



**hfma**

**CHAPTER MANAGEMENT SYSTEM  
Strategic Plan Report**

# Strategic Plan Report

<b>Chapter</b> New Hampshire/Vermont	<b>Period of the Plan</b> 2003-2006
<b>Title of the Plan</b> Three Year Strategic Plan	
<b>Names of the Chapter members who developed the plan</b>  Mary Kay Boudewyns, FHFMA Kathryn T. Davila Ellen Gagnon Kirsten Geoffrion Robbin R. Grill, CPA Ella M. Kelsey Bruce H. LaPoint Diane L. Maheux Marie L. McGee, FHFMA, CPA Erica L. McNamara, CPA Tina E. Naimie, CHFP, CPA Connie J. Ouellette, CPA David J. Pagniucci, FHFMA Jeffrey W. Shutak, CHFP Deborah A. Shipman Kevin C. Stone Jeffrey D Walla, FHFMA, CPA	

NH/VT HFMA Chapter  
2003 –2006 Strategic Plan for Service, Quality, and Growth

**Healthcare Financial Management Association  
New Hampshire/Vermont Chapter**

**Strategic Plan  
For  
Service, Quality, and Growth**

**2003 - 2006**

## **Executive Summary**

Throughout the next three years, the New Hampshire/Vermont Chapter of the Healthcare Financial Management Association will strive to provide an environment that encourages our members to seek and promote excellence.

We will continue to partner with National HFMA in their efforts to implement the national Strategic Plan. We will also continue to solicit the input of the entire Chapter Membership in developing the upcoming Goals and Objectives and to update the three-year Strategic Plan.

We will continue to improve educational programming by partnering with National and other professional associations. We will continue to use member feedback in education planning to ensure we meet member needs.

We will continue to improve communications through our Chapter Newsletter, Membership Directory, Web Site and Internet capabilities.

We will partner with National to bring professional and career development information and services to our chapter membership.

We will strive to improve the quality of services we provide to our membership through the Board of Directors, the strategic planning process, and our committees.

We will continue to improve our current Benefits and Services to our membership, such as the Christopher F. Weinheimer Scholarship Fund and the new certification committee.

We will protect our financial viability by annually reviewing our sources of revenue while planning and controlling the growth of our expenses.

The Board will continue to improve its operating viability by identifying and developing future leaders of the chapter and ensuring that current leaders are supported and that their efforts are recognized.

In summary, the New Hampshire/Vermont Healthcare Financial Management Association will strive to meet the needs of a growing, diverse membership as the healthcare industry faces huge challenges to current operations.

## **I. Introduction**

The New Hampshire/Vermont Chapter developed its first strategic plan in the spring of 1998. The Board of Directors reviewed the process in the fall of the 1998-1999 Chapter Year and chose to update the plan every year to cover a three-year time frame. The development of the Chapter Goals & Objectives is a parallel process that sets one-year action plans to meet the goals of the Strategic Plan. This Plan is based on the results of the prior Strategic Plan, the current Member Survey, a systematic review of members' needs and all Chapter operational strengths and weaknesses, and the Chapter's goals and objectives for the year. The reader should view the Plan as a working document, which will be updated annually to reflect the Chapter's objectives.

The Officers and Board of Directors thank those members and other individuals who lent vital assistance in preparing the 2003 - 2006 Strategic Plan.

### **Individual Contributors - New Hampshire/Vermont Chapter**

**Mary Kay Boudewyns, FHFMA**

**Kathryn T. Davila**

**Ellen Gagnon**

**Kirsten Geoffrion**

**Robbin R. Grill, CPA**

**Ella Kelsey**

**Bruce H. LaPoint**

**Diane L. Maheux**

**Marie L. McGee, FHFMA, CPA**

**Erica L. McNamara, CPA**

**Tina E. Naimie, CHFP, CPA**

**Connie J. Ouellette, CPA**

**David Pagniucci, FHFMA**

**Jeffrey W. Shutak**

**Deborah A. Shipman**

**Kevin C. Stone**

**Jeffrey D Walla, FHFMA, CPA**

## **II. Chapter Foundation**

### **NH/VT HFMA Vision Statement**

The New Hampshire/Vermont Chapter of the Healthcare Financial Management Association (the “Chapter”) will be the primary resource for professionals who seek excellence in financial management in all healthcare settings.

