

Quarterly Communicator

The Official Newsletter of Colorado MGMA

Past President's Column By Ellen Boyd

This will be the last column I write as the past president for CMGMA. I've been the past president for three years, due to presidents and other board moves during their tenure. I have had a great time and have learned a lot.

You should all take pride in your CMGMA and the people who continue to serve in board positions. They've all done a great job. They work hard at their positions and bring a wealth of experiences to each planning meeting. But..... they need your help. Please continue to suggest topics and speakers that will bring the most current information you need to run your practices. Please continue to be active in attending meetings, bringing on new members and contributions of time and energy when asked.

I would especially like to thank Scott Raberge. Scott took over the position of Corporate Affiliate Representative and has just been an amazing ball of energy. He brings good ideas, he makes things happen and he didn't need much supervision. For the past two years, he just ran with the ball when he got the hand off from Wendy Heckman. He's been a great addition to the board. He made my position soooooo much easier. Thank you, Scott.

It is with sadness that we see the departure of Gina Johnson, as the legislative liaison. She's been absolutely the best. She'll be hard to replace, but she says she'll be on-board to help train the new liaison.

Thank you all for having me as your past president. It was a great honor.

President's Column By Susan Young

Hello Everyone,

Fall is quickly approaching and so is the end of the year. I would like to take this opportunity to thank each of you for all of your hard work and efforts this year. Our organization continues to grow and evolve into something even more magnificent than in the past.

I would like to share with you a couple of lessons I have learned this year.

Lesson One – Do not be afraid to speak up and get involved. Even though Governor Owens vetoed SB 198, efforts are already underway to form a collaborative committee to rewrite this bill. Your efforts made a difference and helped pave a path for future successes.

Lesson Two – We recently passed the one year anniversary of hurricane Katrina. I remember a year ago being glued to the television in disarray as I watched the devastation unfold wondering how these people will ever be able to put their community back together. The answer is very simple, the human spirit. This amazing life force we call the human spirit can make anything possible. Let me share a brief personal story.

My fiancé recently spent some time in New Orleans with a local rotary club to help build houses for the Katrina hurricane victims and on the bus from the airport to the hotel he met a young lady who was originally from Colorado but now calls New Orleans her home. After looking around at the devastation, he asked her, "Why are you still here?" She replied, "My parents keep asking me the same question and my answer is always the same. It is because of the human spirit of the people of New Orleans and their determination and eagerness to rebuild their or our community."

According to my fiancé this young lady's attitude echoed the state of mind of almost every individual he encountered. The sense of community and the sharing of the power of the human spirit creates such a strong life force that there is no question the people and spirit of New Orleans is alive and well. In closing I have a very simple message. Never lose the passion for the things you believe in or the things that are close to your heart. Have a wonderful fall season and I will see you all soon.

Tentative 2007 Conference Schedule

**Spring Conference
March 22-23, 2007
Antlers Hilton
Colorado Springs, CO**

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information**

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The College Corner By Julie Kjack, FACMPE

Greetings Colorado MGMA members! Our annual MGMA meeting is in Las Vegas this year and Colorado will have 5 new Fellows! Congratulations to:

- Mary Jo Bock FACMPE
- Lance Goudzwaard FACMPE
- Jan Krause FACMPE
- Janet McIntyre FACMPE
- Greg Seltenberger FACMPE

College day is October 24th and it will be a wonderful experience to attend the conference and be recognized as a new Fellow.

The ACMPE goal for 2006 was 50 Fellows for the 50th Anniversary and at this time we have 80 new Fellows and a few more may be added prior to the meeting in October.

Colorado MGMA had a great meeting September 28 and 29th. We were honored to have two special guests. Rebecca Dean FACMPE was here from Alaska and gave the College Forum Report. She is past Chair of the WS and is on the ACMPE board and will become Secretary/Treasurer of the college at the Las Vegas meeting. Deb Wiggs CMPE from Washington State gave the Western Section outreach report. Deb will become chair of the WS at the Las Vegas meeting. I hope some of you had the opportunity to visit with Rebecca and Deb as they are very knowledgeable about MGMA and ACMPE and are delightful people. I was fortunate to have them as houseguests and we had a great time.

