

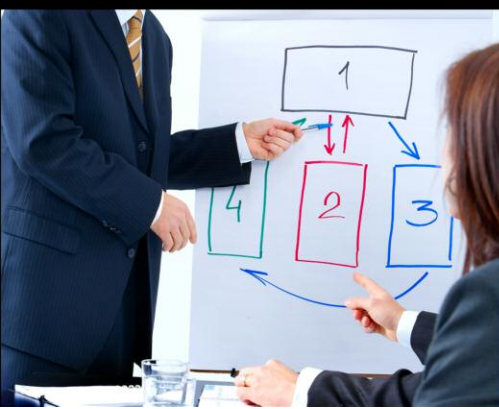


**2015 Financial Outlook,  
Healthcare Trends  
and Transformation**

**HFMA Texas Gulf Coast Winter  
Institute Conference – February 23,  
2015 with Special Speaker:  
Jim “Mattress Mack” McIngvale -  
Owner, Gallery Furniture**

**HFMA Texas State Conference in  
Austin, Texas – March 29-31, 2015**

**Meet our HFMA TXGC  
Chapter Board Members,  
Committee Chairs/Co-Chairs:  
Nan Chi, Amy Adams and  
Dr. Jordan Mitchell**





# HFMA Texas Gulf Coast Chapter

## Silver Sponsors

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**IMA Consulting**  
**MED A/RX**  
**Parallon Business Solutions**  
**Protiviti**  
**The SSI Group**  
**Triage Consulting Group**  
**Whitney Bank**

## Presidents Letter

I hope everyone had a blessed and happy Holiday season. 2015 is already shaping up to be another challenging year for all healthcare industry participants, and we have great plans to bring you the information you need to understand and address the issues we are facing.

I want to thank everyone who participated in the annual member survey this year. You gave us a 74% high satisfaction score, which compares with a national average of 69%. We are especially thankful to those of you who took the time to give us comments. As a leadership team, we take your remarks very seriously and your notes will be a centerpiece of our 2015-2016 Chapter leadership training and planning process.

Based on your feedback, we are planning an overhaul of our Texas Gulf Coast Chapter website to include more features, to make it more user friendly, and to have a more robust calendar and events section. We also learned from the survey results that we need to do a better job of following up with members who volunteer. Member volunteers are the lifeblood of HFMA; your Texas Gulf Coast Officers, Directors and Committee Chairs are committed to taking advantage of the talents and skills of all of our members to build an even stronger Chapter.

In response to previous member survey suggestions, in the fall of 2014 we experimented with our first series of satellite meetings, and scheduled breakfast meetings in all four target sub-markets. We are planning another

round of these meetings, this time over the lunch hour. We are also going to try an evening happy hour event with a speaker and CPE. Please watch your email and our website for news of these events. As always, we are grateful for your input on topics, speakers and venues.

Mark your calendars and plan to attend our Winter Institute, which will be an all-day meeting at the Norris Centre on Monday, February 23, 2015. We have a strong array of speakers including Jim "Mattress Mack" McIngvale. In addition to being a noted inspirational speaker, Mr. McIngvale has become a national spokesman for mental health issues.

I hope you enjoyed our special Gold Sponsor newsletter, which was the first we published using our new format. This is our second, and we hope you like its look and feel. We are always looking for content, so if you have news, photographs or an article you would like to contribute, please contact our newsletter editor, Lita Abreu at [eabreu@bcm.edu](mailto:eabreu@bcm.edu). We wish you a happy and prosperous 2015, and look forward to seeing you at our future meetings and events!

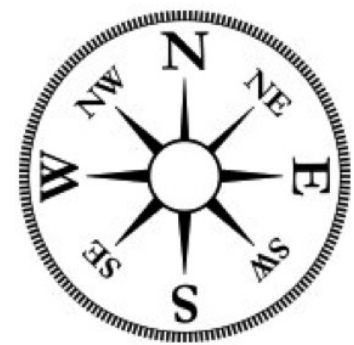
Very truly yours,  
Mark,

*Mark*

Mark S. Worthen, CPA, FHFMA  
President, Texas Gulf Coast  
Chapter, HFMA  
5925 Kirby Drive  
Houston, Texas 77005  
713.388.7858 (office)  
[mark.worthen@frostbank.com](mailto:mark.worthen@frostbank.com)



