



MetroLines

*A Newsletter from the Metropolitan Philadelphia Chapter of the
Healthcare Financial Management Association*

SUMMER 2004

Upcoming Events

SEPTEMBER

- **September 30, 2004**
*The Elections
2004: The New
Medicare and the
Future of US
Health Care:
Things are
Changing Forever*
 - Location: Adam's
Mark Hotel

OCTOBER

- **October 24, 2004**
*Certification Exam:
9:00 a.m.
Registration
Required*
 - Location: Saint
Joseph's
University

NOVEMBER

- **November 4, 2004**
*Cost Report
Workshop*
 - Location: Thomas
Jefferson
University
Hospital
- **November 2004**
*Revenue Cycle
Management*
 - Date: TBD
 - Location:
Holiday Inn,
4th and Arch

Message from the President

On behalf of the Board of Directors, welcome to the new chapter year! As your new president, my most important job is to do whatever I can to make your HFMA experience a meaningful one over the next year. By virtue of your joining HFMA as a new member, or retaining membership for another year in HFMA, you have given me and the leadership of our chapter a great responsibility, along with a wonderful opportunity. Our responsibility is to ensure you derive the value you seek. The opportunity is to be of service in helping you achieve that value through education, professional development and networking opportunities. As you know, our leadership is voluntary and our motivation is to serve and give back to as many as possible all the benefits that we have derived from our collective HFMA experiences.

My arrival into the healthcare finance profession and my experiences as a member of HFMA occurred almost simultaneously over 25 years ago. At that time, I had the great fortune as a junior accountant at Germantown Hospital to work for a financial leadership team that already understood the value HFMA could mean to professional development. I have maintained my membership throughout the past 25 years and until recently, really had not "connected the dots" of just how valuable HFMA has been for me personally.

Initially, I gained great value from an educational perspective as I learned the nuances of healthcare financial management from various HFMA programs. At the same time, especially in the early years, I was able to develop a network of business and personal relationships that have survived and thrived over the past 25 years. Later, I became active in specific areas of interest that matched my career path, beginning with Committee membership. I also committed myself to HFMA professional certification. As a consequence, more targeted professional development was gained, while at the same time, beginning in a service role. Ultimately, I was asked to consider becoming part of the leadership team of the chapter, and that journey has taken me to the Board of Directors and ultimately to the role of President of this great chapter. Not coincidentally, as I retraced my own career, and how I have been able to grow and develop into roles over time of increased complexity and responsibility, I realized the importance the network of people and professional development support that HFMA provided to me. I challenge each of you to think of your own professional development. I do not think my story is unique. I think you will conclude, as I have, that HFMA has likely enhanced your own journeys. If I can do my part to continue to help build on that positive experience for you over the next year, I will consider it a success.

Your chapter leadership has hit the ground running this year. We have already conducted two strategic planning sessions and another Board meeting. Committee leadership and members have been assigned based on your requests. We are focused on being responsive to our strategic priorities, which have been largely based on

DECEMBER

- December 19, 2004
*Certification Exam:
9:00 a.m.
Registration
Required*

- Location: Saint Joseph's University

- December 21, 2004
Improving Your Bottom Line Through Performance Improvement

- Location: Thomas Jefferson University Hospital

JANUARY

- January 19, 2005
Legislative Dinner Meeting

- Location: Adams Mark Hotel

FEBRUARY

- February 16, 2005
Physician Practice Management Meeting

- Location: Thomas Jefferson University Hospital

- February 27, 2005
*Certification Exam:
9:00 am.
Registration
Required*

- Location: Saint Joseph's University

feedback we have received from you in our annual chapter survey. We are working to bring you the best programming value throughout the chapter year, as well as provide important networking and professional certification opportunities. I am proud and very fortunate to serve with such a dedicated group of Board members and Committee chairs.

As the year unfolds, I ask only one thing of you. Please let me or our Board and Committee Chairs know what we can do to make your experience more meaningful. I commit to you that you will have our attention consistently throughout the year to make your HFMA experience a positive one.

Most importantly, I hope this chapter year brings health and happiness to you and your families. Thank you for the opportunity to serve as your President!

