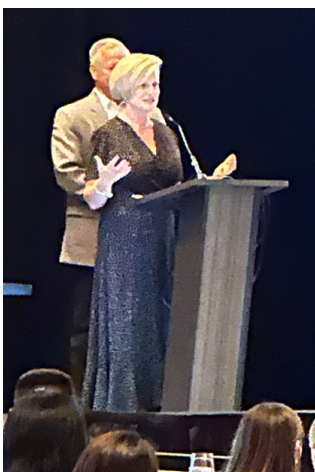
# 2023 HFMA Leadership Training Conference Highlights

Members of your NCHFMA leadership team attended the 2023 HFMA Leadership Training Conference (“LTC”) in beautiful San Antonio this past April.

It was a wonderful event where more than 600 HFMA Chapter leaders from across the country came together in one place to learn more about their volunteer roles and plan for the coming year. In addition to education provided by National HFMA, the LTC also provided us with an opportunity to network with other leaders, exchange ideas and share best practices to make our own Chapter better.



While at LTC, our Chapter was presented with a Success Award Winners for **Best Engagement**. Our winning submission addressed how we are delivering value to membership via our revamped social media communication plan.



Other notable events included our very own April York delivering her farewell address as she ended her term as Regional Executive for Region IV.

**LTC 2024 will take place April 21-23 in Orlando, Florida. Get involved with NCHFMA today, and you too can take part in this incredible event!**



# North Carolina Volunteer Structure Content Advisory Group (formerly known as Matrix)

## How it operates

The North Carolina Chapter has for many years organized itself using a “Matrix” structure. Every member of Matrix served on both a Council and a Committee. The Councils represented one of the operating divisions of NCHFMA, (e.g., Programs, Membership, etc.) tasked with delivering on the Chapter’s Strategic Plan. The Committees represented the technical viewpoint of the chapter membership. Simply put the committees identified the need and the councils were responsible for delivering on fulfilling the need.

Matrix organizations evolved from the need for an organization to manage projects that could not be efficiently completed within a single department. The structure allows for more collaboration. However, the structure can create confusion when team roles are not clearly defined. To bring more clarity to NCHFMA’s structure, Matrix was rebranded in 2020 as Matrix 2.0 - Collaborate, Network, and Solve but before we could explain and implement the rebranding, COVID-19 hit and disrupted personal and business operations, including those of NCHFMA.

Post-COVID-19 the Chapter is focused on getting back to delivering on our mission to be the leading resource for healthcare financial professionals by providing excellence in education, opportunities for the development of professional relationships, and effective influence on healthcare policies. We will continue to have Councils responsible for delivering on the Chapter’s Strategic Plan. The Councils for the 2023-2024 year are Programs, Education, Membership, Volunteers, Communication, and Chapter Services. The Councils will receive input from the subject matter experts on the technical Committees (Healthcare Finance, Healthcare Operations, and Compliance) who are well-versed on the current issues and challenges faced by our members. The Technical Committees and Councils collectively will be known as the NCHFMA Content Advisory Group. The Content Advisory Group has no governance responsibility but enormous impact on the Chapter’s ability to deliver on its mission.

As before, each committee member is invited to sit on a Council of their choosing. The Committees and Councils will meet at least twice a year in person and virtually between these meetings. The Chair of each Committee or Council is responsible for the meeting cadence and tracking volunteer participation. In keeping with our goal to provide our volunteers with the flexibility to be engaged in a way that works with their schedule, the chairs are strongly encouraged to engage volunteers through microtasks that fit with their interests and abilities. Volunteer opportunities should include in-person as well as virtual options.

If you are interested in joining the *Content Advisory Group*, click *“I want to help”* to tell us more about yourself. What special skills do you have? What are you interested in? How much time can you commit?

A Chapter leader will follow up. You can also email [Volunteer@NCHFMA.org](mailto:Volunteer@NCHFMA.org)



# North Carolina Volunteer Structure

## *Continued...*

See below for more information on the various councils and committees.

