

# Colorado Connection

*The Official Newsletter of Colorado MGMA*

## Past President Report By Mary Jo Heins, FACMPE



One of my 2010 realities is the loss of \$50 per new Medicare patient due to the deletion of the consultation codes. A contiguous 2010 reality is the value of my association with CMGMA. It is my CMGMA colleagues

who I call to see what they are doing in response to this coding change.

If you're feeling shy about calling because they may not know you - FEAR NOT! We're all in the same boat here! There are plenty of patients to go around.

Start with me if you'd like. And I'm sure the rest of the board would echo those sentiments.

And take advantage of the upcoming events - the Legislative Reception 1/21 and the 4 Corners Conference in April! I look forward to seeing you then and talking to you soon!

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## President's Column By Jan Krause, FACMPE



Colorado MGMA has worked hard to develop relationships and visibility with the Colorado State Legislature over the past few years, with some success. 2010 will be the third annual reception where members and legislators come together in the same room to meet and develop an understanding of each other. The reception has grown in attendance by key legislators every year.

We need your help to convey and emphasize the messages of grappling with the reimbursement system, and important considerations for future legislation. We can also offer ourselves as resources for information on an ongoing basis. These legislators are the well meaning people who are making decisions that impact the livelihood of our physicians, practices, and ultimately us. And, they cannot make good decisions without information.

Please plan to join us in demonstrating our presence in Colorado healthcare.

## 2010 Important Dates

### Legislative Reception

January 21, 2010  
5:00-8:00 p.m.  
University Club  
Denver, CO

### 4 Corners Conference

April 28-30, 2010  
Sandia Resort  
Albuquerque, NM

### Fall Conference

September 15-16, 2010  
Red Lion Hotel  
Denver, CO

Visit [www.cmgma.com](http://www.cmgma.com)  
or call  
303-756-8380  
for more  
information

## The College Corner By Mike Chisholm, FACMPE

Become a nominee, get your certification, become a Fellow. It is as simple as that.



Let's focus on becoming certified. Earning the Certified Medical Practice Executive (CMPE) designation through ACMPE is one of the fastest, most effective ways to achieve professional confidence and recognition without putting the breaks on your career or personal life. The College has introduced changes that will help nominees along their way to becoming certified. A new welcome kit now replaces the hard copy certification manual that was previously mailed to new members. The kit is an interactive CD that includes a variety of resources where nominees can learn about certification and Fellowship requirements.

Also, don't forget the MGMS/ACMPE website which is the most informative place to find information regarding certification requirements and study information. These links will also help you to understand MGMA/ACMPE membership benefits versus ACMPE only membership benefits.

And finally let me share another great free resource that will help you get certified. The study group from Alaska! Beth Balen, FACMPE, is my counterpart from the great state of Alaska. She has spearheaded an effort to help nominees study through a web based study group. It is has been a real help for those in far removed rural areas, but is now being used by nominees all over the country.

### Here is what you do:

1. Go to [www.mgma.com](http://www.mgma.com) and click on the Member Community tab.
2. Click "My Communities" and then "Join/Leave Communities."
3. Find Alaska MGMA ACMPE Study Group and then click which e-mail delivery option you want (real time, daily digest, etc.)
4. When you then click on "my communities" you will find the study group under Member-Created Communities.
5. Click "view the egroup."

**The process is being made simpler,  
and the support is better than effort.**

**Just do it!**

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## Salary Survey Report By Eric Chappell

It's again that time of year to prepare for the 2010 Salary Survey. I am currently recruiting members who are interested in being part of this year's salary survey. The committee's meetings are held by conference call and tasked to encourage people from all over the state to be actively involved. If you are interested in becoming part of the committee for this year, please contact me by email: [echappell@coloradosurgicalservice.com](mailto:echappell@coloradosurgicalservice.com) or by phone: 303-467-2450.

The salary survey is in its 6th year. Every year, the survey provides office managers, administrators, and physicians a useful resource to set employee salaries and benefits within our practices. The survey provides data not only for us in the metro areas but also those in rural areas of Colorado. Although due to the current state of the economy, salary and benefit surveys may not be as vital to retain our staff. It is still imperative that we continue to get yearly data.

