

# The Buckeye Connection

August 2004



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hfma central ohio chapter  
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Interested in assisting with the newsletter? Please contact Tara -Ann McElhearn (229-5165).

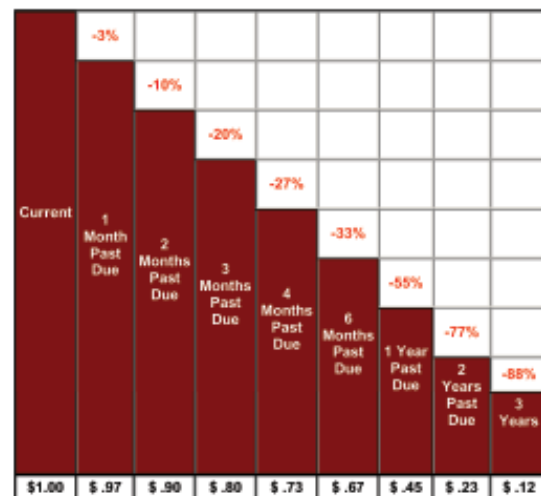
## Show Me the Money

### The Challenge of International Medical Billing and Collection

By: Lane Baker, Account Executive, MedFi Medical Receivable Management Services

While international patients represent a viable revenue source for U.S. healthcare facilities and providers, the resulting billing and collection challenges may often outweigh the financial benefits. On average, medical providers wait more than six months and collect less than 50% of international accounts. This represents not only loss of direct revenue, but also the inability to recoup operational expenses invested in patient care.

This chart illustrates the eroding value of receivables as they age.



Source: US Department of Commerce

## Show Me the Money (continued)

### Chapter Officers

#### CHAIRMAN OF THE BOARD AND CHIEF

#### EXECUTIVE OFFICER

Luke Brown

#### PRESIDENT AND CHIEF OPERATING OFFICER

John Miller

#### PRESIDENT-ELECT

Lola Purdef

#### SECRETARY

George Gevas

#### TREASURER

Margaret Shuler

### Chapter Directors (2003-2004)

#### DIRECTORS WITH TERMS EXPIRING

#### MAY 31, 2004

Jackie Nussbaum

Lynne Parrott

Patrick Robertson

Eric Young

#### EX OFFICIO BOARD MEMBER

John Callender

#### REGIONAL EXECUTIVE

Craig Clarady

### Committee Chairs

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Lola Purdef, Chairperson

Greg Long, Co-Chairperson

#### SOCIAL COMMITTEE

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Brad Chelton, Co-Chairperson

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#### NEWSLETTER EDITORS

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Ken Stoll, Co-Chairperson

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#### COMMITTEE

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Tamara Gawrilow, Co-Chairperson

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Rick Kolaska, Chairperson

Jackue Nussbaum, Co-Chairperson

#### AWARDS COMMITTEE

Heather Dolen, Chairperson

#### AUDIT COMMITTEE

Will Sharp, Chairperson

#### CONSTITUTION AND BYLAWS COMMITTEE

Michael K. Gire, Chairperson

#### NOMINATING COMMITTEE

John Miller, Chairperson

Lola Purdef, Co-Chairperson

#### PROFESSIONAL AFFAIRS & OHIO

#### COORDINATING COMMITTEE

Douglas E. Langenfeld, Chairperson

#### JOB REFERRAL COMMITTEE

Luke Brown, Chairperson

#### CERTIFICATION COMMITTEE

Eric L. Young, Chairperson

The Emergency Medical Treatment and Active Labor Act (EMTALA) requiring hospitals to treat anyone who seeks care in an emergency room regardless of ability to pay leave hospitals with significant non-reimbursed costs.

Due to the easy access created by EMTALA, the majority of non-U.S. citizens seek emergency treatment as their first option and many are subsequently admitted to the hospital.

According to the Florida Hospital Association:

- 70% of patients who are not U.S. citizens were admitted to the hospital through the emergency room in 2001 – compared to 52% in 1997.
- The average cost for the non-obstetrical patients in the FHA study was \$63,155 with an average length of stay of 22 days.
- International patients cost Florida hospitals more than \$40 million dollars a year in uncollected bills and write offs.