I also had the good fortune to attend the New Mexico MGMA meeting on September 25th and 26th as part of the Western Section Outreach program. Jim Knight sends his greetings to all of you. Most of you may know that Jim took a job in New Mexico and his new mission is to keep NMMGMA on time! He is also the candidate for the Western Section Member at Large.

CMGMA has some new college members, who are Nominees and several CMPE members. It is time to start planning your advancement for 2007. The tests will be offered at the MGMA meeting in Las Vegas and if you are a Nominee you can register to take the test. The test is comprised of two parts, the multiple choice questions and the essay portion. Testing will also be offered several times in Denver at the MGMA office in 2007 and the dates will be posted on the MGMA website. I encourage you to take the test and get started on the road to Fellowship.

Those of you who are CMPE's can start making plans to submit your outline and write your papers or case studies. It has been my hope that Colorado will always have at least one new Fellow in every class.

We missed a few years and now have 5 new Fellows for 2006. I want to see several for 2007. And you know who you are! You are now my new project and I won't mention names at this time.

If anyone has questions or needs help I am always available. You can reach me at 303-597-4444 or j.kjack@nwneuro.net
Regards to all.

Legislative Report By Gina Johnson

MEDICARE PAYMENT CUT for January 2007

Time is running out for Congress to reverse the 5.1% cut in Medicare physician payments for 2007 scheduled to take effect January 1, 2007. The across-the-board cuts would reduce payments for all physician services and cause an access-to-care crisis for seniors.

A number of other rule changes — including a five-year review of work relative values and relative changes in practice expense values, expiration of the geographic practice cost index floor and imaging cuts from the Deficit Reduction Act — will affect payments for many services in 2007, depending on physicians' geographic location and specialty.

You are urged to get in touch with your Congressional Representatives, before the scheduled to adjournment of Sept. 29. Tell them to take action now to stop the 5.1 percent cut in Medicare physician payments for 2007. Ask your Representatives and Senators for a positive 2.8% payment update in 2007 that Reflects practice costs as recommended by Medicare Payment Advisory Commission (MedPAC).

Colorado Medical Society Managed Care Contracting Survey

CMS is doing the groundwork now to create a bill for 2007 that is similar to SB 198 to help bring balance to the physician/health plan contracting process. Knowledge is power and CMS needs information on what physicians need in the next version of this important legislation. Please go to the medical societies website at cms.org and complete the survey.

This fall is a big opportunity for our state as we elect a new governor. Please be aware of the campaigns of Ritter and Beauprez and do what you can to make your health-care concerns known to them. CMGMA is actively working with CMS and other organizations to support candidates as well as craft legislation for the 2007 CO legislative session (roughly January-May 2007). Stay tuned and help CMGMA with its VOICE.

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Corporate Affiliate Corner

2006 Inaugural CMGMA Golf Tournament a Driven Success

By Scott Raberge
Corporate Affiliate Representative

On Tuesday August 22nd we had 66 of the Colorado Medical Group Management Association members join together for a fun filled day of networking and golf. The weather couldn't have been any better as it was another glorious sun filled August afternoon in beautiful Colorado. Following play we enjoyed an incredible dinner and awards presentation on the outdoor deck of The Ranch Country Club.

The big winners of the day were as follows:

Winning foursome – Kevin Morales, Larry Morales, John Lough and Brian Richman – Score of 61

There was a tie for 2nd place with the tie breaker going to Scott Raberge, Eric Worthan, David White and Chris Rehm – Score of 62

3rd place with a score of 62 was Janet McIntyre, Keith McDonald, Peggy Gustafson and Mark Gustafson

Tournament prize winners were:

David Linger – closest to the pin hole #4, Peggy "The Bomber" Gustafson – women's longest drive hole #6, Dale Cloud – men's longest drive hole #7, Melissa Whitmer – women's closest to the pin hole #8, JP Winslow – men's longest putt hole #9, Shay Eikner – women's longest drive hole #11, Mark Gustafson – closest to the pin hole #13, Kevin Morales – men's longest drive hole #14, David White – men's closest to the pin hole #15, John Lough – closest to the pin hole #17, Kim Smith – women's longest putt hole #18

Thank you again to our gracious sponsors who made the tournament as successful as it was:

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With the success of this year's inaugural tournament we will certainly be planning for this to be an annual event for the CMGMA. We look forward to you joining us at this wonderful event in 2007.