The 2010 Staff and Physician Salary Survey will be distributed around mid-February 2010. As always, the timing coincides with your year-end practice financials and payroll.

To encourage more member support and participation this year, the board has approved two policy changes. **The first change** is for those people who have participated in the 2009 survey: you can now obtain a copy of last year's electronic excel file from the CMGMA office to use as a basis for 2010. To get a copy of the 2009 report, please email Caitlin: [cmgma@conferenceoffice.com](mailto:cmgma@conferenceoffice.com)

**The second change** for 2010 is how CMGMA distributes the final report to the membership. The new policy is very similar to how MGMA National rewards participants for their time and voluntary

participation. Members who participate in the 2010 survey will continue to receive the CMGMA Staff and Physician Salary reports at no charge. Other members can purchase the survey from CMGMA at a reduced price.

**We are rewarding members for your early participation!**

**CMGMA will be holding a drawing to  
give away \$100 visa gift cards.**

**The earlier you turn in the survey, the more chances you have to win!**

I would like to thank each of you in advance for your past participation and ongoing participation with this survey.

## State Legislative Update

By Janet McIntyre, MBA, FACMPE  
Legislative Liaison



The 67th session of the Colorado General Assembly is set to convene from January 13th through May 12th this year. Fiscal cuts will be a big part of the agenda as the worst "is ahead of us" according to our lame-duck Governor as he referred to the state's worsening budget crisis. In addition to the budget cuts, two other issues will likely dominate the 2010 legislative session: 1) the elections and 2) redistricting. Every ten years, redistricting occurs based on the changing population and census. Of course, whatever legislation passed by the US Congress will have significant impact on our state. This article, however, addresses only state issues.

On January 21, 2010, CMGMA will host its third annual Legislative Reception at the University Club which is located near the Capitol. Join fellow practice managers, physicians and healthcare leaders to meet the legislators that shape healthcare in our state and to give them your thoughts. See the website for details.

All incumbent office holders for the statewide constitutional offices are up for re-election in 2010. These include the State Treasurer, Secretary of State, Attorney General, and the Governor. Plenty of information on these seats and races are available in the media. State legislators are limited to eight years in office. Since Colorado's last election occurred in 2008, all 65 seats in the House of Representatives will be up for grabs this year. The next election involving the 35 Senate seats will happen in 2012. No matter what your party or political viewpoint, please learn where the candidates stand on issues and then support your chosen ones. Our legislators work mighty hard for not a lot of pay. Their work has profound influence on our state and our healthcare industry. Please help them however you can.

CMGMA works closely with the Colorado Medical Society to follow bills and legislation. They keep us apprised and ask for our assistance throughout the session. Practice managers are often the best people to testify and provide examples. Please check the CMS website, [www.cms.org](http://www.cms.org), for more detailed information on bills and issues. During the session, CMS provides a weekly update on their website titled the "Legislative Digest". Much of the information below comes from CMS conversations and writings.

What issues are on the horizon for healthcare? Key issues likely to be addressed include:

**Sunset Review of The Medical Practice Act**— This is done through the Department of Regulatory Agency (DORA) every ten or fifteen years.

**Patient Safety Act**—This is an answer to last year's liability and malpractice caps issues.

**Medicaid**—Medicaid enrollment has grown while state revenues are diminishing.

**Medical Marijuana**—Likely regulation for dispensaries and the physicians that certify patients to receive the drug.

**Involuntary Commitment**—Current law allows only physicians to "commit" someone for involuntary treatment. Last session, an effort came forth to allow APNs to certify such commitments.

**Hospital Provider Fee**—Enacted last year, likely to have modifications proposed.

### Legislative proposals that are already in writing include:

**Clean Claims**—Rep. Joe Miklosi plans to submit an administrative simplification bill to limit the CPT modifiers used by health plans. It would bar proprietary claim edits and allow only those CPTs developed by the Centers for Medicaid and Medicare. Edits would have to follow the National Correct Coding Initiative.

**Medical Orders for Scope of Treatment**—This issue came up last year as a proposal to standardize a form that would summarize all end-of-life wishes, including advanced directives, living wills, etc. The form would travel with the patient so all treating providers (LTC, ERs, etc.) could know the patient's wishes.