### The North Carolina HFMA Council Structure

#### Education Council Chair:

The Education Council is responsible for developing and presenting half-day, one-day and/or two-day workshops/webinars, at locations throughout the state, on topics relevant to our membership. As a member of this council, you would be asked to assist with planning the time, subject, location, speaker, and logistics for at least one workshop/webinar during the year and coordinating on site for at least one workshop per year. Your help is needed to keep the membership informed about the many changes our industry is sure to face.

#### Membership Council Chair:

The Membership Council is responsible for assuring that our chapter continues to grow by informing those in healthcare-related fields throughout the state of the benefits of HFMA membership. The Council is also responsible for aiding member retention by mentoring new members and planning fun events for members. Serving on this council might include serving as a new member host, assisting with a new member orientation, distributing new member marketing materials, and hosting a fun member event such as a group attending a sports event. What a great way to get to know the membership!

#### Program Council Chair:

The Program Council has responsibility for two major meetings a year. You might be asked to assist in the selection of topics and speakers, host speakers at meetings and assist in their travel arrangements, prepare publicity about meetings, and coordinate banquet arrangements. This is not only a very active council, but also a very rewarding council on which to serve.

#### Volunteer Council Chair:

The Volunteer Council is responsible for establishing relationships with chapter members with the goal of identifying members who wish to become more involved in chapter activities. Members of this council focus on identifying future chapter leaders and connecting them with mentors who can help them develop their knowledge of the chapter and leadership skills.

#### Communications Council Chair:

The Communications Council is responsible for producing our NCHFMA Chapter newsletter, managing the chapter's social media accounts, and ensuring the chapter's website is current by acting as the liaison with oneHFMA which maintains the website. Serving on this council might involve writing short articles (or asking other members to write articles), taking pictures at meetings, reporting news about our members and assisting in acquiring coverage from local news media about our members, speakers or meeting topics, posting on social media current chapter news, or coordinating updates to the Chapter's website. This council needs both creative and well-organized individuals.

#### Chapter Services Council Chair:

The Chapter Services Council will be asked to handle the hotel and meeting site space contracting to accommodate the Program and Education Councils along with other Chapter meetings. This council will create a database of contracts and terms for meeting rooms, meals, refreshments, audio/visual equipment, and a list of contacts with whom they will work to facilitate Chapter events. This Council is ideal for individuals with strong negotiation, coordination, and scheduling skills. This Council will also assist with chapter administration of CVent for Education/Program registrations.

# North Carolina Volunteer Structure

## *Continued...*

### North Carolina HFMA Committee Structure

The committee structure for the Matrix allows our Chapter to keep pace with the changing delivery of healthcare and the changing technical needs of our members. The purpose of the committee structure is to obtain current information from subject area specialists to assist the councils with projects, papers, and education topics (workshops and programs) and to gather the opinions of healthcare providers on the effect any proposed change might have on our chapter operating structure. The committees are:

#### **Health Care Operations Committee:**

Responsible for reviewing the present issues in hospital operations and identifying how operations might change in the fast-paced world of health care in line with changes in federal regulations; and for identifying issues in billing, patient financial services, and care transformation; provides information to councils on needed programs, workshops, and projects to help provide members with information, education, and methods to deal with these changes. This is often the committee of choice for members involved in provider operations, budgets, patient accounts, materials management, and other hospital operating activities.

#### **Health Care Finance Committee**

Responsible for discussing current issues in hospital finance, including best practices in healthcare financial management, current accounting standards (both FASB and GASB), financial reporting, and IRS tax issues. This committee provides information to councils on needed programs, workshops, and projects to help provide members with information, education, and methods to deal with these changes. This is often the committee of choice for members involved in finance, tax, or other aspects of provider financial management.

#### **Compliance Committee:**

Responsible for identifying emerging compliance issues, such as OIG Work plan issues, IRS compliance issues, Sarbanes-Oxley issues, CON issues, HIPAA compliance issues, Stark compliance issues, and other regulatory issues or proposed laws that will impact healthcare entities; identifies how NCHFMA can assist members with information, education, and methods for dealing with such emerging compliance issues. This committee is often the committee of choice for compliance officers, auditors, tax accountants, financial reporting specialists, and others involved with regulatory reporting and compliance.