The popularity of Florida as a destination for tourists, refugees and immigrants further exacerbates the problem. South and Central Florida in particular are primary destinations for foreign travelers. The Office of Travel and Tourism Industries in the U.S. Department

of Commerce provided the following 2002 international tourism statistics, in 2002:

- More than 19 million international travelers visited the U.S.

(Continued on Page 4)

What's New?


**We want to know what's new with you.**

Remember to keep National HFMA informed whenever you:

- get promoted
- move to a new organization
- get a new business address
- move to a new home
- work for a different department, unit, etc.
- anything new about you or your organization

To receive a Member Record Update Form and instructions, call **Fax-It, 800/839-HFMA**, and request document no. 200002.

Or call HFMA's Member Service Center at **800/252-HFMA, ext. 350.**



## New Chapter Year, New Goals

*By: John Miller, President  
Central Ohio Chapter*

For those who do not know me, I have been active in HFMA and the Central Ohio Chapter for the past 10 years. I am a senior manager in Ernst & Young's audit practice, where I have worked with healthcare providers for the last 11 years. I look forward to meeting and getting to know more of you during the next year.

Last winter, as Lola Purdef, President-elect, and I began planning for this chapter year, the most pressing task was filling two chapter officer positions. We are very pleased that George Gevas of National City Bank and Margaret Schuler of MS Healthcare Consulting Services have agreed to serve as Chapter Secretary and Chapter Treasurer, respectively. As many of you know, George brings the experience gained as a long-term chapter member, chapter Board member, and past President to our leadership team. Margaret has already provided a new perspective and fresh ideas to our chapter leadership.

Lola, George, Margaret and I began the planning for this chapter year in April at the HFMA Leadership Training Conference in San

Francisco. The first order of business was evaluating the results of the membership survey that many of you completed last winter. From the survey, we heard:

- Member interest in increased frequency of education programs
- Request for more networking opportunities;
- And, need for a chapter website.

We met with the chapter Board of Directors and the committee chairs in June to discuss plans for 2004-2005 and how to better serve our members. Our 2004-2005 strategic plan includes the following goals:

- Nine educational programming events.
- Programming events include the annual Medicare/Medicaid regulatory update co-sponsored with OHA, and the Healthcare Conference co-sponsored with the Ohio Society of CPAs.
- We are planning to co-sponsor an event with COPAM for the first time in several years.
- We are also planning to co-sponsor the Gerry Haggerty Institute with the Northeast Ohio Chapter. This is a two-day event with a number of programming alternatives. The Institute has historically drawn attendance of approximately 150 from the Northeast Ohio Chapter. Given that next

year's keynote speaker is scheduled to be Ohio State Head Football Coach Jim Tressel, I hope we can make the 2005 event a record setter.

- Expand our social activities and networking opportunities. For starters, a happy hour is planned for August 27<sup>th</sup>. **See the enclosed calendar for details. Hope to see you there.**
- With the help of our chapter sponsors, we will roll out a chapter website this fall.

I am very excited about our plans for this year. The Chapter and I are very fortunate to have strong, committed leaders in Lola, George, Margaret, our committee chairs, and Board members to accomplish these goals.

The success of our Chapter is dependent on member participation. I encourage each of you to contact a committee chair or me about becoming active in the Chapter leadership.

I hope you all enjoy the remainder of summer. GO BUCKS!

**President's Message**

## Show Me the Money (continued)

- 33% of all international visitors came to the Southeast U.S of which:
  - o 23% visited Florida
  - o 12% to Miami and 10% to Orlando, the top 2 Florida destinations

Recently reported in the February 14, 2004 edition of the Toronto Star (Canada's largest daily newspaper), Mickey Mouse and Florida are hot this winter. So hot that the president of itravel2000.com says that bookings for Canadians are at a seven-year high to Orlando's Disney World and other popular areas in the Sunshine State. Miami and Fort Lauderdale are more popular than ever...with South Beach seen as the hip place to be.