**Mark S. Worthen**  
President  
Texas Gulf Coast Chapter



**No Member Left Behind**

## HFMA Texas Gulf Coast Winter Institute



**Monday, February 23, 2015**

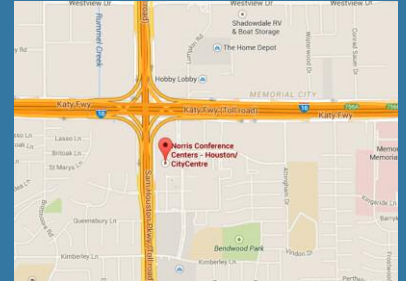
**7:30 am - 5:00 pm**

**Norris Conference Center**

**816 Town and Country Blvd.**

**Houston, TX 77024**

[Click map to get directions](#)



### Round Up Information on Topics of Interest!

#### Featured Speaker

**Jim "Mattress Mack" McIngvale**  
Owner, Gallery Furniture



Born in Mississippi, Jim McIngvale attended high school in Dallas, and was a student at the University of Texas and the University of North Texas where he played football for both schools in 1969-1970

and 1972-1973, respectively. After college, He worked at a convenience store where his boss did Jim a huge favor one day: he fired Jim. Refreshed and determined, McIngvale found a job at a furniture store on the other side of town where he diligently worked, absorbing the business practices and trades of the furniture industry. Inspired, he made a decision that would forever change his life and the competitive world of retail industry: to open up his own furniture store. McIngvale's brother George worked in real estate and found the perfect location to start the new business: an abandoned model home park located at 6006 I-45 North Freeway in Houston. Jim asked his then-girlfriend Linda to join him in Houston, and she said she would move under one condition: if they became husband and wife. And the rest, as they say is history! Jim McIngvale now has two Gallery Furniture stores, his original North Freeway, 110,000 square foot location, as well as his smaller Post Oak store. His third and largest store on Grand Parkway opens this December!

**7:30 - 8:00 am Registration | Breakfast | Welcome**

**Consumerism in healthcare: Providing a great patient experience / customer service**

**Jim "Mattress Mack" McIngvale**  
Owner, Gallery Furniture

**Legislative Update - Texas, Federal and Other States**

**Catherine Grieves**  
Counsel, King & Spalding LLP

**Accounting and Auditing Updates for HealthSystems**

**Kimberly McKay**  
Managing Partner, BKD LLP, Houston

**11:45 am - 12:45 pm Lunch**

**Managed Care Panel – A Year in Review**

**Bret T. Curran**  
Senior Vice President – Financial Operations, Methodist

**Vivian Rose**  
VP of Managed Care, Methodist

**Elaine M. Estes, BS, MHA**  
Managed Care Regional Director & Team Lead, McKesson Specialty Health/The US Oncology Network

**Michelle Lindsley**  
System Executive for Managed Care, Memorial Hermann

**Obamacare: Employer perspective and the potential impact of upcoming Supreme Court case on employer penalties**

**Brad Oxford**  
Attorney, Strasburger

**Impact of a High Deductible Plan of a Revenue Cycle**

**Ed Ladely, CPA, CMA, CGMA**  
Managing Director, IMA

**Pipes and Pumps: Uniquely Houston**

**Stephen R. Igo**  
Executive Director of the *Pumps & Pipes Program*, Houston Methodist DeBakey Heart & Vascular Center (HMDH&VC)

**5:10 - 7:00 pm Reception**

**Agenda & Bios of Speakers**

**Register Online**

#### CPE CREDITS

Up to 8 CPE credits are available for this program. Sponsored by the Texas Gulf Coast Chapter of HFMA, Sponsor #00713. See [Agenda online](#) for session descriptions, Level, Prerequisites, Course Descriptions, and Learning Objectives. *All sessions are presented as Group Live.*

## Board Member Spotlight

### Nan Chi



**Position:**  
**Director**  
**Department:**  
**Budget & Compliance**  
**Institution:**  
**Houston Methodist**

**Please tell us a little about your professional background and what is now your area of expertise professionally in your organization?** I am a CPA and have master in Accountancy and master of Economics. I have worked at Ernst & Young LLP as an audit manager and at Public Company Accounting Oversight Board as an inspector before I joined Houston Methodist. I am currently responsible for: (1) governmental reporting for all Houston Methodist entities, including Medicare/Medicaid cost reports and all tax returns; (2) all Medicare reimbursement issues (PPACA related initiatives, Medicare/Medicaid rate changes, cost report audits and appeals); (3) tax related issues; (4) annual

budget process; (5) completion of net revenue evaluation for all Houston Methodist hospital entities on a monthly basis.

