



Eastern Pennsylvania Healthcare Executive Network

Member Newsletter November 2007

Message from the President

Dear Colleagues,

After a very warm summer, we welcome in Autumn with open arms. In talking with many of you, it seems that this summer offered much deserved time off. With the weather cooling, many of you will begin the usual cycle of seeing your employees return to work, and children return back to school. As an avid sports fan, the Fall is the best time of year. The NFL, college football, and yes, even the Phillies making the playoffs; if only for a Rockies three games.

For EPAHEN, it's been a fabulous summer. Following our Summer Social, we completed an insightful "Pay for Performance" educational event presented by Noblis. With over 50 of our members there, the program was not only well attended, but sparked fabulous questions and conversations between administrators, clinicians and even physicians. This hybrid group shows that our group is expanding in size and types of membership.

Looking Ahead. As you know, the next major event is the annual "Dolenga Award" presented in early December. This annual event recognizes emerging healthcare leaders engaged in the MBA program at DeSales University. In addition, we offer a great dinner and presentation for this evening. Details will follow in the coming weeks, but based on the past few years, and recent events, we are expecting a tremendous turnout.

Unified Membership. In addition, we recently rolled out our annual membership campaign. Over the past few years, with your support, we have seen our chapter increase

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2008 Membership Drive

Once again, it's time for the 2008 Eastern Pennsylvania Healthcare Executive Network (EPAHEN) Membership Drive.

After extensive discussions and careful consideration, ACHE announced its decision to implement a fully unified model of membership. Our Chapter will move to this unified model beginning January 1, 2008. What this means is that to be a member of the Eastern Pennsylvania Healthcare Executive Network, you will need to be a member of ACHE. Once a member of ACHE, you automatically become a member of the Chapter serving your region. You will also be eligible to attend events at surrounding Chapters. Only Chapter members can hold a Chapter Office and vote on Chapter matters.

ACHE dues payment entitles you to Chapter membership as well. Those members not joining ACHE by January 1, 2008 will no longer be EPAHEN members. Colleagues who are not members of ACHE, however, may choose to affiliate with EPAHEN by paying an affiliate fee of \$70.

All EPAHEN members should have received their 2008 Membership Drive information via email last week. All members/affiliates are asked to please submit your updated application form and dues (as applicable) as soon as possible, so we may maintain an accurate roster of members/affiliates. If you have any questions regarding these changes in membership, please contact Terri Martis, Membership Chair, at td.martis@rcn.com.

Calendar of Events

Eastern Pennsylvania Healthcare Executive Network (EPAHEN)

December 12, 2007 * 6:00pm

EPAHEN Membership Meeting

DeSales University, Center Valley, PA

Topic: "Stark III Update"

Presenter: F. Peter Lehr, Esq. (Tallman, Hudders & Sorrentino, PC)

[Click here](#) for registration form.

NEPA HFMA

Friday, Dec. 7 * 9:15am

*Best Western East Mountain Inn,
Wilkes-Barre, PA*

Topics: "Current Tax Issues for Exempt Hospital Systems", "Implications on Elective Outpatient Business"

For more information, [click here](#).

American College of Healthcare Executives (ACHE)

December 10-13, 2007

Orlando, FL Cluster

January 14-17, 2008

Fort Lauderdale, FL Cluster

January 28-31, 2008

Keystone, CO Cluster

February 18-21, 2008

Las Vegas, NV Cluster

March 9-10, 2008

Pre-Congress, Chicago, IL

March 10-13, 2008

Congress on Healthcare Leadership
Chicago, IL

*Information on these, and other upcoming
local, regional and national events
is also available at the EPAHEN web site:*

<http://epahen.ache.org>

(note: no "www" !)

Notes From ACHE

United States: House Legislation Would Halt Physician-Owned Hospitals. (8-23-07) The U.S. House of Representatives' version of legislation to reauthorize the State Children's Health Insurance Program (SCHIP), which was approved Aug. 1, would prohibit the construction of new physician-owned hospitals and impose strict restrictions on existing facilities. The 2003 Stark Law makes it illegal for physicians to refer patients to hospitals in which they have a direct or indirect (via family members) investment, with violators hit with substantial fines and pulled from federal Medicare and Medicaid programs. The Stark Law, however, has a "Whole Hospital Exception," meaning physicians with investments in an entire hospital and privileges at this hospital are excluded from the regulation. The recently passed House legislation adds another requirement, exempting only those physician-owned hospitals that meet the aforementioned criteria and signed Medicare provider agreements prior to July 24, 2007. In regards to existing physician-owned hospitals, the bill prohibits them from adding beds or operating rooms once it is implemented. Additionally, individual physicians must limit their ownership interests to 2 percent, with all physician owners combined allowed no more than a 40 percent stake. The legislation applies to all physician-owned hospitals, not just those handling cardiac treatments, orthopedic care and surgical procedures. They would be required to inform patients of their ownership interests and staffing and provide such reports to the U.S. Center for Medicare and Medicaid Services. It remains to be seen whether the U.S. Senate's version of the bill will feature such provisions.