There are many international patients who purchase medical travel insurance that provides coverage for emergency care. However, with more than 1,500 international healthcare insurers servicing the foreign patient market, the billing and collections process can be difficult and costly. Distance, language and cultural barriers, time zone differences and currency conversion issues further increase the administrative challenge. In most hospital business offices, a disproportionate amount of time is spent on non-core international business diverting business office staff from focusing on the Providers' core business from their primary service area.

**The administrative challenges facing a business office are varied but usually include:**

- **Lack of specific administrative blueprint to address international collections**
- **Lack of statistics, which makes it difficult to pinpoint the reason for high days outstanding levels**
- **Lack of time to adequately train staff to handle the nuances of the international market (which may be exacerbated by turnover issues as well)**

- **Lack of information on international market trends or the paying habits of international insurers, which make cash flow forecasting difficult**

With mounting pressure on business margins due to declining Medicare payments, rising medical malpractice premiums, increasing human resource costs and other operational expenses, medical providers are increasingly challenged to maximize revenue on all fronts and manage costs more aggressively.

When international billing and collection activities are properly managed, foreign patients will have a positive impact on a facility's bottom line and the administrative quagmire can be avoided.

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**THRIVE.**

A common cost saving alternative to managing international medical receivable in-house is outsourcing the billing and collections to a qualified vendor. Before selecting a vendor, here are five recommended questions you should ask:

**International Network and Expertise – Does the vendor have a credible track record in working with international payers?** You need to work with a vendor that has an extensive international network of contacts with foreign payers, attorneys, skip tracing experts etc. Additionally, they should have a multi-cultural and multi-lingual staff that understands the nuances of the international market.

**Range of Services – Does the vendor offer proactive receivable management services?** Many vendors focus on collection services but it has been clearly demonstrated that when proper billing services are provided as soon as medical services are delivered, it greatly reduces the number of international accounts that get to the collections stage or are written off. It is common of medical provider to pass international accounts to collections agencies after a long period of time. These claims not only experience degradation in face value, you will also pay higher contingency rates because the claim has become harder to collect.

**Fee Structure – Are the vendor's rates performance based?** It is critical that all fees paid should be contingent upon collection.

**Customization of Programs – Does the vendor provide customized services to meet your particular business needs?** No two facilities are identical with regards to their international collections issues even if they are in the same geographic area. Your billing and collection services should not be based on the vendor's boilerplate contract but rather be flexible and responsive to your needs and possible changes in your internal systems.

**Technology Infrastructure – Is the vendor able to facilitate the electronic transmission of information?** Reducing administrative costs in your business office will have a dramatic impact on your

bottom line. It is important that your vendor not only has the capability for electronic exchange of information, but also provides you with 24-hour access to your international claim data and account status. This allows you to track of the progression of your billing and collection, and ensures full transparency in all their activities.

In a competitive market, international patient revenue can represent lucrative revenue opportunities. But having the right billing and collections partner will make the difference.

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To learn more, call George Gevas at 463-7346. If now's not a good time, in the morning will do. Just tell us where it hurts, and we'll show you how we can help.

**National City**Bank

Call us in the morning.  
(Aspirin optional)



Member FDIC

**Show Me the Money (continued)**

## Show Me the Money (continued)

### Partial List of Sources:

Care For Uninsured Non-Citizens: A Growing Burden On Florida Hospitals, *Florida Hospital Assn, Feb. 2003*

Foreign Visitors Burden Hospitals, *Miami Herald, Jan. 8, 2003*

Non-Citizen Care Costs Hospitals in Florida, *Tampa Tribune Jan. 8, 2003*

*Lane Baker is an Account Executive with MedFi Medical Receivable Management Services. A member of HFMA, AAHAM and ACA, Mr. Baker has more than ten-year experience in the healthcare industry with expertise in the integration of billing and collection systems for hospitals and ancillary providers for correctional healthcare*