**Where did you grow up (city, state)?** I grew up in China and came to the States in 2000.

**What experience or person has made the most impact on your life?** My parents – they still impact me. From them, I learned to be more patient and more understanding of others.

**What is your favorite hobby and what is something that very few people know about you?** I like shopping, especially online shopping since I cannot make it to the store most of the time. Secret – I do not like to take items purchased online to the store to return and therefore, a lot of times I have to tolerate the stuff I bought online even if I don't like it.

**What advice would you give new members about making the most of their HFMA membership?** Take advantage of the HFMA webinar and luncheons to learn more about the healthcare industry and to network with others.

**Tell us something about the organization that you are working with.** I worked at Houston Methodist, a leading medicine in Houston metropolitan area. Houston Methodist has 7 hospitals across metro Houston area, including Houston Methodist Hospital, the flagship hospital, a leading academic medical center. Houston Methodist also has physician organizations, research institutes, and Houston Methodist Global. At Houston Methodist, all employees carry ICARE (Integrity, Compassion, Accountability, Respect, and Excellence) value proudly in our daily activities.



## Committee Chair Spotlight

### Amy Adams



**Position:**  
**Program Committee Chair**  
**Institution:**  
**Richard, Wayne and Roberts**

**Please tell us a little about your professional background and what is now your area of expertise professionally in your organization?** I am the Partner over the Healthcare practice for the firm as well as running an active Healthcare desk as an Executive Recruiter. I have been in this field since graduating from college and have focused in Healthcare since the mid 1990's. My market is national. I work with healthcare companies across the country with the majority of those being acute care hospitals, physician group practices, health plans and healthcare consulting firms.

**Where did you grow up (city, state)?** I grew up in Houston, TX and attended St. Agnes Academy and Texas A&M University, College Station.

**What experience or person has made the most impact on your life?** Running the Chicago Marathon had the most impact on my life. I followed a 26 week program with daily and weekly goals. It wasn't all about running. It required me to be focused on sleep, food, water, stretching, as well as taking it one week at a time. Once I completed the Marathon, I knew I could do anything utilizing those same principles - a plan, starting it, smaller goals taken one at a time, sleep, food, water and most of all, to keep going.



**What is your favorite hobby and what is something that very few people know about you?** My favorite hobby is working on our Case tractor.



**What is something interesting or exciting you are working on professionally that has an impact on the world of Healthcare Financial Management?** I feel that what I do every day impacts the world of healthcare. I work with clients to identify top talent for their organizations while providing sound advice on the market, and with candidates to put them into the right work culture where they can excel in their work and contribute to their organization.

**What advice would you give new members about making the most of their HFMA membership?** Attend as many luncheons and conferences as you can so your exposure to Healthcare finance is more global in nature. Listening to the speakers provides you an opportunity to get outside the narrow focus of what your job responsibilities provide. Be visible and introduce yourself to people.

**Tell us something about the organization that you are working with.** Richard, Wayne and Roberts is an ESOP recruiting company founded in 1979. We have 10 areas of specialty with Healthcare just being one of those. 75% of our business comes from clients we have done business with before, reflecting that the service we provide our clients goes beyond placing a candidate.

## Committee Co-Chair Spotlight

### Jordan Mitchell



**Position:**  
Assistant Professor  
**Department:**  
Healthcare Administration  
**Institution:**  
University of Houston  
Clear Lake

**Please tell us a little about your professional background and what is now your area of expertise professionally in your organization?** After receiving my PhD from the University of South Carolina in 2012, I came down to Houston to work for the University of Houston Clear Lake. My areas of expertise involve healthcare finance, healthcare quality, and healthcare information technology.

**Where did you grow up (city, state)?** Raleigh, NC.

**What experience or person has made the most impact on your life?** Whether I want to admit it or not, being a saxophone player in college made a huge impact on how I operate and think. The first 90% of playing music is easy – technique, tone, air control, etc. But the last 10% is the hard part –



being able to say something through music. Being a music major in college made me pay attention to detail, trained my brain to be able to focus for long periods of time, and helped me develop the skill of linking smaller analytical thinking (technique – making sure to hit the correct notes) with larger conceptual thinking (what do I want to say when I play this?).

**What is your favorite hobby and what is something that very few people know about you?**

Listening to jazz. I received my undergraduate degree in jazz studies (saxophone) from East Carolina University. Even though I don't play nearly as much as I used to – I still try to find time to listen to jazz – on CD and record (Records sound better).