Ruling May Unlock Key Data on Doctors. (*Los Angeles Times*, 8-30-07) A federal judge in Washington, D.C., ruled in favor of the nonprofit Consumers' Checkbook in a lawsuit against the U.S. Department of Health and Human Services (HHS) to make data about the 700,000 doctors in the federal Medicare database available to the public. Opening up the database would provide "a significant public benefit," said U.S. District Judge Emmet Sullivan. The move would allow patients to see how often a particular physician performs a particular surgical procedure and whether preventive tests are ordered, as well as determine which physicians duplicate tests or order hospitalizations when they are not warranted. The agency has been ordered to release the data by Sept. 21, and experts think the Bush administration's and HHS Secretary Mike Leavitt's focus on healthcare transparency means an appeal is unlikely. The lawsuit singled out doctors in Maryland, Virginia,

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Welcome New Members!

Kathleen Ingersoll

Administrator, Dept of OB/GYN
Lehigh Valley Hospital

Charles Marinello

Vice President, Lifestyle Products/Svcs
Good Shepherd Rehabilitation Hospital

Jennifer Singer

Assistant Vice President
St. Luke's Hospital & Health Network

Shari Vandergast

Director, Risk & Case Management
Pocono Health System

David Zimmerman

Director, Marketing Research
Lehigh Valley Hospital

*The full EPAHEN membership directory
can be found on our web site (epahen.ache.org).*

PRESIDENTS MESSAGE >>

to over 120 members. With our growth, we have realized the benefits of having such a diverse membership. In addition, we have also made great efforts at providing a series of events that are not only educational, but enjoyable to all.

Looking ahead at 2008, I want to encourage all of you to personally reach out and recruit colleagues and friends to our group. Again, while our Leadership team does a tremendous job, the greatest recruiters are YOU.

As many of you may or many not know, ACHE has changed its membership model. Based on a decision made a few months ago, ACHE members who pay their yearly dues will automatically be part of their local chapters. In short, if you are a paid member (affiliate, diplomate, or fellow) of ACHE for 2008, you will not have to pay a separate membership due to EPAHEN.

If you are not a member of ACHE, there are two options that are relatively similar to past years. The first, and preferred option is that you join ACHE. Again, ACHE is the backbone to our local chapter, and is the international organization that all healthcare professionals belong to in an effort to further expend their education, networking and growth opportunities. By joining ACHE, you will not have to pay a local due. The second option is that if you do not wish to join ACHE, but still wish to be associated with our local chapter. In this capacity, you will continue to follow suit as in the past, and either pay a one time yearly payment, or you may wish to pay by event.

In my role as President, and as a true believer in the mission and vision of ACHE, I encourage all of you to consider joining this tremendous organization. However, even if you do not join ACHE, we value your local association to EPAHEN, and look forward to another year of your affiliation. If there are any questions with respect to membership, please do not hesitate in contacting myself, or Terri Martis.

The new Board will be completing its first full year of service at the end of December. While we still have a year to go, on behalf of all the officers, I want to thank you for your support, and participation. Following a successful year of planning and implementation by this Board, our group looks forward to 2008 with great plans including more annual events, bigger speakers, and greater opportunities for growth.

Andrew Starr, FACHE
President, EPAHEN

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Lehigh Valley Hospital and Health Network
Marie Clemens, Secretary
Hospital Central Services, Inc & Affiliates
Teresa Martis, Vice President, Membership
Penn Medicine at Rittenhouse
Michael Bonner, Vice President, Programs
Lehigh Valley Hospital and Health Network

the District of Columbia, Washington state and Illinois, but Freedom of Information requests for the rest of the nation have been made by Consumers' Checkbook. CHOP's portal contained real-time information updates—including lab results and appointment histories—all of which could be printed out and added to a patient's medical file. Although some initially had privacy concerns, access is only granted to pediatric practices if a parent signs a consent form. Case studies, including the CHOP Internet portal project, offer insight into the best way to create an Internet portal. Portals should be monitored, and the creator should take suggestions from physicians to make it as effective a tool as possible.