*If you would like to contact him, please call 305-779-6815 or send e-mail to [l.baker@medfi.net](mailto:l.baker@medfi.net)*



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Mark Bainbridge  
614.229.5002  
[mark.bainbridge@ey.com](mailto:mark.bainbridge@ey.com)

Lynne Parrott  
614.229.5110  
[lynneparrott@ey.com](mailto:lynneparrott@ey.com)

[ey.com](http://ey.com)

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We have planned a full spectrum of events intended to meet the educational and networking needs of our members. Please take a look at this year's schedule of programs and mark your calendars for some of our educational offerings. The Central Ohio Chapter will continue to offer the golf outings and regulatory updates that have been provided in the past. However, we are excited to offer a new range of timely programs such as capital financing, reimbursement law, and an outlook on trends in healthcare. The programming committee will update chapter members throughout the year on upcoming programs. Look for registration forms and program descriptions to arrive via e-mail.

Lola Purdef – Chair  
Karin Cain – Co-Chair

2004-2005  
**Beyond**  
the Numbers

## PROGRAMMING CALENDAR

Date	Topic	Speaker	Location	Program Length	Attendee/ Org. Fee
August 26, 2004	Social Event- Happy Hour	N/A	Brazenhead	TBA	TBA
September 22, 2004	Hospital / Physician Joint Ventures and Stark II	Mike Gire, Diane Signoracci, Bricker & Eckler	Children's Hospital	Half-day 7.30am-11:30 pm	\$250 - organization \$30 - per person
October 4, 2004	Fall Golf Outing	N/A	Marion Country Club	Full-day	TBA
October 5, 2004	OHA Regulatory Update	Larry & Larry	Villa Milano	Full-day	OHA fees
October 7, 2005 (Alternative date)	Trends in Healthcare	Healthcare Advisory Board	OhioHealth	Full- Day	\$500- organization \$60 - per person
October 22, 2004	Capital Financing	National City and Peck Schaffer & Williams	Ohio State University	Half-day 8am-12 pm	\$250 - organization \$30 - per person
November 16-17, 2004	OSCPA Healthcare Conference	Various	Ramada Plaza Hotel	2-day	OSCPA fees
December 2004	Accounting & Auditing Update/ Happy Hour	Ernst & Young	Columbus Athletic Club	A&A 3-5 pm Happy Hour 5pm	\$125 - organization \$20 - per person
January 2005 (Tentative)	Trends in Healthcare	Healthcare Advisory Board	OhioHealth	Full- Day	\$500- organization \$60 - per person
February 15, 2005	Uninsured/ Underinsured - Co-sponsored with COPAM	TBA	Villa Milano	Full- Day 8am - 5 pm	\$500- organization \$60 - per person
March 18, 2005	Reimbursement Law & Managed Care Contracting/ NCAA Tournament	Reimbursement Law - AHC Managed Care Contracting -Ernst & Young	Buckeye Café	Full-day 8am - 5 pm	\$500- organization \$60 - per person
April 2005	Professional Leadership Training Seminar	Diane Egbers	Mt Carmel East	Full-day 8am - 5 pm	\$500- organization \$60 - per person
May 19-20, 2005	Co- Sponsorship of Gerry Haggarty Event	Various	Glenmoore Country Club- Canton, Ohio	2-day	\$300 + room
May 23, 2005	Spring Golf Outing	N/A	Riviera CC	Full-day	TBA
June 20-21, 2005	OHA Annual Meeting (HFMA Luncheon - June 21)	Various	Easton Hilton	2-day	OHA fees

Lola Purdef - Chair (614)-722-5117  
Karin Cain - Co-Chair (614)-229-5120  
If you would like to sign up for a program please contact Karin Cain at [karin.cain@ey.com](mailto:karin.cain@ey.com)