**What is something interesting or exciting you are working on professionally that has an impact on the world of Healthcare Financial Management?** I am

currently engaged in writing a leadership book with a colleague at the University of Houston Clear Lake, Phillip Decker. This book deals with how and why leaders self-handicap themselves and what to do about it. It is currently under contract with a major publisher and projected to come to market in early 2016.

**What advice would you give new members about making the most of their HFMA membership?** Get involved!

Being a member of HFMA has great inherent benefits – networking, education, etc. However, to really reap benefits, get involved – become a member of a committee, attend social functions, or ask to volunteer. It's a little bit of work for a big payoff!

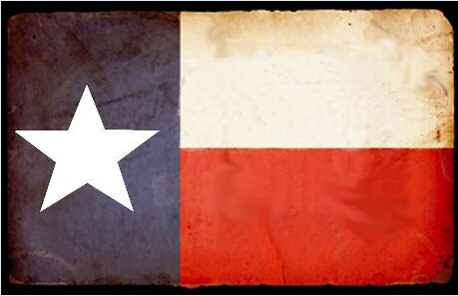
**Tell us something about the organization that you are working with.** The University of Houston Clear Lake is a great fit for me to use 2 of my degrees – the PhD in Health Services Policy and Management, and my MBA with a concentration in finance.

The Healthcare Administration department of UHCL is unique

due to its situation in a School of Business. Most Healthcare Administration departments are in a public health school, public policy, or sociology school. By being in a School of Business, I can flex both my healthcare and finance backgrounds. This is why HFMA is a good fit for me.



University  
of Houston  
Clear Lake



# HFMA Texas State Conference 2015

## March 29-31

The Hyatt Regency | Austin, Texas

### 2015 TOPICS

- **C-Suite Panel: How Healthcare Change Affects the Way You Do Business**
- **Value-Based Decision Making: Culture and Ethics Nuances in Palliative Care**
- **Rural Hospital and Critical Access Update**
- **Developing Your Healthcare Career**
- **Benchmarking & Profitability**
- **Managed Care Perspectives: Panel Discussion**
- **Consolidating Revenue Cycles Through Mergers**
- **IT Integration**
- **Medicare & Uncompensated Care Update**
- **Accounting and Audit Update**

.... and more!

#### Sunday, March 29

12:00 pm - Registration Opens  
 1:00-5:00 pm - Education Sessions/  
 Exhibitor Setup  
 5:00-6:30 pm - Welcome Reception

#### Monday, March 30

7:30 am - Registration & Breakfast  
 8:00 am - 5:00 pm - Education  
 Sessions, Exhibits, Lunch &  
 Refreshment Breaks  
 5:30-7:30 pm - Offsite Reception

#### Tuesday, March 31

7:30 am - Breakfast  
 8:00 am - 12:00 pm - Education  
 Sessions

[Click here for more information on topics, prerequisites, and objectives. All sessions are Group Live.](#)

#### CPE CREDITS

Up to 18 CPE credits are available for this program. CPE credits are sponsored by the Texas Gulf Coast Chapter of HFMA, sponsor #00713 of the Texas State Board of Public Accountancy. Sign-in sheets and certificates will be provided.

#### LOCATION

**The Hyatt Regency Austin**  
**208 Barton Springs Road**  
**Austin, TX 78704**

#### HOTEL RESERVATIONS

[Online Reservations Link](#)

#### CONFERENCE FEES

**Full Conference:**  
 \$400 HFMA Members /  
 \$500 Non-Members

#### Sunday Only:

\$175 Members  
 \$225 Non-Members

#### Monday Only:

\$225 Members  
 \$275 Non-Members

#### Tuesday Only:

\$125 Members  
 \$150 Non-Members

[Register Online](#)

[Agenda/Speakers/Topics](#)

[Online Hotel Registration](#)

[Sponsorship & Exhibit Info](#)

## C-Suite Panel Discussion: People, Process & Profitability – How Have Healthcare Changes Affected the Way You Do Business?