The Chapter has also established several special-purpose committees. In accordance with the Chapter's By-Laws, these special purpose committees have limited membership and are appointed by the Board of Directors.

It should be clear that this structure provides opportunities to be of service to your fellow members and our industry, to meet and network with your peers in your area of specialization, and to develop your leadership skills through working with others to accomplish assigned tasks.

# Student Engagement Initiatives

by Olivia Henderson



For the past year, student engagement within the North Carolina Chapter of HFMA has been the latest focus of the Membership Council Chair, Elkin Pinamonti. I partnered with Elkin and the NCHFMA board as a volunteer student liaison to help increase student awareness and membership. Together, we have spread the word about NCHFMA to students at eleven universities in North Carolina. We initially began reaching out to graduate programs and Healthcare Administration programs, but plan to extend our outreach to include other majors such as Business Administration and Accounting.

**How did we do this?** We had two major goals in mind when it came to increasing student membership. The first is student recruitment and retention. With this, we developed marketing plans to increase student retention and worked directly with the Board of Directors and membership council to carry out these plans. Our second major goal was student engagement. With this, we made plans to utilize social media to get connected with potential student members and advertise events happening within NCHFMA. We also aimed to increase student attendance at NCHFMA conferences and start a mentorship program to encourage student involvement.

**What has been done so far?** So far, we have hosted one student-specific event. In October 2022, we held a virtual round table, which was a huge success. Approximately 30 college students attended from UNC-Chapel Hill, Appalachian State University, UNC Charlotte, and others. Myself, Elkin, and Ken Vance discussed the benefit of getting involved in a professional organization, specifically NCHFMA, as well as scholarship and networking opportunities. I personally reached out to the directors of the Healthcare Administration programs in NC to let them know about this event and continue to stay in touch with these leaders by letting them know about other round table events hosted by NCHFMA with great guest speakers, as well as in-person networking opportunities so they can share with their students.

**Future goals?** As Phil Rooney moves into the role of Membership Council Chair, we plan to continue our outreach to students to encourage membership in NCHFMA by hosting more events geared specifically towards them. I also plan to develop a mentorship program between current NCHFMA members and new/prospective student members. This will give students incredible networking opportunities and priceless learning opportunities from leaders in healthcare finance. Ensuring the success of these initiatives could increase student attendance at NCHFMA conferences, allowing us the opportunity to implement student-focused sessions at the conferences hosted by NCHFMA leaders.

Along with the membership council and the NCHFMA Board of Directors, I am excited for this next year and seeing all of this come to life!

# Upcoming Events

## In-person Events:

### **2023 Summer Meeting (Myrtle Beach, SC)**

August 23 - 25, 2023

### **2024 Medicare Workshop (Winston-Salem, NC)**

January 24, 2024

### **2024 Annual Conference (Pinehurst, NC)**

February 7 - 9, 2024

### **2024 Conference for Women & Healthcare Leadership (Cary, NC)**

May 21, 2024

### **2024 Summer Meeting (Myrtle Beach, SC)**

August 21 - 23, 2024

## Virtual Events:

### **Webinar with Moss Adams**

September 6, 2023

### **Ethics Training**

December 5, 2023

### **Health Insurance Institute**

April 16 - 17, 2024

# Compliance Corner

John Lloyd

Ransomware for healthcare providers, and the vendor partners they work with, has become a major and real threat. Listed below is a summary from an article written by David Ting which highlights the risks along with a systematic approach for defense.

## Healthcare ransomware in 2023: Extortion and the double-data shakedown | Viewpoint

The average cost of a breach is now \$7 million. In the first 60 days of 2023, 5.5 million patients had their private health information involved in a cyberattack.

Breach liability reduction defines today's healthcare cyber landscape. After all, patients' personal health information presents an ever-juicier target for cyber criminals. Hackers now perform a "double-data shakedown" when they steal electronic PHI – they first extort the health system to regain access to the (now-locked) data, and then they force the system to pay them (again) not to release the data publicly.