Salary Survey Committee Update

By Jan Krause

The Colorado Medical Group Management Association (CMGMA), Colorado Medical Association (CMS), affiliated county associations, and Krause & Company, PC/KKB Consulting collaborated this year to bring you the new 2006 Colorado Physician Compensation Survey and the 2006 Colorado Healthcare Staff Salary Survey.

Many individuals went above and beyond expectations of their time to return questionnaires that provided data for these reports.

CMGMA and CMS members, along with members of the county medical societies of Aurora-Adams, Arapahoe-Douglas-Elbert, Boulder, Clear Creek Valley, Denver, El Paso, Western Slope, Larimer, Pueblo, and Weld received communication on how to participate in the survey. 144 questionnaires representing 846 physicians and 3,095 employees were returned.

A total of fifty-nine individual job positions were reported in the staff report, and in the physician report twenty-five specialties were reported! Sixty-three percent of responding practices reported that their practice size was fewer than five FTE physicians.

The survey is a census, not a randomized sample, and respondents may not be representative of all Colorado practices as participation is voluntary.

Forty-seven percent of responding practices reported cost of living increases for staff, with seventy-seven percent of those practices granting less than or equal to three percent for that increase. The table below displays median hourly compensation for selected positions by geographic location. This is not a true trend as different

practices participated each year, but it does appear that hourly compensation is holding steady for Colorado.

The reports are available for purchase by members and non members and can be obtained by contacting the CMGMA conference staff at 303-756-8380.

Hourly Median Compensation Compared by Area for Staff in 2006 and 2005

2006 Report	Colorado Springs	Denver Metropolitan Area	Northern Colorado	Western Colorado
Front Desk Combination	10.50	13.03	11.00	12.75
Licensed Practical Nurse (LPN)	*	16.70	15.25	16.48
Medical Assistant	12.88	14.25	12.49	14.56
Receptionist(check in / check out)	11.62	13.00	11.00	12.22
2005 Report	Colorado Springs	Denver Metropolitan Area	Northern Colorado	Western Colorado
Front Desk Combination	11.44	13.50	11.25	13.45
Licensed Practical Nurse (LPN)	15.37	16.64	15.91	16.50
Medical Assistant	12.56	14.00	12.25	14.42
Receptionist(check in / check out)	11.52	13.52	10.85	14.20

Third Party Payer Committee Update

By R. Todd Welter

Chess anyone?

Managed care contracting is a chess game, a VERY long chess game. Like in chess a good player will anticipate their rival's moves. A good player will calculate the response of their opponent's reaction several moves in advance.

Managed care contracting is as much about timing as it is anything. Time can be your ally if you will let it. The payers try to use time as a weapon but if you really play the game, time is always on the provider's side – always!

Honey..... The boys are fighting..... again

The HealthONE-United Healthcare street fight continues to drag on. I am, frankly, amazed that this has gone on this long. It seems that this is a national issue not just confined to this local market. United and HealthONE's parent HCA are locked in dispute in several markets around the country and it sounds like it is roughly the same issues - \$\$\$\$. Look out for broken widows – If (and when) United and HealthONE finally get together and find common ground the physician's seem to pay the price. It seems that when the hospitals get big raises in rates, there is less pie available for the provider side of the calculation.

Aetna is glad it met ya – again

Aetna is back in! Aetna has re-entered the small group market in Colorado after being out for five years. I think this is a good thing. The more competition there is the better. As always you should be on the watch for the amount of volume you are seeing by payer. If you see a rise in your

Aetna patients you may want to open discussion for new rates. Aetna has been difficult to negotiate with lately because they simply did not have much going on here in Colorado. Remember Aetna bought up Sloans and MMA! It makes sense that they would re-enter this market and try and grab up as much small group as possible.

Are two TIN's better than one?

More and more specialists are flirting with the concept of having two Tax ID numbers (TIN). If a patient is seen in the office, non-emergently a contracted TIN is used. If the patient is seen in a trauma situation or through the ER another is used. The TIN used in the office is contracted with the payers, the one used in the ER is not. Is it legal? – I do not see why not. Is it ethical, I think it can be when done properly – It is your call. In any case be VERY careful that your contracts do not disallow the practice. Some contracts have "all professional services language" buried in them.

Means Testing – Medicare Premiums

For the first time the 2007 Medicare premiums will be "means tested." Beneficiaries will pay more for their Medicare premium if they have a higher income. The Medicare premium can rise, under this current plan, by as much as \$68.60 per month for higher income beneficiaries.

This is interesting. Could this cause some seniors to leave the Medicare program? I doubt it, especially those who are sick or feel that they may become sick. Medicare is still pretty cheap healthcare coverage.

Member Spotlight



Mary Jo Bock has been the administrator of Cherry Creek Pediatrics since 2002. She recently joined the board of CMGMA.

Mary Jo made the leap from her native Lake Wobegon to Colorado in 1984. Her first positions in Colorado included self-funded account management for a third party insurance administrator and director of operations for a hardwood flooring finish manufacturer. In addition to managing several business operations, Mary Jo also did a self-employed stint as a health and disability insurance broker and small business accountant.

Mary Jo has always been drawn to multi-tasking work environments as evidenced by her undergraduate degree in elementary education. The broad spectrum of skills utilized in medical practice management, as well as a job offer, drew Mary Jo from accounting to CCP.

"CMGMA has been a tremendous reservoir of knowledge from both educational seminars and fellow managers," says Mary Jo. The camaraderie and collegial atmosphere inspired Mary Jo to earn her FACMPE in 2006.

When Mary Jo isn't busy searching for flu vaccine sources, she has several other passions including singing with Sweet Adelines and serving on the board of HIV Care Link, which she helped found in 1997.

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HSAs – The Good, The Bad and The Ugly

By Tim Krause, CPA, CMPE
Krause & Company, PC

♦ The Ugly—What it means to your practice♦

Health Savings Accounts (HSAs) offer individuals a tax sheltered means of saving for current and future expenses. Here's how an HSA works. First, individuals buy a high-deductible health insurance policy, which can be available either from their employer or a private insurer. To qualify for an HSA, they need a policy with an annual deductible of at least \$1,050 for an individual or \$2,100 for a family.

Next, they set up an HSA on their own or through their employer. They contribute pretax dollars to this account throughout the year, up to your policy's deductible amount, with a \$2,700 limit for individuals and a \$5,450 limit for families. When medical bills come due, they withdraw tax-free dollars from their HSA to cover out-of-pocket costs until their insurance coverage kicks in.

♦ The Good—Benefits of an HSA♦

1. Health insurance premiums tend to be lower on policies with high deductibles.
2. Unlike flexible spending accounts (FSAs), you aren't required to "use it or lose it" every year. The account can grow indefinitely.
3. Like a 401(k) or an individual retirement account, the money in an HSA can be deposited in mutual funds or other investments, and earnings on the account aren't taxed.
4. As long as they're used for qualified medical expenses, withdrawals from an HSA are tax-free.
5. HSA accounts are portable. If a person switches jobs, they can take their HSA with them.

♦ The Bad—Negatives for the Patient♦

1. If an individual generally has health expenses that just meet their current deductible, they may end up paying more out-of-pocket expenses with an HSA.
2. Some individuals may forgo medical treatment for illness or elective surgery in order to retain money in their HSA account.

We have had feedback from numerous practices regarding patients with HSAs. The patient will call the practice to inquire as to the cost of an office visit or procedure. Upon learning of the cost, the patient declines to make an appointment or schedule treatment because they have not met their deductible and will be out-of-pocket for the entire cost.

Of course, treating patients with HSAs also has its problems. HSAs complicate claims processing. Generally, you bill the patient's insurance company. After adjudication by the insurance company, you are able to bill the patient for the amount not paid by the insurance company. This, of course, extends greatly the time it takes to collect for services provided, and it also adds additional risk to your ability to collect. Collecting from patients is significantly more difficult than collecting from insurance companies.

Presently, most practices have few patients with HSAs, but that will change. According to the U.S. Department of the Treasury, individuals covered by HSAs are as follows:

• November 2004	438,000
• December 2005	3,200,000
• Projected 2010	21,000,000

So just because you don't have a problem now doesn't mean it will always be that way.

There are solutions to collecting from patients with HSAs. That is the topic for another article.