### C-SUITE PANEL GUESTS ARE:

**Marc L. Boom, M.D., MBA, FACP, FACHE - President/CEO, Houston Methodist - Houston, Texas**

**Garry Olney, BSN, MBA, DNP - COO, Seton Medical Center - Austin, Texas**

**Kristy Waters - Senior VP Performance Management & Innovation, Tenet Healthcare**

## A New Year—and a Renewed Focus on Transforming Care

### From The Chair of HFMA National

**Kari S. Cornicelli, FHFMA, CPA**

**Sharing our success stories in collaborating to redesign care and fulfill consumer needs will help us lead the change in 2015.**

It seems clear that 2015 will be another pivotal year for finance leaders in healthcare organizations. Of course, many of the challenges we faced in 2014 will continue to be with us this year, from piloting new payment models to coordinating more patient-centric care in our communities. Yet I'm encouraged by all that we have already achieved. You need only look at the latest HFMA Value Project report for real-life examples of what our members have accomplished through innovation and teamwork.

Take, for example, OSF HealthCare, a health system with multiple sites in Illinois and upper Michigan that is testing telehealth strategies to ensure that patients in rural areas receive the care they need. Or DuPage Medical Group, which is working with a health plan to develop "niche care" programs to care for specific patient groups—in this case, seniors with chronic diseases—in the Chicago metropolitan area.

Recognizing how important physicians are to driving such strategies, both OSF HealthCare and DuPage Medical Group have created or are implementing leadership development programs for physicians. In addition to a commitment to cultivating physician leaders, both organizations share a key characteristic: a willingness to recognize that the old ways of doing business in health care are broken and that the only way to move forward is to engage other stakeholders in leading the change.

This focus on collaborative decision making is critical as we continue to develop accountable care organizations, clinically integrated networks, and population health initiatives that encompass the entire continuum of care. During the next 12 months, our success will depend on how well we can align our own goals with those of physicians, payers, and patients. Each finance professional needs to think strategically to drive organizational success. For many of us, this charge means finding ways to better meet consumer needs. In 2015, consumers will

face even greater pressure to manage their healthcare budgets, particularly if they purchased high-deductible health plans on the exchanges.



As consumers face higher out-of-pocket costs, our teams have a responsibility to make sure that patients know which sites are most appropriate to access care and understand their financial responsibilities when they come to us for care.

As we face the challenges ahead, we can all benefit from the experiences of others that are shared through the Value Project reports, local and national HFMA meetings, and in the pages of *hfm*, the Leadership magazine, and HFMA newsletters. These forums give finance leaders real-life examples and tested tools they can use to develop strategic initiatives and collaborations in their own organizations. By leveraging our collective knowledge, we will be better-positioned to meet our continued mandate to reduce cost and waste, improve the quality of outcomes, and keep our communities well in 2015 and beyond.

## Presumptive Eligibility: To Qualify or Not

**Jessica Guobadia,  
Turek DeVore, PC\***

**W**ith the passage of the PPACA, states were introduced to the expansion of the Presumptive Eligibility ("PE") Program. On January 2, 2015, HHSC adopted rules to implement the PE Program in Texas, effective on January 18, 2015. The rules can be found at Title 1, Chapter 366 of the Texas Administrative Code. HHSC has also issued a PE Policies and Procedures Handbook, which is available here.

At first glance, the PE Program seems to offer providers, and patients, a welcomed change to the Medicaid application process. Under PE, qualified hospitals or their vendors can assist patients in filling out the PE Medicaid application. Only a qualified hospital can determine the patient's eligibility. If a patient is determined to be presumptively eligible, then the hospital generally will be paid for the services rendered for the dates of service in question.

After the PE determination is submitted, a qualified hospital must assist an interested patient to complete the full Medicaid application. A patient's eligibility under the PE program continues either until HHSC makes a final determination as to the patient's ongoing Medicaid eligibility, if the patient submits a completed application, or until the last day of the next month following the date of the PE determination, if a full application is not submitted.

Although the program was meant to assist patients and hospitals by ensuring quick eligibility decisions and payment for otherwise uninsured patients, the implementation of the program in Texas may not be as beneficial as it seems. In order to be

eligible to conduct presumptive eligibility determinations, a hospital must become a "qualified hospital." Based on the rules and published procedures, it appears that qualified hospitals may be required to conduct PE determinations for any interested patient. Therefore, the patient, not the hospital is in control of the PE process.

Hospitals that become Qualified Hospitals are required to meet unrealistic benchmarks. In order to maintain the designation of Qualified Hospital, a Hospital must ensure that:

- 95% of individuals who are determined presumptively eligible submit a regular application;
- 95% of presumptive eligibility determinations by qualified hospitals are entered into the system and corresponding regular Medicaid applications are electronically submitted within one working day;
- 100% of presumptive eligibility determinations by qualified hospitals are entered into the system and corresponding regular Medicaid applications are electronically submitted within five working days; and
- 97% of individuals determined presumptively eligible by a qualified hospital are determined eligible for Medicaid based on the submission of a regular application for Medicaid.