This two-tiered extortion scheme underscores the failing ROI of healthcare cybersecurity over the past several years. From 2020 to 2025, healthcare will spend \$125 billion to defend against breaches. Despite this aggressive investment, ransomware and other cyber-attacks keep getting worse and more expensive for health systems to endure.

This requires a systematic approach to cyber defense. Health systems must minimize ePHI data liability so that, if they do get compromised, they can manage the fallout.

Below are some steps worth considering achieving this systematic approach.

### Think beyond the walls.

Traditional security and compliance systems are designed to protect the physical assets used in healthcare. This old-school approach is inadequate for identifying where sensitive ePHI is stored – local, network, cloud, email. It also can't tell which clinicians are accessing the ePHI, or how it's being used, or what is the security posture of its location. Oftentimes, traditional security systems can't even tell who the patient is.

In today's health networks, every patient's ePHI is spread well beyond the perimeters of a hospital's four walls. This creates the "dark PHI" problem – the new reality that, outside the EMR, more than 80 percent of healthcare data is unstructured. Basically, ePHI is everywhere – and it's invisible.

Wherever sensitive ePHI is stored, healthcare organizations now must keep track of it everywhere. Whether it's on local servers, on their network, in the cloud, or on email, ePHI must be tracked. This means more than simply knowing exactly which clinicians are accessing the ePHI – organizations must also know how ePHI is being used, the security posture of its location, and the identity of the patient.

### Reducing ePHI breach liability begins with a complete inventory.

To deal with the new data attacks, the change in strategy is towards reducing ePHI breach liability. To achieve this reduction, organizations should start with a complete inventory and liability analysis for ePHI at rest.

To strive for breach liability reduction, organizations should conduct a pre-breach inventory and liability reduction analysis for ePHI stored outside the EMR. This includes junk drawers, file servers, cloud drives – basically, anything you can map a drive to.

This should position you to identify and remove unused or stale ePHI. This step helps you reduce the potential loss from a ransomware attack and reduce ePHI exposure due to phished user credentials. The breach liability reduction analysis will also tell you where ePHI "leakage" into partner/ISV systems and backends occurs, and it will facilitate post-breach forensic analysis, as well as reporting and notifications.

# Compliance Corner

Continued...

What about ePHI that is in use, in transit or with laptop, in transport? This requires its own real-time analysis and mitigation. The key is to reduce what can be stolen and have a complete archive of all data. With a multi-stage strategy for reducing liability, organizations have a better security posture without compromising the ability to use that data.

## The right solution

Healthcare systems should be very concerned about cyberattacks reaching the most critical asset: ePHI.

The right solution requires monitoring across endpoints and server environments to gain visibility into ePHI. Once ePHI is identified and prioritized across an organization's highest risk endpoints and servers, the security team can rapidly "lock it down" via remediation and response tools.

Only then will an organization have real-time awareness of its ePHI landscape. This will minimize the attack surface of vulnerable and "shadow" ePHI, providing a systematic approach to defense that minimizes ePHI data liability.

## More about NCHFMA's Compliance Committee:

Responsible for identifying emerging compliance issues, such as OIG Work plan issues, IRS compliance issues, Sarbanes-Oxley issues, CON issues, HIPAA compliance issues, Stark compliance issues, other regulatory issues or proposed laws which will impact healthcare entities; identifies how NCHFMA can assist members with information, education, and methods for dealing with such emerging compliance issues. This committee is often the committee of choice for compliance officers, auditors, tax accountants, financial reporting specialists, and others involved with regulatory reporting and compliance.

The Chapter has also established several special purpose committees. In accordance with the Chapter's By-Laws, these special purpose committees have limited membership and are appointed by the Board of Directors.

# EDUCATIONAL ARTICLES



- *Medicaid Expansion in North Carolina: A Step Towards a Healthier Future*
- *Maximizing Recovered Revenues from Medicare Bad Debt Claims*



# Medicaid Expansion in North Carolina: A Step Towards a Healthier Future

Ashley Sanders, VP, Revecore



Medicaid expansion has been a topic of significant debate across the country, and North Carolina is no exception. The decision to expand Medicaid in our state has been a contentious issue, with arguments ranging from fiscal concerns to questions about access to healthcare for vulnerable populations.