**CoverColorado**—This is the program that provides insurance to high risk individuals with chronic or life-threatening conditions that are otherwise uninsurable. The program is often short of funds and its members pay very high premiums. The bill to be introduced may lay out plans or recommendations for a fee schedule for providers.

**All Payer Database**—The Center for Improving Value in HealthCare, otherwise known as CIVHC, will oversee this database that aims to track utilization of all payers to identify patterns of overuse, underuse and misuse of healthcare services. This will be controversial and will do well to simply lay out a timeline and process for creating the database.

**Pharmaceutical Marketing Restrictions**—This bill would require disclosure of payments to providers and prohibit the sale and use of patient data for marketing purposes.

**Chiropractic Prescribing**—A bill to allow chiropractors to prescribe certain types of vitamins and supplements.

### Corporate Practice of Medicine

Check the website of the General Assembly for all sorts of information and detail: [www.leg.state.CO.US](http://www.leg.state.CO.US)  
Thanks for reading!

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## Membership News

By Julie Conroy  
Membership Chair

### Membership Survey

I would like to take a moment to thank those of you who participated in the 2010 Membership Survey. We had a great response with 77 members taking part in the survey. Below are just a few highlights of the results:

- 61% (47 participants) are *Very Satisfied* with their CMGMA Membership
- 81.3% of the members would be *Very Likely* to recommend CMGMA to a colleague

#### Conferences:

- 94% members prefer face to face conferences.
- Most preferred places for face to face conferences (top 3 in order of preference):
  1. South Denver
  2. Central Denver
  3. Colorado Springs
- The least preferred places for face to face conferences (top 3 in order)
  1. Durango
  2. Grand Junction
  3. Fort Collins/Greeley
- Topics most preferred to see highlighted at Fall Conference (top 4 in order):
  1. Washington Federal Legislative Updates
  2. Colorado Legislative Updates
  3. Round Table Discussion by hot topics
  4. RVU Analysis

#### Issues Managers are concerned about:

- Top Internal concerns (those with multiple responses):
  - Financial (4)
  - Personnel and HR (regs, laws, changes) (3)
  - Reimbursement (2)
  - Technology /EMR selection and implementation (2)
- Top External Concerns (those with multiple responses):
  - Legislation/new regulations/Healthcare Reform (4)
  - Long term planning (leases/EMR/M&A) (7)
  - Contract compliance and negotiations (2)

#### Benefits that CMGMA could offer to make membership more valuable:

- Webinars (4)
- More Education (3) more broad management topics
- Access to data from MGMA (2)
- List serv—improve functionality
- More opportunities to discuss topics with other colleagues

The Board has reviewed the responses and will be incorporating your suggestions when planning education sessions at our conferences and scheduling networking events. Again, your feedback is valuable to us and we appreciate your participation in the Membership Survey.

**If you are interested in volunteering to assist the board or specifically the Membership Committee, please contact me via email: [jconroy@backofficemd.com](mailto:jconroy@backofficemd.com).**



Opportunities in the New Healthcare Environment  
4 - Corners Conference in collaboration with MGMA  
April 28 - 30, 2010

**Key Note Presentation by William Jessee, MD, MGMA President & CEO**  
"The Changing World of Medical Groups: How the Changes Will Affect Your Future"

*Join us in Albuquerque, New Mexico at the Sandia Resort and Casino  
for Networking, Education, a round of Golf, and a lot of fun!*

Early registration for CMGMA Members is \$175; for non-members the fee is \$225.

See the complete Conference Schedule and Register on-line:

**[www.4cornersconference.com](http://www.4cornersconference.com)**

## Third Party Payer Report Smoking Hot Opportunities

By Jeffrey Milburn

During my 30 year career in the medical practice management field, I have had various levels of exposure to a number of "opportunities". These have included participation with a physician owned HMO, one of the first free-standing physician owned same-day surgery facilities in Colorado, a physician owned pharmacy (now illegal unless grandfathered in), and most recently aesthetic services such as the administration of Botox treatments under the Keep Colorado Beautiful program. And I have watched from the sidelines the development of various alternative medicine and retail clinic delivery systems. All of these various opportunities or initiatives have had different levels of acceptance and support from the managed care insurance industry.