Unfortunately, these standards ignore that most of the efforts will not be driven by the hospital's willingness or attempts to comply, but will be driven, instead, by an applicant's willingness to cooperate. A qualified hospital can only file a full application for a person that wants to continue the application process. Given that the PE process should be relatively quick and easy,

some patients may agree to complete the PE process, but refuse to finish the process. Furthermore, qualified hospitals are required to have an accuracy rate of 97% - meaning that 97% of approved PE determinations must later be determined eligible for regular Medicaid. Failure to meet any of these standards may result in the hospital being disqualified from being a qualified hospital. Once a hospital is disqualified, there is no way to requalify.

Additionally, failure to meet the benchmarks set by HHSC could have other unforeseen consequences. Once a qualified hospital makes a PE determination that a patient is eligible, the hospital will be reimbursed for that visit. In the past few years, HHSC has ramped up its efforts to monitor fraud and waste. If a qualified hospital repeatedly submits PE applications that are ultimately denied for regular Medicaid - even if it is because of misinformation from patients - the hospital could find itself under increased scrutiny from HHSC.

Although the PE determination process offers a simplified way to seek coverage for otherwise uninsured patients, the requirements and potential risks may make the program less beneficial than the federal government intended. Given a hospital's lack of control over the situation, every hospital should carefully determine its and/or its vendors' ability to efficiently and effectively monitor, review, and submit and PE applications and determine if this option is right for them. If not, hospitals can continue to utilize the traditional Medicaid application process.

**\*The information in this article is not intended as legal advice. By reading this article, no attorney/client relationship is formed.**

## From the Social Committee Chair

**Laura Comer**

**Social Networking Committee**

**T**he Social Networking committee is busily planning events for the rest of the year.

We received a member request to have a happy hour south of Houston. In response to this request, our January event will be at the Haak Winery in Santa Fe, off of highway 6. This event will be held on Thursday, January 22nd and will include a tour of the vineyard and showcase an upscale appetizer service of beef wellington and sage sausage stuffed mushrooms.

In February, we will be celebrating after our all day educational session at the Norris Center on Monday, February 23rd. This will be a rodeo themed event immediately following the last presenter at 5:00. We hope "y'all" will stick around for networking and share in this cherished Houston tradition. Exclusively for our certified chapter members, we will be hosting the INVITATION ONLY Exclusive Certified Member Dinner that same evening at 7:00 at Texas de Brazil. For our chapter members who have advanced to the CHFP or FHFMA status, we hope you

will join us for a very special night of celebration, wine and loads of awesome cuisine.

**HFMA Texas Gulf Coast  
Winter Institute Networking  
5:00-7:00pm**

**Monday, February 23, 2015**

**Norris Conference Center**

March event is not yet confirmed but will take place on Thursday, March 12th. I will give you a hint that one of our creative committee members is investigating a local distillery for this event. We will keep you posted on our progress.

Please remember that registration for all social events is done through the chapter web site in order for us to manage catering needs. The happy hour format is a cash bar with the chapter providing a round of "munchies".

If you have suggestions for happy hour venues, or other fun outings or if you would like to get involved in the Social Networking Committee, please email Laura Comer at

[lcomer@mdanderson.org](mailto:lcomer@mdanderson.org).

## Calendar of Events

[VIEW Calendar ONLINE](#)

### February, 2015

- 17** Region 9 Free Webinar
- 23** Winter Institute  
The Norris Conference  
Center in Houston, Texas

### March, 2015

- 3** Region 9 Free Webinar
- 17** Extra Region 9  
Free Webinar
- 20** Luncheon Meeting  
at Houston Methodist
- 29-31** Texas State Conference  
in Austin, TX

### April, 2015

- 17** Luncheon Meeting  
at Houston Methodist
- 21** Region 9  
Free Webinar

### May, 2015

- 17-19** Annual Institute  
San Luis Resort  
Galveston, TX
- 19** Region 9 Free Webinar

**HFMA Region 9 Free Webinar**  
Tuesday, February 17, 2015  
11:30 am - 12:30 pm CST

[Reserve your webinar seat now](#)

Medicare DSH, Year 2 of the ACA  
**Robert Gricius, CPA**  
Chief Executive Officer, NAVEOS