For years, North Carolina was one of the holdouts to Medicaid expansion, and according to some estimates, the state has missed out on more than \$520 million each month that could go to improving the health of residents' health and helping rural hospitals keep their doors open. Per Kody Kinsley, secretary of the North Carolina Department of Health and Human Services, rural residents are 30%-40% more likely to be uninsured, but by expanding Medicaid, hundreds of thousands of low-income adults in our state could be eligible for coverage, giving them access to primary care and life-saving preventive services.

According to Secretary Kinsley, "Eighty percent of the uninsured in North Carolina are working families." Many are single individuals working multiple jobs but do not qualify for Medicaid and don't make enough to afford insurance on the exchange, which is still very expensive. With Medicaid expansion, potentially 600,000 more adults in North Carolina will gain access to coverage, benefiting both the individual and providers, many of whom are struggling.



Medicaid expansion holds massive potential to transform the healthcare landscape of our state, but that transformation is not yet a reality. State lawmakers added a condition that the state budget had to pass first before they can officially start the Medicaid expansion. The budget cleared the state Senate on May 18, and negotiations are pending in the House. It should also be noted that the legislation included provisions to seek federal approval to condition Medicaid eligibility on compliance with work requirements. There has been no approval for a work requirement as of now, but that is something they may consider in the future.

Many feel that our state needs Medicaid expansion now more than ever. Per NC Health News, enrollment grew by 36% during the pandemic, with more than 797,000 people newly qualifying for coverage from March 2020 to April 2023; however, with the Public Health Emergency (PHE) ending, hundreds of thousands of North Carolinians will be falling off Medicaid, many of whom would qualify under expansion. By extending coverage, our state can improve access to care, help providers, and improve the overall health and well-being of North Carolinians.

Earlier this month, Gov. Cooper urged Republican lawmakers to allow Medicaid expansion to pass; however, as it stands, legislation to expand Medicaid remains stuck in limbo as budget negotiations are ongoing.

# Maximizing Recovered Revenues from Medicare Bad Debt Claims

By Tiffani Frank  
VP of Operations for F2 Healthcare  
(a Meduit company)



Hospitals and health systems have lost significant revenue due to the impact of the COVID-19 pandemic. Recovering every dollar owed to the provider has been and will be paramount to ensuring financial health and viability for the healthcare enterprise.

## Medicare Bad Debt

Medicare provides reimbursement for roughly \$3.5B of unpaid deductible and coinsurance amounts per year to hospitals for Medicare Bad Debt. However, U.S. hospitals underreport their Medicare Bad Debt by an average of 6% – 7% each year. Underreporting is a symptom of a variety of potential factors, including failure to adapt to changing regulations, data confusion that happens from system upgrades, integration nuances created from affiliation and merger activity, and more. These factors drive connectivity gaps in a hospital's revenue cycle and reimbursement reporting, leading to errors.

Every hospital in the U.S. typically has over \$1M in recoverable net revenue that has gotten lost in the shuffle. Since many organizations do not have the staff or expertise to identify and collect these lost revenues, they are missing millions in recoverable cash that is rightfully theirs. That is where working with an expert partner helps; however, it is critical to select the right partner.

## The Challenge for a Large Academic Medical Center

A large academic medical center selected a software provider (Vendor A) to partner with them on identifying bad debt from uncollectible Medicare accounts (Medicare Bad Debt) to file on their cost report with the Centers for Medicare and Medicaid Services (CMS). The medical center had average yearly deductible and coinsurance amounts of over \$26 million and an average claimed Medicare Bad Debt rate of over \$6 million.

Vendor A installed its software at the medical center in 2015 to produce the Medicare Bad Debt logs to be filed with the associated cost reports for FY 2016 – 2018, theoretically addressing the drivers of connectivity gaps noted above. In 2018, the medical center engaged Vendor B to perform a “second look” to ensure that no value was being missed by Vendor A's software.