So it is with great anticipation that I am looking forward to the managed-care reaction to the latest and greatest opportunity—medical marijuana. This is currently being advertised as "nature's remedy", "the tree of wellness", the "cannabis connection", and "the best medicine in Colorado hands down". And there appears to be a new subspecialty of "THC Doctors - Licensed MDs Evaluating Patients for Medical Marijuana Registry". These physicians are of course "a cut above...caregivers" who are compassionate and "willing to guide you through the registry process and help you obtain your medical records and registry card"...for a fee. It isn't clear what CPT code will be used now that CMS has abolished the consultation codes.

Not only is this a great opportunity for physicians to expand their scope of services, those of you who are considering an ancillary service or retail clinic should give serious consideration to opening a medical marijuana dispensary. Not sure how to start? There is even an organization which calls itself a University that will be happy to enroll you in their classes "designed to provide a full turnkey solution for the medical marijuana industry".

I thought it critical to get a head start on how the managed-care insurance industry is going to address this important new patient benefit. Although none of the payers I interviewed were willing to go on record regarding their future marketing plans, they are giving it some serious thought. In fact, one payer said they would rather publish their super double secret reimbursement fee schedule than reveal their marijuana benefits marketing plan.

As expected, the payers plan to fast-track the credentialing process for the new THC Physician subspecialty. They were not clear on what the actual requirements will be nor are they willing to define "fast-track" since they aren't familiar with the term in relation to credentialing or contracting. Medical marijuana benefits will be an add-on such as dental and eye care for an "appropriate" additional premium. This will give the employer an opportunity to determine if this benefit is what their workforce needs, or at least legalize existing consumption.

The payers will recognize the potential financial value to physicians of this new line of service, and are already considering closed provider panels and lower than low reimbursement rates. This will be a highly competitive field and is already inundated by a multitude of mom-and-pop dispensaries growing like weeds across the landscape. It won't be long before the major Colorado hospitals will be setting up shops next to their lobby coffeehouses. However you and the hospital won't understand the pricing under their standard secret charge master system. Be prepared to pay extra for the plastic bag.

Although the Pharmacy Benefit Management (PBM) organizations would like a piece of the action, it is more likely that Medical Marijuana Dispensary Benefit Managers (MMDBM) will cultivate their own distribution channels. I understand there are different strains of the product with different levels of effectiveness and this will be addressed through a tiered copayment structure. I wonder if the homegrown industry will prevail in Congress over the importers.

Unfortunately, there is inadequate space in this newsletter to effectively address all the issues. This could be a good topic for further development in a breakout session at a future CMGMA conference. We might even be able to get a speaker from the Colorado University Boulder campus.

Jeff Milburn can be reached at 719-375-3158 and jmilburn@jmilburn.com. He states no marijuana was inhaled in the preparation of this article.

### Future CMGMA Conferences

By Sheri Page, MBA, Educational Committee Chair  
and John Milewski, CMPE, President-Elect

As time is quickly approaching we are getting very excited about our upcoming 4-Corners Conference in Albuquerque, New Mexico on April 28 - 30, 2010. If you have not had the opportunity to check out the website, you must do so. After looking at the beautiful Sandia Resort and Casino as well as the list of the fantastic speakers you will certainly be enticed to attend. This conference will not only allow you to network with colleagues from Colorado but you will also be able to meet and network with others in your profession from other states. We look forward to seeing you there.

**The line up of programs set at the 4 Corners Conference is very diverse. We have some quality speakers listed on the brochure addressing various topics:**

- Technology
- Financial Collections
- Practice Management
- Marketing
- Washington's Update on Governmental Affairs
- and many more

**The program is well rounded and suited for any member to attend.**

It is also that time of year again when we are starting to plan our annual Fall conference. This year it will be held on September 15-16, 2010 at the Red Lion Hotel, Denver, CO. We recently obtained a lot of valuable information from the membership surveys and we hope to make this an exciting and valuable education source for you. We realize how important it is during this time of uncertainty within the healthcare industry to have not just entertaining speakers, but speakers with valuable and up-to-date information. We know many of you are members in other associations and have attended other conferences and meetings. We invite you to contact us if there is a speaker you have heard that may add value to our fall conference.