Pete DeAngelis

Message from the Editors

Welcome back... to our new Metropolitan Philadelphia Chapter of the HFMA fiscal year. We hope that everyone has had opportunities to take some time off this summer from our hectic work lives and spend some time with our families. As our summer season quickly comes to an end, and the thoughts of sand and surf fade from our memories, we look forward to our new Metropolitan Philadelphia Chapter HFMA year.

This year promises to be an exciting one for our Chapter, as we move forward in our ever changing healthcare environment. As we begin this fiscal year, we have identified some of the many resources and events that are available locally and nationally within HFMA.

The various Philadelphia Chapter Committees have been working extremely hard to plan Programs and Events to benefit our members, and allow for opportunities to meet one another, and build on relationships developed within the Chapter over the past years. Please see the local Program and Event dates noted in this Newsletter, and take advantage of these opportunities. We look forward to the challenges of the upcoming year, and to the many experiences that we will share with each other through the Programs and Events sponsored by the Metropolitan Philadelphia Chapter of the HFMA.

We hope that you find the information and articles in this Newsletter useful. We strive to make this Newsletter as informative and helpful as possible, and solicit your feedback and ideas to make this Newsletter beneficial to our Members. If you have any suggestions of things you would like to see in our Chapter's Newsletter, or if you would like to submit an article for any of our upcoming Newsletters, please contact us.

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MARCH

- March 10, 2005
Reimbursement Seminar
 - Location: La Salle University

APRIL

- April 2005
Decision Support Program
 - Date: TBD
 - Location: Crozer
- April 24, 2005
Certification Exam: 9:00 am. Registration Required
 - Location: Saint Joseph's University

MAY

- May 26, 2005
Meeting and Golf Outing
 - Location: Paxon Hollow Country Club

Metropolitan Philadelphia Chapter Awards

Awards of Excellence for Membership Growth and Retention Silver Award

The Awards of Excellence for Membership Growth and Retention recognize chapters that have achieved outstanding performance in the growth of membership.

Awards of Excellence for Certification Gold Award

The Awards of Excellence for Certification recognize chapters that have achieved outstanding performance in certification support.



Jowdy Photography

Tom Heron (Center), Chairperson of Professional Certification Committee, accepts the Gold Award for Excellence for Certification for the Metropolitan Philadelphia Chapter.

*Joyce A. Zimowski (Left)
2004-05 National HFMA Chairman*

*David P. Canfield (Right)
2003-04 National HFMA Chairman*

Welcome to Our New Members

The Metropolitan Philadelphia Chapter of the HFMA, would like to extend our welcome to the following new members who have joined our Chapter over the last 4 months:

Sandra Bokas - Children's Hospital of Philadelphia
Paul Clancy - Commerce Capital Markets Inc
William Cleary - ZA Consulting
Paula DelCiotto - Cardiology Associates of Philadelphia
Mary Evans

Michaele Glenn - Young International Group
Ray Graeca - DuBois Regional Medical Center
Michael Hafner - Northwestern Human Services
Shahir Kassam-Adam - Thomson Scientific & Healthcare
Paul Lakeman - Bayhealth Foundation
Pam Marren - Frankford Hospital
Michael Megill - ZA Consulting
Sean Nolan - Mercy Hospital of Philadelphia
Annette Norris - Jennersville Regional Hospital
Thomas Oberly - CBCS
Michael Reinsmith - Crozer-Keystone Health System
Maria Siglin - Children's Hospital of Philadelphia
Ellen Sjostedt - St Mary Medical Center
Donna Streletzky - Beebe Medical Center
Linda Swartley - Health & Comm Services, Inc.
Thomas Tammany - Buchanan Ingersoll PC
Brian Trewella - ZA Consulting
Robert Trivett - RMA, Healthcare Division
Kenneth Turturro - McBee Associates, Inc.
John Washlick - Morgan, Lewis & Bockius
Julia Werner - Ernst & Young
William Zahn - Triad Program Management

New Member Enrollment

2004-2005 Member-Get-A-Member Campaign is Underway

HFMA's 2004-2005 Strength in Numbers, Health in Numbers Member-Get-A-Member campaign is underway. Here is how it works: All sponsors who recruit one or two new members between June 2004 and April 2005 will receive an HFMA apparel item of their choice. Sponsors who recruit three or four new members will get a \$100 gift certificate that can be redeemed at hundreds of brand name merchants. They will also be entered into a drawing to receive a \$1,000 cash prize. Sponsors who bring in five or more members will earn a \$150 gift certificate and be entered into a drawing to receive a \$2,500 cash prize. For every member sponsors recruit, they will receive one entry into the drawing for a \$5,000 travel gift certificate from Tower Travel.