## The Solution and Results

Using their unique project approach of technology and industry expertise, Vendor B conducted a detailed data analysis on Vendor A's previous years' logs. Not only did the analysis reveal significant missed value, but also a very large compliance issue relating to the timing of crossover claims was uncovered for FY2016. Almost \$500,000 in crossover accounts were claimed in FY2016, when they should have been claimed in FY2017. Had this issue been flagged during audit, the medical center would have been at risk of having their entire crossover benefit for FY2016 disallowed, which would have resulted in a \$2.5M gross / \$1.625M net (Medicare pays 65%) hit to reimbursement. Vendor B was able to fix the accounts and amend the impacted cost reports prior to an audit, and the medical center received reimbursement in full for those accounts.

In addition to correcting the compliance issue, Vendor B identified an additional \$2.3M of missed Medicare Bad Debt value for FY2016 – FY2018:

- FY2016: \$423,659
- FY2017: \$727,179
- FY2018: \$1,160,143

# Maximizing Recovered Revenues from Medicare Bad Debt Claims, Continued

This value was added to the Medicare Bad Debt logs, and the affected cost reports were amended. In Figure 1, the “FY2016 Lookback Additions” not only fixed the issue for FY2016 but also added \$423,659 of revenue that Vendor A had missed.

Figure 1: FY2016 Lookback Additions

Categories	Additions
Agency IP	\$67,631
Agency OP	\$92,422
Bankruptcy OP	\$1,750
Financial Assistance IP	\$29,941
Financial Assistance OP	\$117,869
Crossover 2 IP	\$19,877
Crossover 2 OP	\$22,990
Crossover IP	\$19,288
Crossover OP	\$43,069
Deceased IP	\$5,531
Deceased OP	\$3,291
<b>Grand Total</b>	<b>\$423,659</b>

Provider As Filed Log	\$7,411,560
Lookback Additions	\$423,659
Provider Amended Log	<b>\$7,835,219</b>

Vendor B also recognized that the cost reports for FY2013 and FY2014 were still within the allowable period to reopen; therefore, these years were added to the scope of their work. Vendor B identified \$2.3M in missed Medicare Bad Debt for FY2013 and FY2014, which was added to the reopening requests for both years.

Vendor A’s process and software were noticeably incomplete and not modified to meet the most recent regulations, further building the case that the best outcome is the result of technology in the hands of an expert partner like Vendor B, not just by relying on technology alone.

Based on the additional reimbursement identified and process improvement opportunities brought forth to the provider, Vendor B replaced Vendor A as the Primary Medicare Bad Debt vendor to compile the logs necessary for cost reporting filing each year.

## Identifying the Right Vendor

Regardless of whether a provider is looking to make changes to how Medicare Bad Debt is identified on their cost report, or merely to ensure that their current process is up to best practice standards by performing a second look, it is imperative to identify the right vendor. Since most hospitals and health centers do not have the staff or time to deal with audits and compliance issues, selecting a vendor that can create correct logs that hold up to the scrutiny of a CMS audit while also leveraging the power of analytics technology is critical. Look closely at the vendor’s track record of providing support, regulatory expertise, and solving audit challenges for maximum reimbursement to the healthcare provider. Particularly relating to performing a second look at the provider’s Medicare Bad Debt reporting processes, partner with a vendor that finds audit-proof value 100% of the time, while also identifying opportunities to improve processes to ensure Medicare Bad Debt reporting is maximized year over year.

Ask the vendor whether they:

- *Ensure that correct documentation is delivered to CMS*
- *Provide yearly comprehensive agency reconciliation*
- *Deliver human expertise to examine and augment findings in the logs*
- *Provide audit support*
- *Stay up to date with changes to Medicare regulations*
- *Help hospital/health system partners rewrite their policies and procedures to better meet CMS regulations*

With thorough expertise in recovering Medicare Bad Debt reimbursements, the right vendor can take on the burden of compiling accurate, audit-proof logs that maximize cash back to the hospital and restore confidence that every dollar is accounted for.

# NCHFMA Business Partners

As always, we extend our sincerest gratitude to our business partners for their continued investment in our Chapter. For further information or questions regarding partnerships, please contact Tom Henderson, Partnership Committee Chair: 336-858-0088 · [partnerships@nchfma.org](mailto:partnerships@nchfma.org)

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