

## A Message From The Chapter President

-Chris Baron, FHFMA

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“Things are going to get so bad that we’ll be calling these the good old days.”

-Michael J. Clifford, Director of Finance, Wayne Memorial Health System

Those words were spoken to me 10 years ago. I can’t even remember the regulatory or reimbursement crisis we were facing at the time, but the quote stuck with me. It underscores the complex and ever changing environment that exists in the field of healthcare financial management. I entered the healthcare field in 1983 when a new Medicare inpatient reimbursement scheme called DRG’s was being implemented. Looking back on the past 23 years the changes in healthcare financial management seem almost overwhelming. The proliferation of managed care, increase in compliance investigations, APC’s, HIPPA, physicians as competitors, soaring cost of technology, workforce shortages and the list goes on and on.

Today we are faced with a whole new set of challenges. Whether it is pay-for-performance, pending Medicare cuts, the effects of baby boomers on healthcare, bioterrorism readiness or a host of other challenges, healthcare financial managers will be at the forefront of meeting future demands. HFMA will be there to help.

Over the past 23 years I have found HFMA, on the national level and the local chapter, to be the prime source of education for healthcare financial managers. The organization also provides the best opportunity to network with your fellow professionals. I’m sure most of us can recall a conversation with a fellow HFMA member at break or lunch of an education session where we have found an answer to a problem or a new way of doing something.

I encourage all of you to tap into the resource that is sitting on your desktop. Visit the HFMA website. You will be surprised at the wealth of information available to members. The dues you or your employer pay can come back to you many times over simply by tapping the resources available through [www.hfma.org](http://www.hfma.org).

I would also encourage you to get involved with the Northeast PA Chapter. The Chapter Officers and Board members are busy planning for next year. We have a full slate of educational events planned including the annual cost report/reimbursement update in September and many other events throughout 2006-2007. But before that we have the annual golf outing being held, **Monday, June 12, 2006 at 10:00 AM, Irem Temple Country Club, Dallas, PA.** This event is always a great opportunity to have fun and network with your fellow healthcare financial professionals.

Finally, I would encourage any of you out there who have thought of getting more involved in the chapter to pick up the phone and contact one of the chapter officers or board members. There is always a need for help planning educational events, obtaining sponsorships or helping with certification. I have found that my involvement as a chapter officer has been demanding. But the benefits measured in the people I’ve met and the things I’ve learned far outweigh the sacrifice of time.

## A Letter from the Editor...

Dear Member,

It's Spring!!! A perfect opportunity to re-fresh your commitment to HFMA.

HFMA continues to provide its members with opportunities to meet colleagues and share problem solving solutions. In addition many of us have either advanced our careers or have found our jobs through relationships and contacts we have made by becoming involved in HFMA. Just this past week I know of a one of our members who, because of her ability to meet other HFMA members in our chapter, was able to quickly obtain references and recommendations that helped her obtain a very good position.

I encourage you to take a bold step, pick up the phone and call one of our Officers or Board members and get started enhancing your career and meeting colleagues by getting involved in our chapter. We are the chapter and need to participate to obtain individual and chapter goals.

Sincerely,

Thomas P. Sokola, FHFMA  
Editor

# NEPA CHAPTER OFFICERS 2005-2006

President

Mr. Chris Baron, FHFMA

President-Elect

Ms. Josephine Bradley, CPA, MHA

Program Chair

Mr. Loren L. Stone, CHE, MHA

Treasurer

Ms. Dianne Roberts, FHFMA

Secretary

Mr. William Schultz, MBA

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## HFMA NEPA PROGRAM SCHEDULE 2005-2006

<b>Date</b>	<b>Topic</b>
April 27, 2006	Joint Session with University of Scranton
June 12, 2006	Annual Golf Outing

## **When Looking for a New Product or Service, Look for the HFMA Peer Review Mark**

HFMA members can now turn to a trusted source to find out more about healthcare finance products or services. Products or services that carry the HFMA Peer Review mark have passed rigorous third-party screening process and have met specific standards in the areas of effectiveness, quality and usability, price and value, and customer and technical support. Quickly and easily identify the products and services reviewed by HFMA...look for the HFMA Peer Review mark the next time you buy!