Encourage membership in HFMA today among your peers!!

Congratulations to Joe DeMeo and Ann Meehan Saputelli who recruited three or more members to HFMA in last year's campaign.

Certification for the Current Year

For the third consecutive year, the Professional Certification Committee, through its partnership with Saint Joseph's University, is pleased to make available to its members the opportunity to attain their credentials as a Certified Healthcare Financial Professional locally. The certification examinations for the new chapter year will be held on the following Sundays throughout the year: October 24th (Proctored by Sheila Bentzel, FHFMA) and December 19th (Proctored by Herb White, FHFMA) of 2004, and February 27th (Proctored by Robert Hughes, FHFMA) and April 24th of 2005 (Proctored by Thomas Heron, FHFMA). These exams are held at 9:00 a.m. at the SJU Computer Learning Center.

This certification leads to HFMA's designation as a Certified Healthcare Financial Professional (CHFP) and Fellow of the Healthcare Financial Management Association (FHFMA).

Registration for the examination must be done in advance with HFMA national in order to take the test. To register for the examination, visit the National HFMA website at <http://www.hfma.org/sitemap.htm>, and then click on the Exam Application link under the Careers section to access the online application. Applicants must provide the name of the proctor at the time of application or the application will be considered incomplete. Payment by credit card of \$100 for the core exam or \$70 for a specialty exam is also required at the time of registration and will be refunded to the member after the exam is completed. Once the member signs up for an exam with the national office, please contact the local chapter's study material committee member listed below to arrange for free study material. Because the number of examinees that can be accommodated by the chapter, admissions may be limited, therefore, you are encouraged to sign up early for the testing dates of your choice. According to the National Office, 24 to 30 hours of study time are required for the core and 16 to 20 hours for each specialty test.

For Certification Information, please contact:

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Marian Hospital
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For Study Materials, please contact:

Jonathan Ketcham, FHFMA
Mercy Hospital of Philadelphia
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A Colleague Needs Your Help

Mr. Chuck Eells, a Philadelphia Metropolitan HFMA member for over 20 years through his previous affiliation with Jefferson Health System, has been diagnosed with ALS also known as Lou Gehrig's disease. Chuck, along with his wife Maureen and four young children have been battling the effects of this disease for the past four years. Friends of Chuck are running a benefit golf outing on October 22, 2004 to help raise needed funds for the family. If you would like to participate or can help in any way, you can access information through www.eellsfamily.org.

On the Local Scene...

Please see the upcoming Programs and Events sponsored by the Philadelphia Metropolitan Chapter, on the left margin of this Newsletter.

The following provides more specific details regarding the first Program of this fiscal year:

Date: September 30, 2004

Location: Adam's Mark Hotel

Event: The Elections 2004: The New Medicare and the Future of US Health Care: Things are Changing Forever

Summary of Program:

We are just weeks from the election 2004 and the future of the nation's health care system lies in the balance. Do you know where the candidates stand? The new and improved Medicare Act has already changed Medicare forever, and not just about drugs. Do you know about the how Medicare is already set to change starting in 2006? How hospitals will face a \$12 billion dollar cut in their reimbursement? How Part B of Medicare will be income-tested? Are you prepared? Do you care?

Jeanne Scott, one of the nation's leading health care industry lobbyists, brings her "inside-the-beltway" perspective to help bring these issues into focus. You don't want to miss her sometimes caustic, frequently humorous, but always informative insight into these and other critical issues facing health care.

The second half of our program will focus on the continuing problem of access to capital for healthcare providers. Please refer to the agenda for details on the capital related issues that will be covered. Immediately following the program will be a networking cocktail.

For updated dates and specifics regarding other local Programs and Events, please visit us on the web at: www.hfmaphila.org

On the National Scene...

The following represents a list of the events and conferences in the upcoming months that are sponsored by HFMA National. Please visit the National HFMA web site for more information on these events.