[View this webinar online](#)

## Physician Compensation: Your 2015 Organizational Goals Depend On It

**Stephanie Fiano, Manager & Jennifer Gingrass, Principal, ECG Management Consultants**

**T**he healthcare reform environment is hastening the pace at which providers are embracing value-based delivery models. The majority of respondents (64%) to a recent survey are planning on or currently developing a Medicare ACO, and one-third are already participating in a commercial ACO.\* Further, more than half (54%) of respondents reported that they are participating in commercial pay-for-performance programs. These initiatives require external partnerships, typically among hospitals, physicians, and payors. But they also demand internal alignment, with an emphasis on physician engagement.

The day-to-day actions of physicians are among the most critical drivers of clinical quality and efficient care delivery, and efforts to implement value-based care will likely fail if physicians aren't on board. Financial incentives are an effective mechanism for aligning behavior, and at a time when physician employment is increasingly prevalent, implementing a compensation plan that aligns an organization's goals directly with physician remuneration is a key lever to achieving strategic objectives.

### Current Trends

The survey findings indicate that the vast majority of physicians (about 87%) are compensated under a productivity-based plan, and typically these plans have some pay at risk for achieving goals. Today, approximately 90% of incentives remain focused on traditional productivity models (work RVU) for

most primary care and specialty physicians. However, organizations are putting substantial time and effort into the transition to nonproductivity incentives, which will ultimately represent between 20% and 30% of variable compensation over the next several years. Most commonly, basic clinical quality process measures and patient satisfaction goals are incorporated into plans; but in recent years, an increased focus on profitability has materialized, correlating with the market trend toward pay for performance.

### Preparing for Success

It takes a year or more to successfully implement a compensation plan, meaning you can't wait until the launch of your value-based initiative to introduce performance incentives. Starting early will help promote transparency with providers and result in a vetted compensation plan that can be modified as strategic goals evolve. Preliminary steps include:

- Creating plan principles and/or end-state desired outcomes to ensure the final methodology aligns with the culture and reimbursement strategy of the organization
- Starting with primary care, because available measures are abundant and results are likely more relevant to value-based initiatives
- Considering panel size as a volume metric (The exercise of developing an attribution methodology and risk-adjusting panels will help physicians reorient to new care models.)
- Developing specialty-specific metrics that are within the control of physicians and can be tracked and monitored on a routine basis



**Stephanie Fiano**



**Jennifer Gingrass**

(The bolstering of IT systems will be required to support data collection and dissemination.)

- Starting with small percentages/dollars, but allowing for flexibility over time, thus mirroring the organization's journey toward value-based payment
- Using a transition period, typically 6 to 12 months, during which physicians receive shadow statements, including real-time performance and projected pay amounts

In a value-focused environment, the long-term success of your organization depends on the leadership and support of your employed physicians. Developing an appropriate compensation plan is the most direct manner to create alignment between your physicians and the organization in support of value-based goals.

\* ECG National Provider Compensation, Production, and Benefits Survey, year 2013 based on 2012 data.

## From the Member Development Committee Chair

### Julie T. Rabat-Torki Membership Development Committee

The Member Development Committee has been working hard to solidify our relationships with Healthcare Programs at universities in the Texas Gulf Coast region. The 2015 Scholarship application process has been kicked off and visits have been made to University of Houston Clear Lake (TMC campus), University of Texas (TMC campus) and Texas A&M at College Station. We have official Student Chapters at UHCL-TMC and TAMU, and we support the efforts of our engaged student population.

On November 13, 2014, the Committee hosted its second annual student educational event at Trevisio Restaurant, and a sold out crowd attended. The theme was "My Career - The First Five Years". An outstanding panel was moderated by Dr. Jordan Mitchell (UHCL-TMC), with panelists Lisa Almaraz (Cardon Outreach), Patricia Luke (Texas Children's) and Michael Cassidy (Baylor). Students were able to network with peers from several universities and multiple healthcare professionals; by all accounts, the event was a great

success and we'll begin planning for next years' event soon.

Our Chapter's UP program (Unlimited Potential of Emerging Leaders) has been rolled out and we are working hard to connect our many students with opportunities to learn. Our city has an abundance of healthcare organizations, and we hope you will join us by supporting the UP program with your time and knowledge.

The Committee would like to give special thanks to our Professors, whose support for their students and our Chapters' efforts is invaluable and most certainly appreciated.