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## Medical Liability Insurance Policy Options What are the best solutions for you?

By Greg Chronis

*Medical liability insurance can be confusing.  
What questions should you ask?  
What do you need to know about your policy?*

Because the relationship with your professional liability carrier is a long-term concern, you need to thoroughly understand how that relationship is defined. If you don't, you may sign up for a policy that isn't the best fit for your needs, or worse you may not understand your coverage or your rights.

First, you need to read the policy carefully. Ask the insurer if there are any other documents (such as an association's by-laws) that might impact your rights and obligations. Review this information with an attorney experienced in insurance and contract law. Ask the following questions:

### Is your premium guaranteed?

Typically, admitted professional liability carriers are "Advance Premium" companies. This means that the premiums paid by the policyholders are established at the beginning of the policy period and are guaranteed not to increase regardless of any adverse loss development experienced by the company for that policy year.

Other professional liability companies, such as Risk Retention Groups, are often referred to as "assessable" companies. This means that the premiums paid by policyholders at the beginning of a policy period are estimates only. If an assessable company has losses or expenses that exceed the premiums collected, they can collect extra premium (i.e. assessments) from policyholders—possibly even after your policy period ends or your policy is cancelled.

### Consent to settle required\*?

How much control does the policy allow an individual physician to have when making decisions regarding the settlement of a claim? After all, settlement of a claim involves more than money—it can impact your reputation, your practice and even future insurability. Who decides if the claim will be presented to a jury? The Insurer? An arbitration panel? If you object to settlement and the trial verdict is higher than what you could have settled for, will you be personally liable?

*Ask if you have a voice in your defense.* Know what rights, if any, the policy gives you if settlement is considered.

\*Except where prohibited by state law, or by policy type.

### What triggers coverage?

Whether you have a claims-made or occurrence policy, you need to understand what triggers coverage. Does the claims-made policy, for example, allow you to trigger coverage by reporting medical incidents you reasonably believe could result in a claim? If not, when can you trigger coverage? Do you have to wait for a formal demand for damages or lawsuit before the policy responds?

### What about policy cancellation or modification?

What if there is a change to the policy terms or conditions? Will you receive advance, written notice? Will you have the opportunity to examine your options and secure alternative coverage if necessary?

### Occurrence or Claims-Made?

Your policy will most likely provide professional liability coverage on either an occurrence or claims-made basis.

**Occurrence coverage** responds to claims based on when the medical incident occurred, regardless of when the claim is actually made against you. As long as the medical incident occurred during the policy period, your occurrence policy will respond—even if the claim is made after the policy period expires.

**Claims-Made coverage**, by contrast, responds to claims based on when the claim is first made against an insured. Given the length of time that can pass between a medical incident and a resulting claim, claims-made policies contain a retroactive (or "prior acts") date. This retroactive date allows the policy to look back in time and consider prior medical incidents. As long as the medical incident took place after the policy's retroactive date (or "prior acts date"), and the claim is first made during the policy period, your claims-made policy will respond.

If you renew your claims-made policy with the current carrier, your coverage will continue uninterrupted. However, if you move to another professional liability carrier, your claims-made coverage ends and you will have to either obtain a reporting endorsement from the prior carrier (often referred to as "tail" coverage), or purchase prior acts coverage from the new carrier. A reporting endorsement allows you to report claims based on medical incidents that took place between the retroactive date and policy termination date, but are first made after the policy coverage terminates. If your prior carrier is unable or unwilling to provide you with a reporting endorsement, you will have to seek coverage for these "prior acts" through your new carrier.

However, new carriers will consider the financial stability of your prior carrier. If the prior carrier is considered financially unstable or insolvent, the new carrier will be less willing to extend coverage for any prior acts. Since this could impact your insurability and create coverage gaps, it is important to purchase coverage from financially stable companies. Remember, coverage, including extended reporting endorsements, is only as good as the long-term financial health of your carrier.

As with the policy itself, you need to review the language of any reporting endorsement offered. Understand your right to obtain an offer of tail coverage, how the premium (if any) will be determined, and the length of time you are given to report claims.