Fall Seminar Series Dates

September 27-30, 2004 Englewood, CO (Denver)

October 11-14, 2004 Cambridge, MA (Boston)

November 8-11, 2004 Orlando

December 6-9, 2004 Chicago

Fall Revenue Cycle Strategies Conference

The Fall Revenue Cycle Strategies Conference will be held from October 27-29, 2004 in Las Vegas.

Audio Webcast Schedule

The following details the HFMA National audio webcasts for the coming month of September:

Sept. 15, 2004 2:00 - 3:45 pm Central Time: *Medicare's 2005 Hospital Inpatient Prospective Payment System Changes: What They Mean to Hospitals*

Sept. 20, 2004 2:00 - 3:45 pm Central Time: *Forum Members Only Six Sigma in Healthcare Finance: Achieving World-Class Patient Care*

Sept. 21, 2004 2:00 - 3:45 pm Central Time: *Maximizing the Opportunities of Health Savings Accounts*

The National Voluntary Hospital Reporting Initiative



The National Voluntary Hospital Reporting Initiative, impacting Medicare reimbursement, was effective July 1, 2004. Ten clinical measures are to be reported to CMS via selected vendors. At the April DSS Seminar, the DSS Committee presented a challenge to attendees. The challenge, "Reporting the Medicare 10 Core Measures from your Decision Support System", will be a group effort coordinated by the DSS Committee. The effort will involve information exchange, ad hoc conference calls and meetings. Successes will be presented at the DSS Seminar 2005.

The Committee will soon be contacting those that signed up to begin the "challenge". If anyone interested in participating, please contact Regina Truxell, truxellr@uphs.upenn.edu or Sharon Sellman, sharons@trinethealth.com.

Please note, "information exchange" is related to process only and not actual core measure results.

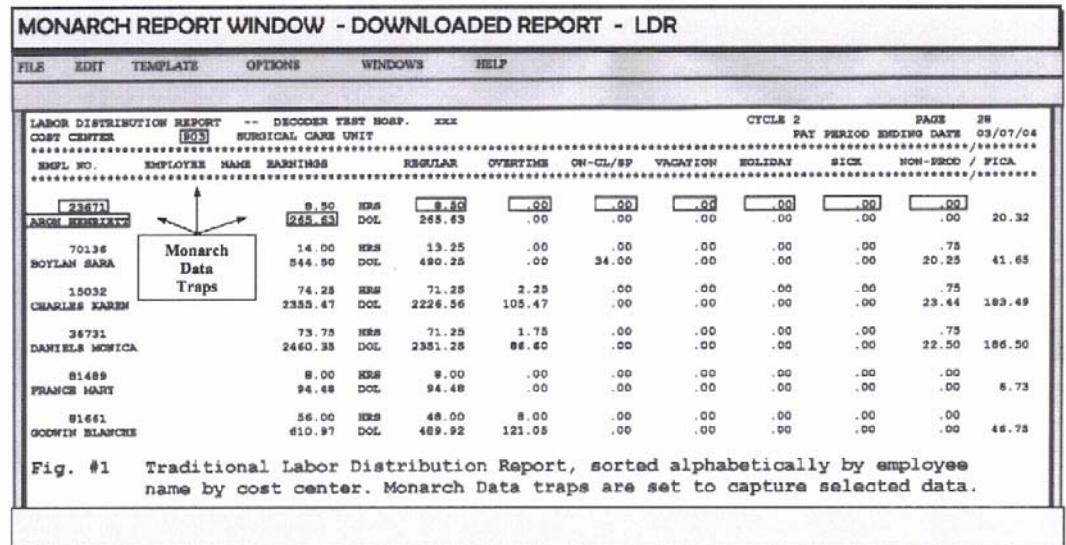
BUILDING SYSTEMS using REPORT MINING in Hospital Finance

by Thomas M. Boyle

Hospital Finance Departments are constantly trying to find ways to improve the timing and availability of critical data for analysis and decision making. The standard reports that are available to the CFO and his/her staff from the existing hospital computer systems do not always meet current needs. The Information Technology department (IT), may not have the availability of programmers to meet immediate needs because data conversion may be required to meet these newly defined needs of Finance, as opposed to simply creating an ad-hoc report from an existing database.