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### Mission Statement

*The mission of the Texas Gulf Coast Chapter of HFMA UP Program is to create networking opportunities and help cultivate relationships between Students and healthcare Professionals.*

### Vision Statement

*To become the preeminent professional student organization for those seeking a career in healthcare finance.*

### Core Values

*Leadership  
Professionalism  
Mentorship  
Collaboration  
Service Learning*

**HFMA National Membership Directory Login:** [Click for LINK](#)

**HFMA National Contact:** [LINK](#) provides key National information.

**Chapter Key Contacts:** [LINK](#) allows you to locate and link to chapter websites.

**HFMA Online Education Calendar:** [LINK](#) allows you to search for chapter, national and regional events.



## Welcome NEW Members

Please feel free to contact any of our chapter leaders for any question or need additional information regarding HFMA.

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Baylor College of Medicine  
Project Manager

### Blake Sollenberger

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### Shaun Stephenson

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Grants & Contracts Specialist

### Gina Versace

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### William Wied

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### Nils Windler

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### Ashley Zacharias

### Kristen Zinser

Frost Bank  
Assistant Vice President

## Suggested Reading from the Professor

Dr. Jordan Mitchell

Over the holidays, I found myself on a plane more than usual. To pass the flight time, I loaded up my e-reader with some really great leadership books. If you are in the market, or simply need a good (quick) read, consider the following two books.

### Turn the Ship Around: A True Story of Turning Followers into Leaders

by L. David Marquet and Stephen R. Covey

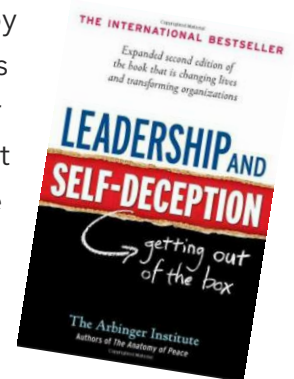
In this true story, David Marquet, a former captain of the USS Santa Fe (nuclear-powered submarine), tells his account of transforming his leadership style from leader-follower to leader-leader. His experience in a leader-follower culture produced poor morale, poor performance, and high turnover. Marquet transformed this culture to leader-leader – everyone was a leader and therefore responsible for what they did. The crew of the USS Santa Fe went from the worst to best in the U.S. submarine fleet. If you find yourself needed to take control constantly or your direct reports aren't taking responsibility – **read this book.**



### Leadership and Self-Deception: Getting out of the Box

by The Arbinger Institute

This leadership book is in the format of a simple, short story. A new hire at a company is called into the boss's office and about 3 reading hours later, you gain a newer, healthier way to look at your leadership approach. When I was reading this book, I was amazed how easy it is to deceive yourself – in business and in your personal life. The book uses an example of a business executive trying to sleep, but his infant is crying. He knows he should get up and help his spouse with the infant, but he doesn't. Then he justifies his inaction by elevating his importance (he is the main source of income for the family, needs to preform at work the next day, etc.). At the same time, he is diminishing the importance of his wife's time (wife should get up, she is inconsiderate of my efforts, etc.). While elevating his importance and diminishing his wife's – he gets the opposite result he was looking for – he and his wife get angry at each other, no words are spoken, and the communication is dead. The answer to self-deception is not in a new leadership strategy. It is about changing your behavior. **My students will be required to read this book.**



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**HFMA is the nation's leading membership organization for healthcare financial management executives and leaders.** More than 40,000 members, ranging from CFOs to controllers to accountants consider HFMA a respected thought leader on top trends and issues facing the healthcare industry. HFMA members can be found in all areas of the healthcare system including hospitals, managed care organizations, physician practices, accounting firms and insurance companies.

In the chapter, regional, and national level, HFMA helps healthcare finance professionals meet the challenges of the modern healthcare environment by: providing education, analysis, and guidance; building and supporting coalitions with other healthcare associations to ensure accurate representation of the healthcare finance profession; educating a broad spectrum of key industry decision makers on the intricacies and realities of maintaining fiscally healthy healthcare organizations and working with a broad cross-section of stakeholders to improve the healthcare industry by identifying and bridging gaps in knowledge, best practices, and standards.

**Visit our Chapter's website: [hfmatxgc.org](http://hfmatxgc.org)**

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**Submit articles (MS Word) or advertising and photos (high resolution–300 dpi–jpeg files) to the newsletter editor, Lita Abreu at [eabreu@bcm.edu](mailto:eabreu@bcm.edu)**

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