Nonprofits Bolster Legal Strategies on Governance Issues. (*National Law Journal*, 8-28-07) Nonprofit organizations are looking to improve their governance practices due to increased pressure from state and federal agencies. Although the Sarbanes-Oxley Act of 2002 does not apply to nonprofits, it raised the prominence of governance issues, and a string of high-profile scandals at nonprofits has some calling for reform. While nonprofits used to enjoy relaxed legal oversight, many are attempting to become transparent before any government oversight requires them to be. They are seeking legal advice; professional compliance reviews and legal audits aimed at assessing governance exposures rose by more than 33 percent in the last five years. Experts report many nonprofits are revamping bylaws, creating audit committees, establishing whistleblower protections and educating boards about their fiduciary duties. Silk, Adler & Colvin Nonprofit Expert Thomas Silk says, "The old model of nonprofit organizations being satisfied with minimum legal requirements is giving way to a new paradigm of nonprofits that want to be viewed by outsiders as a model of transparency." Several states, including California and Virginia, already have passed new legislation increasing governance disclosure, while others have initiated attorney general-based investigations into governance practices of nonprofits. The U.S. Internal Revenue Services, keeping a closer eye on nonprofits, could also institute changes to its 990 forms, which must be filed by tax-exempt organizations; those changes could require governance details regarding board make-up and best practices among nonprofits.

Perfect HIPAA Security Impossible, Experts Say. (*Information Security*, 8-07) Enforcing HIPAA security guidelines is often a challenge due to vague criteria and scant enforcement, say experts. However, perfect security is unattainable and not what the HIPAA security rule expects, says Barry Runyon, a research director reviewing healthcare providers at Gartner Inc. in Stamford, Conn. Healthcare facilities and organizations need to view HIPAA security rules in light of the risks they face and the resources available to mitigate those exposures. Runyon explains that if a healthcare organization or corporation makes significant efforts to bulk up information security and outlines the changes made, HIPAA auditors usually deem the efforts sufficient. University Health Center at the University of Georgia reported its efforts focused on the use of secured messaging tools, antivirus products, access control measures and firewalls. Meanwhile, critics of HIPAA say the repercussions for non-compliance are so minimal that many companies choose to pay a fine rather than expend the effort to revamp technological security. Runyon urges healthcare providers to meet the HIPAA security measures, regardless of enforcement, because compliance will preserve brand reputations in an increasingly consumer-driven market.

Researchers Find Wide Variations in Pay-For-Performance Programs. (*National Underwriter*, 8-22-07) PricewaterhouseCoopers LLC's recent examination of pay-for-performance (P4P) programs among health insurance groups revealed a wide variety of standards used to measure doctor and hospital care quality. In fact, not one P4P plan used a single category in common to judge care performance. Overall, health insurers used over 60 factors to measure performance, including whether doctors helped patients quit smoking and whether patients were satisfied with their access to physicians. Analysts indicate the system is reluctant to aggressively measure doctors and hospitals' performances and place them in tiered networks for patients to choose among the best caregivers.

Medicare Moves to Cut 'Self Referral' Practices. (*Wall Street Journal*, 9-12-07) A new McKinsey & Co. study shows doctors net \$8 billion a year from self-referrals, and supporters of the practice indicate doctors and hospital joint-venture clinics often have more expensive, state-of-the-art equipment—such as Gamma knives used for brain surgery—than local hospitals do. However, these joint-ventures could be under fire as the federal Medicare program attempts to block "self-referral" practices, which pose a conflict of interest. Critics of self-referral and joint-venture programs insist doctors order unnecessary tests and procedures more frequently because of their vested interest in the business, placing profits above patients' best interests. ECG Management Consultants Inc. President Dan Merlino admits there is "no question" doctors tend to recommend MRIs more frequently when they own their own machines or are involved financially in a clinic that owns one. The U.S. Centers for Medicare & Medicaid Services latest self-referral rules could go into effect in January 2008, but critics are holding out for modifications, claiming the current language is too broad and could limit patients' access to newer technologies in rural locations.

The Wireless Expectation. (*Health Care's Most Wired*, 9-1-07) Many hospitals now consider wireless access to be a fundamental part of their infrastructure, as wireless applications can enhance quality of care, efficiency and both patient and employee satisfaction. Though wireless projects' return on investment is not necessarily positive, 25 hospitals on Hospital & Health Network's 2007 Most Wireless list assert that wireless' advantages substantially offset costs. HealthEast Care System in Minnesota uses a wireless nurse documentation system and a remote physician portal. Meanwhile, all of West Virginia-based Camden-Clark Memorial Hospital's physicians look over patient data and sign charts via PDA, and nurses use wireless blood glucose monitors linked to patients' electronic medical records. To bolster patient satisfaction, Yale-New Haven Hospital in Connecticut has a wireless network that lets patients surf the Web and send e-mail, using a separate platform to maintain the security of patient records and other sensitive data. Hospitals say difficulties in wireless implementation included finding devices that are lightweight and ergonomic, figuring out where to position chargers and formulating recharging policies. They also find it helpful to adopt the same hardware and software systemwide to accommodate doctors traveling to various campuses. Wireless security and reliability are major concerns, with hospitals vigilantly overseeing their networks with a focus on redundancy to minimize downtime.