If source data is available, and data conversion is required, IT programmers need to write custom programs or use specialized software tools to extract the needed data. Next that data has to be transformed into meaningful paper reports or spooled data files that are compatible with Excel or other software systems that are functional on Finance networked PCs. This approach with IT may not be achievable. Report mining presents an option that the staff in the Finance department can utilize for this data conversion task. It may be a faster and less expensive way than waiting for the IT department to respond. Rather than getting into an abstract programming type article on how to accomplish Report Mining here is an example of how one hospital Finance department built their own FTE budget vs. Actual reporting system. Report Mining in this article is broken into the following processes:

- **Data Extraction**, Trapping data from an existing report/file
- **Systems Building**, Multiple Data Joins and merges from other files
- **Automating the Process**, Setting up an automated job flow



Most hospital financial staff are probably familiar with the paper (greenbar) report show in Figure #1, the Bi-weekly Labor Distribution Report (LDR). It comes out on the payroll cycle. It reflects hours and dollars paid to each employee for various time codes and cost centers. A downloaded report is depicted as it appears in a PC Window.

The report is in cost center sequence and is alphabetic by employee name and has an immediate check section also. This is an audit type report of many pages

Finance at this hospital desired to integrate actual data with FTE budget data summarized by position code within cost center while balancing exactly to the Total Hours and Total Dollars by Pay period and Year-to-Date in their existing payroll system. At this hospital payroll data is transferred to a database system but it is out of balance with the payroll and accounting system. There is also a budgeting module that is part of the payroll/personnel system but this was deemed unsuitable for the specific position control and cost center summary budgeting reports that finance desired.

DATA EXTRACTION

Data extraction can be a complicated process. This hospital elected to use one of the new REPORT MINING software systems on the market, Monarch Pro V7.1, from Data Watch Corporation. There are a number of other report mining systems available from companies, such as Symtrax, Cypress and others.

Using report mining software the finance staff imports an electronic copy of the LDR report (Figure #1) and then sets up various data traps and templates to selectively extract certain data fields. See figure #1, above and trapped data fields.

[cost center] [empno] [name] [hrs] [hrs] [hrs] [hrs], etc. - Data Trap highlights

This results in a data file that contains cost center number, employee number, employee name and all the seven 7 individual categories of recorded hours. Trying to perform a similar data extract task in EXCEL by importing this particular file is impossible. The software also allows the set up of data filters and other functions to isolate and extract only the exact data required and it balances to the penny with report control totals on the LDR report. The software has some of the same functions available in Excel but it can also be set up to automatically summarize data columns and perform other Excel type functions better. Then the resultant windows (detailed and/or summarized data) can be exported into many Windows type files such as Excel, Access, Lotus, Text, etc., or as printed reports, permanently or temporarily or for use later on.

SYSTEMS BUILDING

The newer software versions of report mining applications have a very important function which allows data from other Windows files to be merged with the existing extracted file. So in this case the operator can join or merge data from other Excel files, which is another function in report mining software, as systems building continues.

Employee master file data in Excel and period budget files, also in Excel, are part of the systems integration process. Matching employee numbers and cost center & position code numbers allow data from numerous excel files to be imported into the existing data.

See Figure #2 for the detailed report that goes to the cost center or department head.

TEST HOSPITAL SCHEDULED VS ACTUAL - COST CENTER 801											PAGE 1	PAY ENDING 02/25/04		PERIOD 18
PP	POS	EMP #	EMPL NAME	POS TITLE	SCHED HOURS	RMP	U	BUDGET HOURS	REG HOURS	O/T HOURS	NON P HOURS	TOT HOURS	VARIANCE HOURS	
18	139	37002	WILEY T	WARD CLERK	80	0	1		26.50	0.00	0.00	26.50		
**	PERIOD TOTALS POS CODE 139								0.00	26.50	0.00	0.00	26.50	26.50
**	YTD TOTALS POS CODE 139								0.00	206.00	0.00	63.00	269.00	269.00
18	174	13425	BOLAN E	LPNURSE	80	8	1		56.00	1.25	8.00	65.25		
18	174	60335	DANIELS D	LPNURSE	32	21	1		17.50	0.00	0.00	17.50		
18	174	18614	LANE	LPNURSE	80	8	1		48.00	0.00	23.38	71.38		
**	PERIOD TOTALS POS CODE 174								192.00	121.50	1.25	31.38	154.13	-37.87
**	YTD TOTALS POS CODE 174								3456.00	2619.75	98.75	575.88	3294.38	-161.62
18	183	29421	BOYLE G	NUR AIDE	80	8	1		64.00	0.50	0.00	64.50		
18	183	74112	CARLIN G	NUR AIDE	80	4	1		8.00	0.00	0.00	8.00		
18	183	72835	DEVIER K	NUR AIDE	80	8	1		73.50	8.25	0.00	81.75		
18	183	81935	KAHILL MAR	NUR AIDE	16	20	1		4.00	0.00	0.00	4.00		
18	183	71209	LONG G	NUR AIDE	80	4	1		88.00	0.00	0.00	88.00		
18	183	78543	MURPHY B	NUR AIDE	0	22	1		8.00	0.00	0.00	8.00		