For more information about HFMA's Peer Review process, visit [www.hfma.org/peerreview](http://www.hfma.org/peerreview). ♦

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### **A REMINDER TO REGISTER**

## **THE ANNUAL NATIONAL INSTITUTE 2006 CONFERENCE**

**WHEN: JUNE 17 – JUNE 21**

**WHERE: ORLANDO, FLORIDA  
GAYLORD PALMS RESORT  
AND CONVENTION CENTER**

Register today at [www.hfma.org](http://www.hfma.org).

## **HFMA NEPA SPONSORS**

The Northeastern PA Chapter of HFMA wishes to recognize and express their sincere appreciation to the following sponsors who have supported the Chapter activities for the 2005-2006 year.

### **PLATINUM SPONSORS**

PNC Bank  
McKay Consulting

### **GOLD SPONSORS**

National Recovery Agency  
NDC Health Inc.

### **SILVER SPONSORS**

Healthcare Receivable Specialists, Inc.  
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Comprehensive Professional Reimbursement  
Penn Credit Corporation

### **BRONZE SPONSORS**

Blumberg Ribner, Inc.  
Morda Koch  
OSI Collection Services  
Quest System 2000  
Sunstone Consulting  
Vinson & Elkins, LLP, Dennis Barry, Partner

### **OTHER PATRON**

Best Western East Mountain Inn

**2006**  
**HFMA NEPA**  
**ANNUAL MEETING NOTICE**

Date: Monday, June 12, 2006  
Location: Irem Country Club, Dallas, PA  
Time: 8:30 A.M.  
Topics: Annual Agenda

**PROGRAM AGENDA**

8:30 AM - 10:00 AM	Continental Breakfast, Registration and Annual Board of Directors Meeting
10:00 AM – 3:00 PM	General Membership Meeting, the passing of the gavel to incoming President, Josephine Bradley and Transferring of Books to Newly Elected Officers
3:00 PM – 4:00 PM	Luncheon Buffet

Deadline for Registration is Friday, May 26

**REGISTRATION FEE**

Member.....	\$ 80.00
Non Member.....	\$ 140.00



AGENDA  
FOR  
THE ANNUAL "HFMA OPEN"  
TO BE HELD AT TREM COUNTRY CLUB, Dallas, Pa.  
ON MONDAY, JUNE 12, 2006

**GOLF REGISTRATION**

Golf registration will begin at 8:30 am and end promptly at 10:00 am.

**SCHEDULE OF EVENTS**

Continental Breakfast and Registration & Lunch	8:30 am - 10:00 am
Shotgun Start/Play begins	10:00 am
Luncheon Buffet/Awards/Prizes	3:00 pm – 4:00 pm

The amenities will include the following: continental breakfast, refreshments on the course, cocktails and luncheon buffet. *Equal prizes for all flights will be awarded as well as prizes for nearest to pin.* An array of other valuable items will be chanced off as door prizes.

The format for this year's golf tournament will be Captain N' Crew. You can select your own team or partner or sign up individually and we will place you.

**REGISTRATION FEE**

\$ 80.00.....	HFMA Member
\$140.00.....	Non-Member

Please complete the attached registration form and return it promptly as the field will be limited. The registration deadline is **Friday, May 26.** *Full payment is required to secure a confirmed reservation.*



## HFMA 2006 OPEN REGISTRATION FORM

Yes, I want to participate in the “HFMA” 2006 Open” on June 12. Sign me up!

Name \_\_\_\_\_ Shirt Size \_\_\_\_\_

Address \_\_\_\_\_

\_\_\_\_\_

Phone \_\_\_\_\_

***Other Players in my foursome:***

Name \_\_\_\_\_ Shirt Size \_\_\_\_\_

Name \_\_\_\_\_ Shirt Size \_\_\_\_\_

Name \_\_\_\_\_ Shirt Size \_\_\_\_\_

**Shirt Sizes: S, M, L, XL, XXL**

(Tent sizes are also available by special request)

The check(s) enclosed covers payment:

for \_\_\_\_\_ @ \$80.00      Member = \_\_\_\_\_

and \_\_\_\_\_ @ \$140.00 Non-member = \_\_\_\_\_

Total = \_\_\_\_\_

Please make your check(s) payable to “**HFMA NEPA**” and mail by Friday, May 26, 2006 to:

Mr. Albert A. Forlenza, Jr.  
51 Tunkhannock Avenue  
West Pittston, PA 18643

*THE UNIVERSITY OF SCRANTON ACHE CHAPTER'S*  
**TWELFTH ANNUAL  
HEALTHCARE SYMPOSIUM:**

**"The Baby Boomers & Their Impact on  
Health Care in Northeastern  
Pennsylvania"**

**The University of Scranton  
Eagan Auditorium, Gunster Student Center**

**THURSDAY APRIL 27, 2006**  
**Registration and Reception Begin at 5:00 p.m.**

**Presented by the Uof S ACHE Graduate Student  
Chapter and in  
association with the following sponsors:**



**- Health Care Management Forum of NEPA -**



**ALUMNI**



## SCHEDULE OF EVENTS

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<b>5:00 – 5:45p</b>	<b>Registration &amp; reception</b>
<b>5:45 – 6:15p</b>	<b>Opening remarks and community service award presentation</b>
<b>6:15 – 7:30p</b>	<b>Speakers presentations</b>
<b>7:30 – 8:30</b>	<b>Open panel discussion</b>
<b>8:30 – 9:00p</b>	<b>Closing remarks</b>

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**\*FREE PARKING AVAILABLE IN THE MULBERRY STREET PARKING PAVILLION\***  
**\*For more information or directions, contact Trevor Gogoll at [gogollt2@scranton.edu](mailto:gogollt2@scranton.edu) or Katie Ziarko [ziarkok2@scranton.edu](mailto:ziarkok2@scranton.edu)**

## PARTICIPANTS

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### Opening Remarks:

**Moderator: Mr. Christopher Baron, *Chapter President of HFMA NEPA***

## SPEAKERS

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**Ms. Izanne Leonard-Haak, *Chief of Staff for the Office of Medical Assistance Programs***  
A graduate of Immaculata College and Southern Illinois University, she spent eight years with the U.S. Department of Health and Human Services at their headquarters in Washington, D.C. before coming to Pennsylvania. Originally she oversaw the implementation of the Medical Assistance Management Information System, the automated claims processing system for Medicaid claims. Subsequently she was the Director of Income Maintenance Operations overseeing the 67 County Assistance Offices responsible for determining Cash, Medical and Food Stamp eligibility. Currently she is the Chief of Staff for the Office of Medical Assistance Programs in Pennsylvania.

### **Ralph DeMario, M.D.,**

Dr. Ralph DeMario works as a General Internist in the Scranton area with a specialty in Hospice and Palliative Care Medicine. He currently works in association with Hospice of the Sacred Heart, in which capacity he works closely with the elder population with terminal and serious illnesses. He speaks extensively relative to end-of-life care on a local as well as regional basis. Dr. DeMario is board-certified in both Internal Medicine and Hospice and Palliative Care Medicine.

### **Kurt Moran, M.D.,**

Dr. Kurt Moran has been a local Internal Medicine Specialist for the last 15 years. In 1997 Dr. Moran developed an interest in cosmetic laser surgery. He received certification to perform as well as teach laser cosmetic procedures. He did post-graduate training in Mesotherapy-an alternative to liposuction. Dr. Moran is now working at Actique, which is a full service medical laser spa.

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**REGISTRATION FORM**

\$25 for ACHE Members, HFMA Members, and Nonstudents  
Students Free with valid Student ID

Name \_\_\_\_\_

Employer \_\_\_\_\_

Address \_\_\_\_\_  
\_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_  
\_\_\_\_\_

Telephone(Home) \_\_\_\_\_ Telephone(Cell) \_\_\_\_\_  
—

Email  
Address \_\_\_\_\_ @ \_\_\_\_\_

*\*\*\*Make All Checks Payable to ACHE Student Chapter –  
UofS\*\*\**

## **BAYLOR FINDS SUCCESS WITH JOINT VENTURE SPECIALTY HOSPITAL**

In an environment characterized by continued revenue constraints and cost increases, hospitals and health systems must consider the pursuit of all strategies that offer the potential for improved market and financial performance. The latest *Financing the Future II* report, developed by HFMA in partnership with GE Healthcare Financial Services and Kaufman, Hall & Associates, Inc., examines the strategic use of joint ventures, particularly in situations involving large initiatives, intense competition, limited capital, or significant risk.

### **Working with Physicians to Improve Vascular Services**

Baylor Health Care System opened a full-service heart hospital in 2002 through a joint venture partnership with physicians. It was the first dedicated heart hospital for BHCS, which consists of a network of hospitals, primary care physician centers and practices, rehabilitation clinics, senior health centers, and affiliated ambulatory surgery centers serving the Dallas/Fort Worth area.

The product of the joint venture -- the Baylor Jack and Jane Hamilton Heart and Vascular Hospital -- specializes in short-term, minimally invasive surgical procedures and is located on the campus of Baylor University Medical Center at Dallas. The 176,000-square-foot freestanding facility houses heart and vascular specialty care units with 50 beds, four operating suites, three electrophysiology labs, six cardiac catheterization labs, and recovery units for interventional, diagnostic, and surgical patients.

Lydia W. Jumonville, BHCS's senior vice president and CFO, describes the strategic development process: "Over a multi-year period in the 1990s, we explored various hospital-physician joint venture models as we searched for the one that would support our mission; add value to the community in terms of patient care, access, and quality; comply with laws and regulations; and provide mutual benefits, such as improved quality of services, joint decision making, aligned economic incentives, and increased efficiency."

### **Balancing the Ownership Model**

The result was a model with 51 percent ownership by BHCS and 49 percent by physicians. "The element of control not only reduces tax and regulatory risks, but also gives Baylor the opportunity to offer other advantages, such as our employee benefits program, economies of scale in equipment/supplies purchasing, and managed care contracting," says Jumonville.

The heart and vascular hospital is connected to the medical center's main patient tower, which houses the catheterization labs, which are also operated by the joint venture. "Locating the facility on our medical center campus has allowed us to avoid duplicating expensive services and better coordinate the delivery of cardiac care, which is central to our model," says Jumonville.

## Benefits of Partnering

Testifying before a U.S. Senate committee hearing on the competitive effects of specialty hospitals, John T. Thomas, BHCS's former senior vice president and general counsel, noted, "Partnering with physicians not only brings capital to help finance the response to community needs, but more importantly, economic investment motivates physicians to bring their time, energy and talent to the design, operation and governance of more effective and efficient healthcare facilities." Thomas cites dramatic improvements in cost reduction and efficiency in the heart and vascular hospital's first year of operation, including more than \$12 million in cost savings resulting from better physician alignment with the selection and purchase of supplies and more efficient utilization of supplies.

## Building on Success

BHCS's board recently approved the development of another joint venture heart hospital, the Texas Heart Hospital of the Southwest, which is scheduled to open in January 2007 in Plano, Texas. This \$106 million venture with 87 cardiologists and cardiovascular surgeons who practice in North Texas will have 68 beds and is located on the campus of the Baylor Regional Medical Center at Plano. "By building the heart hospital on our Plano campus and leasing the facility to the joint venture, Baylor retains future flexibility to maximize our care model since we own all of the real estate," notes Jumonville.

**SOURCE:** [\*Joint Ventures with Physicians and Other Partners\*](#), the fourth report in the *Financing the Future II* series

## Additional Information

- [\*Financing the Future\* web site](#)