Program Calendar

# HFMA Financials

## Balance Sheets HFMA - Central Ohio Chapter 5/31/04

	5/31/03	5/31/04
<b>Assets</b>		
Cash and cash equivalents	\$ 13,776	\$ 6,919
Savings accounts	17,926	17,990
Accounts receivable	11,265	16,275 see detail
<b>Total assets</b>	<b>\$ 42,967</b>	<b>\$ 41,185</b>
<b>Liabilities and Chapter Equity</b>		
Accounts payable	\$ 10,498	\$ 11,479
Deferred revenue	605	-
Chapter Equity	31,864	29,706
<b>Total liabilities and chapter equity</b>	<b>\$ 42,967</b>	<b>\$ 41,185</b>

Chapter equity progression:	
Balance @ 5/30/03	31,864
2004 income over expenses	(2,158)
	<u>29,706</u>

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**Income Statements**  
**HFMA - Central Ohio Chapter**  
**5/31/04**

	Year ended 5/31/03	Year ended 5/31/04
<b>Income</b>		
Dues rebated from National	\$ 4,738	\$ 4,828
Chapter meetings	19,236	9,745
Sponsorship revenue	23,680	20,065
Newsletter advertising revenue	1,350	3,600
Membership directory revenue	1,800	2,100
Interest	97	65
<b>Total income</b>	<b>50,901</b>	<b>40,402</b>
<b>Expenses</b>		
Meeting/education program expense	32,933	32,440
Newsletter printing/copying	-	-
Membership directory printing/copying	4,450	4,304
Board/Committee meetings and travel	3,191	4,210
Administrative and other	97	1,606
<b>Total expenses</b>	<b>40,671</b>	<b>42,560</b>
<b>Income over expenses</b>	<b>\$ 10,230</b>	<b>\$ (2,158)</b>

Cash receipts for FY 2003	38,595
Interest received on savings	97
A/R at 5/31/02	(1,750)
A/R at 5/31/03	11,265
Deferred revenue at 5/31/02	(605)
Deferred revenue at 5/31/01	2,850
	<u>50,452</u>
	450 i
<b>Total Revenue</b>	<b>50,902</b>
Disbursements for FY 2002	30,626
A/P at 5/31/02	(1,000)
A/P at 5/31/03	10,499
	<u>40,125</u>
Bank service charges -net	97
	<u>40,222</u>
	450 i
<b>Total Expenses</b>	<b>40,672</b>

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**HFMA Financials**

## Social Events

On May 24, 2004, National City Bank sponsored the annual Central Ohio HFMA Chapter spring golf outing at Riviera Golf Club. The event was well-attended as more than 80 golfers teed off on a perfect day for golf. The following foursomes won in their respective flights: Dana Engle, Ron Bachman, Dan Wigton, and Mike Dean (Flight A); Chuck Vogt, Jim Fisher, Tom Wilson, and Jason George (Flight B); George Gevas, Mike Melliere, Beau Carter, and Chip Motil (Flight C). Other golfers won for closest to the pin, long drive, and long putt.

Special thanks to the sponsors, the social committee, and Riviera for putting together an outstanding event. We look forward to seeing you next spring!

Keep in mind that our annual fall golf outing will be on Monday, October 4, at Marion Country Club. More details will follow in the upcoming weeks.

### Central Ohio Chapter Social Event

The Central Ohio HFMA Chapter social committee would like to invite you to a happy hour on Thursday, August 26 beginning at 5pm at the Brazenhead in Dublin (address below). The Chapter will pay for appetizers; members will be responsible for drinks. If you have any questions, please contact either Preston Belding (614-566-4037) or Brad Chelton (614-229-5222). We look forward to seeing you there!

Brazenhead  
56 N. High Street  
Dublin, OH 43017

#### Newsletter Editors

**Tara-Ann McElhearn**

(614) 229-5165

tara.mcelhearn@ey.com

#### Newsletter Design and Layout

**Laura Dutton**

(614) 229-5279

laura.dutton@ey.com

Ernst & Young LLP  
1100 Huntington Center  
41 South High Street  
Columbus, Ohio 43215

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Central Ohio Chapter  
Healthcare Financial Management Association  
Ernst & Young  
1100 Huntington Center  
41 South High Street  
Columbus, Ohio 43215