FIG #2 DETAILED EMPLOYEE COST CENTER REPORT FOR DEPARTMENTS HEADS FOR PAY PERIOD & YTD
ALPHABETIC SUBTOTALS BY POSITION CODE AND TOTALS BY COST CENTERS WITH +/- VARIANCES

VP Number	VP Summary	PAY 18 ACT FTE	PAY 18 BUD FTE	PAY 18 VARIANCE	YTD ACT FTE	YTD BUD FTE	YTD VARIANCE
2	JAME PARRY	9.37	9.40	(0.03)	9.42	9.40	0.02
3	HOWARD SMITH	76.89	80.10	(3.21)	77.35	80.10	(2.75)
4	KAREN BOOTH	223.47	231.30	(7.83)	223.15	231.30	(8.15)
5	MARY JONES	27.80	30.50	(2.70)	28.49	30.50	(2.01)
5	KATE JACKSON	39.10	41.70	(2.60)	38.12	41.70	(3.58)
6	CLARK KENT	499.34	505.90	(6.56)	500.08	505.90	(5.82)
7	LOIS LANE	28.88	25.80	3.08	27.99	25.80	2.19
13	MICHAEL RATHER	137.09	140.30	(3.21)	136.43	140.30	(3.87)
14	JAMES O'BRIEN	34.75	35.90	(1.15)	34.88	35.90	(1.02)
16	JOHN FALLON	31.32	35.30	(3.98)	31.04	35.30	(4.26)
Totals		1,108.01	1,136.20	(28.19) 	1,106.95	1,136.20	(29.25)

Figure #3 - Excel Summary Report by Vice President. Other Groupings with subtotals also.

This report (or file) can be printed or transmitted to an electronic distribution and archival system for retrieval by appropriate personnel. Other summarized reports are also produced that reflect just cost center totals and other groupings of summarized information, again on paper or in Excel. See Figure #3 for an example of this report.

Automating the process

The process described above requires a staff person in Finance who is proficient in operating report mining software and Windows applications. It occurs every two weeks based on the payroll cycle. Report Mining software packages, most notably *Monarch Pro V7.1 by Datawatch Corporation, can be re-used to mine the data from such recurring reports and on an automated basis using supported Macro type command functions.

Macro functions allow a number of individual file extract operations, file merge operations, and output operations to be cascaded and executed automatically so that an inexperienced staff person can easily perform the task once the macro Job stream has been established.

The process for FTE monitoring described is only one example of how data mining software is used in the hospital finance area. Other applications areas in operation in hospital finance are in Cost Accounting, A/R analysis, custom ATB's, etc.

It is the author's view that the small investment that these packages require is well worth the small investment in software and training for staff in the Finance Department.

*Monarch is a trademark of Datawatch Corporation (www.datawatch.com)

About the author:

Thomas M. Boyle, who founded Decoder Inc. in 1985 is semi-retired and lives in Williamsburg, VA. He is a software developer and contract programmer, specializing in hospital finance. Currently he provides operational data services on-line from his home office in Virginia to selected client hospitals. He telecommutes and also works on-site at hospitals in PA and CT. He is a member of the Virginia HFMA and was newsletter editor in 2001 and 2002. He formerly worked for IBM, Siemens and served as CIO at a major multi-division teaching hospital. He can be reached at (757)-259-0552 or at DECODER1@aol.com.