### Beyond the Policy—Risk Management Solutions

Does your professional liability carrier go beyond the policy to help you improve patient safety and reduce risk? Do you have access to the tools and resources necessary to support those efforts?

Effective risk management is critical for all health care professional. It requires extensive knowledge of the myriad of issues affecting today's providers, and helps you find creative answers and meet the most pressing challenges.

Understanding the relationship with your professional liability carrier is critical. Invest the time to examine your policy's benefits, coverages and costs.

Ask questions. Compare offerings.

For over a century, Medical Protective has provided the nation's finest healthcare providers with unparalleled medical malpractice liability insurance nationwide. As a member of the Berkshire Hathaway group of businesses, Medical Protective protects our doctors' reputation and assets with four levels of unmatched protection—strength, defense, solutions, since 1899. For more information visit us at [www.medpro.com](http://www.medpro.com) or 800-4MEDPRO.

## Protecting You and Your Business from Fraud: Online and Offline

By Jan Chase, Senior Vice President and Healthcare  
Market Manager for Wells Fargo, Denver Metro

Fraud is a serious threat to all businesses and has increasingly become a reality for many. The damage to your business can potentially take years to repair. The following tips are presented to help you protect your business.

### Studies show that banking and paying bills online may help decrease the risk of fraud and identity theft.

- Reduce the number of paper checks and use more secure electronic payments.
- Sign up for online statements and eliminate the need to have statements mailed, ensuring rapid delivery and reducing potential unauthorized access to your confidential information.
- Set up view-only access for book-keepers, accountants etc.

### Safeguard your business against fraud

*Never give out your account information unless you initiate the contact.*

- Notify your bank immediately if you receive a suspicious request.
- Be especially wary of calls, emails or pop-up windows on your computer requesting account information to "award a prize," "verify a statement", or for any other reason.
- The individual responsible for reconciling statements on your account(s) should be different from the individual who issues checks.
- Notify your bank immediately when an employee who was authorized to transact business on your account(s) leaves your company, so that his/her name can be removed from all signature cards and Online Banking access.

### Keep checks and other confidential banking information secure

- Store your check supply under lock and key. Secure your working supply when not in use. Stolen checks are a common method of embezzlement.
- Destroy any checks that you do not intend to use.
- Do not sign blank checks.
- Consider using more secure electronic payment options such as bill pay and real-time online transfers.
- Notify your bank if any unused checks are missing or you find a discrepancy in your records.
- Contact your bank immediately if you discover your checks have been lost or stolen.

### Monitor your account for unusual or suspicious activity

- Review your transaction activity for unexpected fluctuations. For example, compare the percentage of cash deposits to total deposit size. Most businesses will maintain a constant average. A large fluctuation might indicate embezzlement.
- Watch for checks cashed out of sequence and checks made out to cash. These are the classic red flags for embezzlement.
- Have an owner periodically perform accounting duties such as reconciling your account or making a deposit. This will often deter embezzlers.

### Safeguard your ATM Card or Business Check Card

- Sign the back of your card as soon as you receive it.
- Memorize your card's PIN. Never write the PIN on your Card or keep it in your wallet and never share it with any one else, including Bank personnel.
- Never allow anyone else to use, borrow or obtain your Card or PIN.
- Notify a banker immediately if the Card is ever lost, stolen or no longer secure.

### Online safety

*Change your online banking password periodically and never disclose it to anyone.*

- Do not leave your computer unattended while you are accessing your accounts.
- Do log out when you have finished rather than let your online banking session time-out.
- Equip your computer with virus protection and firewalls and monitor for updates.
- Be cautious when using public computers; there may be software on the computer that records keystroke information and could compromise your online security.
- Never respond to an unsolicited email that asks for your account number and PIN, no matter how authentic it looks.

The best line of defense from fraud begins with you and following these tips will help to protect your business. Work with your banker to help you develop the best strategies for your business to help reduce the risk of fraud.

**Jan Chase is the Senior Vice President and Healthcare Market Manager for Wells Fargo in Denver Metro.** Chase can be reached by phone at 303-863-6014 or [janette.w.chase@wellsfargo.com](mailto:janette.w.chase@wellsfargo.com).



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A State Affiliate