### **NH/VT HFMA Mission Statement**

The New Hampshire/Vermont Chapter’s mission statement is identical to that of National HFMA, which is as follows:

*To help members and other finance related healthcare professionals excel thereby improving the business performance of organizations operating in or serving the healthcare industry.*

### **NH/VT HFMA Values: A Foundation for Performance**

The values of the New Hampshire/Vermont Chapter of HFMA are:

- Service – We believe that service to members is our highest priority.
- Excellence and Integrity – We believe in excellence and integrity in all that we do.
- Teamwork – We believe that teamwork is essential in meeting the objectives of HFMA.
- Importance of Individuals – We believe in the importance of individuals. The dedication of people, their enthusiasm, their spirit and their support shapes our collective personality and gives impetus and meaning to our objectives.
- Innovation and Creativity – We believe in encouraging innovation and creativity.
- Financial Responsibility – We believe in conducting HFMA with financial responsibility and a prudent approach to business.
- Code of Ethics – We believe in the adherence of National HFMA’s Code of Ethics.

### **III. Environmental Assessment**

#### **A. External Assessment**

##### **1. Assessment of Member and Customer Needs**

Each year, the New Hampshire/Vermont Chapter conducts a Chapter Member Survey to assess the educational needs of our membership and to assess member satisfaction. The chapter made the decision to partner with National HFMA in the utilization of an electronic version of a generic Member Survey. The survey was developed from input of all chapters across the country. The chapters sent copies of their individual survey to National for the development of a generic survey. The purpose behind this project was to standardize reporting and facilitate trending and process time. This year's survey provided us with a 52% response rate. Prior to this electronic survey our response rate averaged 25%.

The member survey was developed so the Chapter could identify and focus on developing services to meet the needs of members. Each year the survey is revised to meet the current information needs of the Chapter. The survey includes questions about educational programs, as well as Chapter benefits.

The survey is conducted in addition to the program evaluations that have been conducted after each session during the Chapter year.

The following is an executive summary of the results of the 2002 - 2003 Member Survey:

##### **Program Summary**

Overall the responses indicate that our members are satisfied, very satisfied or extremely satisfied with our programs, topics addressed, speakers chosen and the chapter's coverage of state and regional issues. Although 76 percent of respondents are satisfied with the current educational programs overall, 45% expressed that the chapter could improve on topics addressed at programs, 9% expressed the chapter could improve the level of speakers at our programs and 20% responded that the chapter could improve in the coverage of state and regional issues.

##### **Environmental Summary**

Consistent with the prior year results, work responsibilities (time) and relevant topic areas were indicated as reasons preventing members from attending programs. The greatest benefits for membership continue to be the education and networking opportunities.

### **Services Summary**

The education programs, newsletters and membership directory continue to be the most widely used services. The response from the majority of our members indicated that 88% are satisfied to extremely satisfied with the chapter services overall.

### **Demographics**

Of our chapters 362 members documented at June 03, 2002 the average years in HFMA are 9, average years in Healthcare are 19 and the average age is 46. The chapter gender is split evenly between males and females, 44% and 46% respectively. Our members work for a variety of employers with the greatest number 198 working in a hospital or medical center.

## **2. Social, Political, and Technological Environment**

The social, political, and technological environment in New Hampshire/Vermont, as in the nation, continues to be one of rapid change. The New Hampshire/Vermont Chapter must identify these issues so that we, on behalf of and through our members, are a force for change and are able to respond appropriately to external factors.

### **a. Social Environment**

#### Community Needs Assessment

Hospitals and Healthcare Systems across both states are working with local Health Departments to conduct Community Needs Assessments and to develop community wellness programs and outreach programs. This is recognition that medical care varies dramatically between different communities even in small states. Some examples include education about domestic violence, teenage drinking intervention, and smoking cessation programs.

#### Acute vs. Chronic Care

The traditional definition of “acute care” has changed rapidly, with more and more services provided on an outpatient basis, outside of hospitals and nursing homes, and by mid-level practitioners. At the same time, as our population ages we continue to see an increase in chronic illnesses.

Although rapid change has occurred on the provider side in adjusting to the new care models, significant work is still needed to move reimbursement into alignment with the care provided. In New England, discussion has begun on how to make this happen with providers, commercial insurers, and government insurers at the table.

#### Drug Management Complexity

Pharmaceutical companies continue to develop new drugs and directly advertise to consumers, fueling increased patient awareness, demand, and ultimately pharmaceutical costs. Patients increasingly follow multiple drug regimens, particularly as better treatments for chronic disease symptoms become available. Health plans, struggling to contain escalating costs, are promoting multi-tiered drug benefits and pushing to increase the sophistication of drugs available “over the counter”. Increased acceptance of alternative therapies, by both consumers and payers, adds further complexity to patient management and challenges provider knowledge base.

#### Medical Care for the Uninsured and Under-Insured

Even with State and Federal government extending additional benefits to a larger population, thousands of people in New Hampshire and Vermont remain uninsured. In Vermont, medical benefits to the working poor have been extended by state mandate, resulting in a cost-shift within the insurance industry. This comes at a time when reserves are shrinking due to inadequate reimbursement for current government

programs.

In an effort to assist the uninsured and under-insured in the state of New Hampshire, the New Hampshire Hospital Association together with Foundation for Healthy Communities formed the New Hampshire Health Access Network. The New Hampshire Health Access Network is a voluntary state-wide healthcare network designed remove barriers and to provide access to high-quality health care for all children and adults in New Hampshire who need financial assistance based on percentages of the Federal Poverty Guidelines, and to allow that assistance to be portable within the network hospitals.

#### Patient Bill of Rights

As managed care covers a larger portion of the population, concern about medical decision autonomy increases. In Vermont, legislation was enacted entitled ‘Rule 10’, which is a managed-care patient bill of rights. State and Federal government officials are investigating legislation that protects not just the right of patients, but of their medical providers to keep decision-making about medical care at the local, personal level.

#### Labor Pool

The decline in availability of skilled workers has made it very difficult to recruit qualified people in most areas of healthcare. What used to be considered just a nursing shortage is now a shortage of all skilled employees. The implication is there will be restricted access to healthcare services because of the overall shortage of healthcare professionals.

#### Demand vs. Cost

Insurance premiums continue to increase at often double digit rates in both New Hampshire and Vermont. Factors affecting the increased premium costs include the continued cost shift from government payers to commercial payers, increased cost to provide care, and the continued increase in demand for healthcare services as the population ages and consumers become more educated.

Although consumers are more educated about the services they demand, there continues to be a disconnect between services provided to the individual patients, the payment for those services by the insurers who provide the coverage, and premiums paid by employers and individuals.

#### Emergency Preparedness

In the last two years, the industry has been facing increased costs associated with ensuring that the healthcare system is prepared to handle any future emergencies or disasters. The concerns about bioterrorism continues to grow as more national and international crisis occur such as the anthrax events, SARS and the threat of small pox. As a result, Federal and State regulations continue to increase related to the development of bioterrorism response plans, with little assistance

dollars associated with the mandates. The healthcare industry must evaluate its current infrastructure to handle biological and other emergencies while developing ways to pay for these potential emergencies.

#### Patient Friendly Billing

Because meeting the needs of our customers (patients) is of the utmost priority, the NH/VT Chapter of HFMA strongly supports the philosophy of HFMA's Patient Friendly Billing initiative: To provide Clear, Correct and Concise billing information on all related financial correspondence to our customers.

### **b. Political Environment**

#### Medicare and Medicaid

Both state and federal governments look to health care providers as they seek to garner significant savings from Medicare and Medicaid programs. Providers in New Hampshire and Vermont are more susceptible to potential reductions and changes to these programs due to their historical low reimbursement from government payers. While New Hampshire continues to struggle with the push to decrease the state Medicaid spending at the expense of hospital reimbursement, Legislators in Vermont have recognized the impact of the cost shift on insurance premiums and ultimately employers paying for those premiums. Vermont is attempting to increase reimbursement to providers to help offset the cost shift.

Current changes in Washington will result in increased federal matching dollars and grant funds to states. Both New Hampshire and Vermont could receive additional funds between \$63 - \$64 million. How these funds will be used is still in question. Providers hope the lion's share of these funds will flow to reimbursement to help decrease the current cost shift.

#### Critical Access Hospitals & Federally Qualified Health Centers:

Hospitals in both states continue to review the potential of becoming designated under Medicare as Critical Access Hospitals (CAH). There are number of hospitals in both New Hampshire and Vermont who have been designated as CAH and there are others in various stages of the approval process. In addition, there is increased emphasis on establishing federally qualified health centers in NH & VT as another way to improve access to healthcare in rural areas and to improve reimbursement for services provided to Medicare recipients.

#### Public Health Funding Shortfalls

The Medicare and Medicaid programs in both New Hampshire and Vermont are

experiencing budget deficits and these shortfalls are projected to increase in the coming years. Some of the issues contributing to these funding deficits are:

- The unresolved school funding crisis in NH;
- Continued impact of VT's Act 60;
- Reductions in tobacco settlement revenues and tobacco sales taxes;
- Federal legislation and CMS budget cuts; and
- Increased utilization as the population ages.

With the current need to fund the national fight against terrorism, at home and abroad, the availability of funding increases at the Federal level is not likely to materialize in the near future. These funding shortfalls will then continue to create pressure among the provider community to cost-shift expenses to other funding sources such as commercial payers.

### Health Plans

As a result of market compression that occurred in 1999-2000, VT and NH each has just two major commercial plans in their respective marketplaces. In NH, the two major plans (Anthem and CIGNA) are for-profit companies that have corporate headquarters outside of Northern New England. Providers in NH have begun to feel the impact of this "corporatization" in their relationships with these plans. Plan decisions that were once made at the local NH level are now being made on a national or regional level. There are a few proposed legislative bills, for example changes to community rating, that are intended to create a more insurer friendly environment to encourage health plans to enter the market.

In VT, the major health plans (BCBSVT and MVP) remain not-for-profit organizations. BCBSVT continues to struggle with retaining its ability to remain an independent not-for-profit VT-based enterprise.

Plans continue to enact double-digit premium increases and roll out benefit designs that push more of the financial burden onto the individual subscriber/member in the form of co-insurance/deductibles and tiered pharmacy plans. With current economic conditions, more employers are choosing high dollar deductible/coinsurance plans in order to keep their benefit costs tolerable.

In response to a call for measurable quality healthcare, health plans are starting to introduce quality incentive programs designed to offer providers additional compensation if certain utilization benchmarks are met in place of capitated risk models. There is also a new movement underway that is being called "consumer-driven health care" which seeks to equate quality with cost. This is partially a result of employers being asked to absorb ever-increasing benefit costs and they are wondering why managed care seems to have failed.

### Pay for Quality

In response to multiple years of double-digit premium increases, employers and governmental agencies are forming coalitions and task forces to attempt to solve the healthcare crisis in NH. The concept of a health benefit designed to incent members to seek quality, cost efficient care and to incent providers to deliver this type of care is underway. Hospitals and physician group practices will be measured on the quality and cost efficiency of the care they deliver and placed into a tier where members will have higher out of pocket expenses at the lower quality, less cost efficient providers. The task is difficult due to the unavailability of a current data repository and meaningful measures that truly reflect quality and cost efficiency. Government appointed local task forces are attempting to rally key stakeholders to jointly identify what role each can play in restructuring local health insurance.

#### Tax Exemption Issues

External regulators have begun to test the tax-exempt status of hospitals and not-for-profit health plans. Mergers and acquisitions that generate profitable swings in bottom lines may increase scrutiny. Validating the amount of community support and charity care becomes more important.

#### Anti-Trust Issues

Hospital and Integrated Delivery System (IDS) mergers have generated investigations from the Justice Department in other parts of the country. Two large IDS's, Fletcher Allen Health Care and Dartmouth- Hitchcock Alliance, currently dominate the Vermont and New Hampshire system. This threat is not just to hospitals, but also to health plans. Vermont has only two major health plans operating in the state.

Even though the population covered by these two systems is small by federal standards, only about 2 million people, the activity is highly visible and could possibly trigger an investigation.

#### