



hfma[™]
healthcare
financial
management
association

First Illinois *Speaks*

HFMA's First Illinois Chapter Newsletter

July 2012

LEADERSHIP MATTERS

Highlights and Recap
First Illinois Chapter Events
begin on page 17

Captured Events &
Updates



In This Issue

President's Message	1
Leadership Matters, National HFMA Chair's Message	2
Legislation Connection	3
Letter From the Editor	4
Energy Use: A New Executive Suite Cost-Cutting Initiative	5
CMS 3-Day Payment Window for Wholly Owned or Wholly Operated Physician Practices	7
Customer Service Excellence It's more than just a motto	9
Going Green While Improving Environment of Care	11
Understanding Staff Motivation is Key to Filling Shifts	13
Leadership Does Matter... Like Never Before	15
Chapter News, Events and Updates	17
Best Practices: Obtaining Authorization and Preventing Denials	20
Welcome New Members	22
Need for Speed in Your Revenue Cycle?	24
Educational and Events Calendar and Sponsors	27

President's Message

Dear First Illinois Chapter Members:

As your new president of the First Illinois HFMA Chapter, I want to welcome you to our new 2012-2013 chapter year. I am honored and privileged to serve as your president this year.

The theme this year is **"Getting Value from your First Illinois HFMA Membership."**

As we created our education and event calendar for this chapter year we focused on creating:

- **Value** by attending our educational seminars and webinars – *All Educational seminars will be NASBA CPE certified. In addition, we have expanded our webinar calendar to include four additional webinars (for a total of 16 throughout the year).*
- **Value** by becoming HFMA certified – *We will be offering two certification study groups this year. One in the fall and one in the spring.*
- **Value** by Networking – *We are kicking off our social calendar with a White Sox versus the Yankees outing on August 21.*
- **Value** by developing your personal leadership skills – *There is a multitude of volunteer opportunities within the chapter. Please contact me if you are*

interested in further developing your leadership skills.

This upcoming year will be another year of challenges for the metro Chicago healthcare environment. We will continue to see mergers and acquisitions, declining reimbursements and greater compliance requirements. Our goal is to provide the highest quality education programs and resources to you to help you navigate this environment.

I look forward to working with all of you to make this upcoming year a personal and professional success for you and the First Illinois Chapter. ☺



Tracey Coyne
2012 – 2013 First Illinois, HFMA Chapter President

Understanding Staff Motivation is Key to Filling Shifts

BY CHRIS FOX

The healthcare industry is characterized by constantly fluctuating inpatient volume due to seasonal epidemics like the flu and other various circumstances, resulting in frequent, last-minute staffing shortages. Without the tools to accurately predict patient volume, many healthcare organizations struggle to find a cost-effective solution and oftentimes turn to promoting financial incentives or utilizing staffing agencies. Such a reactive, silo-based approach to labor management can be an expensive, time-consuming process that causes frequent disconnects between staffing budgets and actual labor costs, unnecessary, expensive overtime, worker fatigue and poor morale, all of which eventually have a negative impact on patient care.

Debunking the myth that “money talks”

According to research conducted by Avantas, a provider of strategic labor management consulting services and technology, at the root of this problem is a fundamental misperception regarding what actually motivates staff to pick up open shifts in healthcare organizations. To understand staff motivation, the Omaha-based labor management experts administered a two-part study to two multi-hospital systems in the Midwest and eastern United States with the following survey interventions:

- 1) An initial survey asked staff members’ shift choice processes.
- 2) A follow-up survey was employed each time a staff member chose and confirmed an online shift that was related to each individual’s motivation for picking up a particular shift.

The study illustrated the following findings:

- Incentives calculated by degree of need in advance of the shift are more efficient than high-dollar last-minute incentives.
- Individuals’ perceptions of what motivates them in selecting a shift and how those motives manifest in reality are often contradictory. In other words, individuals stating financial incentives were the primary motivator in shift selection demonstrated that their shift selections had as much if not more to do with how that shift fit into their schedule.

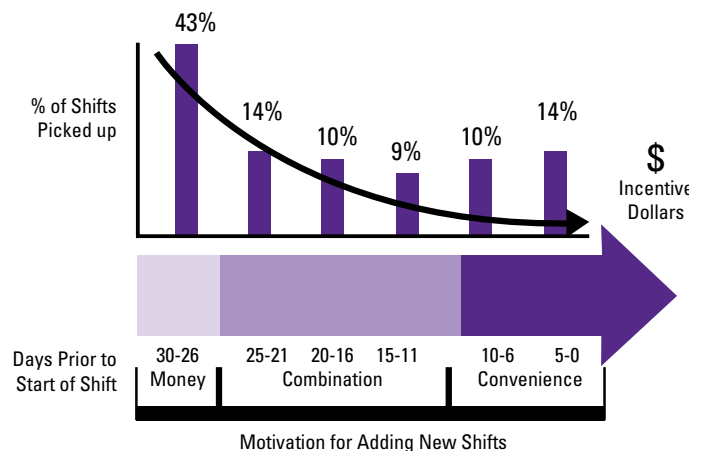
Contrary to the belief that financial incentives are the primary staff motivator, the documented staff behaviors demonstrated that shift flexibility is actually the most powerful staff scheduling incentive. The perceived versus actual motivations to pick up open shifts points to the reason why reactive, last-minute incentives are essentially wasted dollars and can result in program abuse (e.g., 11th hour bartering), inefficiency, perceptions of favoritism and spiraling costs. The reactive staffing model also creates a sense of entitlement among nursing staff as the expectation developed over time is that all additional shifts picked up should be tied to the highest incentives—a mindset that often leads to a stalemate that fails to fill the shift, decreases morale and creates lasting tension between managers and staff.

However, while this study demonstrated that schedule flexibility and financial incentives were the two most important factors considered when picking up a shift, there were two stark differences between contingency staffing groups and core staff regarding shift motivators:

- Contingency staff was less motivated by money closer to the day of the available shift as convenience and additional hours were the main reasons they would pick up a shift less than one week in advance.
- Core staff members working over their full-time equivalent (FTE) were more motivated by money than float pool staff.

The convenience-motivation of contingency staff coupled with the financial-motivation of core staff point to the need for a scheduling module of decreasing financial incentives as shift dates approach. As money becomes less of a motivator as the shift date nears, it makes little sense to bait an immediate open shift with a high incentive. Rather, a proactive scheduling model with attractive monetary incentives well ahead of the shift that decrease as dates draw closer satisfies both contingency and core staff.

As the following figure illustrates over the 30-day study, 75% of shifts were picked up more than two weeks before the day of the shift and 43% of shifts were picked up 30 days in advance when peak incentives were offered.



Proactive Scheduling Aligns with Staff Motivation

By tying the level of staff incentives to how far in advance nurses are willing to schedule a high-need shift, this model of declining incentives effectively fills needed shifts up to 30 days in advance, solidifying staffing plans sooner while offering a lifestyle incentive calculated to meet the needs of a flexible schedule.

(continued on page 14)



Revenue cycle solutions that won't leave you or your patients hanging.



At Firstsource, our latest solution Empower™ combines a strategic approach with an advanced interactive voice response (IVR) technology to help achieve a **34% live connect rate, up from 14-18% with traditional dialers.**

As a result of Empower™, we help clients dramatically increase the accuracy of billing information, timely payments, Medicaid eligibility determinations and payment collections.

For more than 20 years, Firstsource's proven operational strategy and comprehensive suite of innovative, technology-driven solutions have been helping healthcare providers improve cash flow, maximize reimbursement, reduce bad debt and create value nationwide.

For a better, faster way to connect with clients and improve your bottom line, contact Firstsource toll free at 877-926-7370.



*HFMA staff and volunteers determined that this product has met specific criteria developed under the HFMA Peer Review Process. HFMA does not endorse or guarantee the use of this product. Copyright © 2011 Firstsource Solutions USA, LLC. All rights reserved.

MedAssist® Eligibility Services • Receivables Management www.firstsource.com
 twitter @FirstsourceUSA



Aiming higher?

Ernst & Young can help. We bring together an experienced team that can provide the in-depth knowledge of assurance, tax, transaction and advisory services your organization needs to succeed.

What's next for your organization?
ey.com



© 2011 Ernst & Young LLP. All Rights Reserved. Ernst & Young refers to the global organization of member firms of Ernst & Young Global Limited, a Swiss entity. Ernst & Young LLP is a separate member firm located in the U.S.

Understanding Staff Motivation is Key to Filling Shifts

(continued from page 13)

Best practices for a proactive labor management approach – the enterprise-wide model

However, in order to initiate a proactive scheduling model, healthcare organizations must be able to accurately predict patient demand, a capability that requires the right combination of analytics-powered labor management software and proven industry best practices. Included in these best practices is finding the correct ratio of core to contingency staff and developing the appropriate layering of contingency resource groups needed to adjust to the ebb and flow of patient demand.

Once an organization implements the tools to predict demand, open shifts can automatically be posted within the schedule reflecting the difference between the number of staff scheduled and the anticipated need. Incentives then, set within a customizable range by each organization, are attached to the open shifts and fluctuate automatically in real-time relative to need.

As this study suggests, many healthcare organizations have a tendency of managing labor from a reactive, sometimes silo-based, labor-intensive scheduling approach, causing frequent disconnects between staffing budgets and actual costs.

By implementing an enterprise model approach to managing labor and employing the tools to support it, healthcare organizations can evolve their workforce management strategy into a more advanced, transparent model that incorporates the proven best practices associated with automating the planning, scheduling, staffing, deployment, and reporting process that is unique to healthcare.

This evolution requires a pivot in the way most healthcare organization's think about meeting patient need. This cultural shift is just as important as implementing the strategies and technology to automate the process—turning the reactive filling of open shifts into a predictable and repeatable process.

As demonstrated year after year by several prestigious healthcare organizations around the country that have implemented this approach, an enterprise-wide model of managing labor increases staff satisfaction and retention, enables better patient care, and effectively controls healthcare's largest cost center. 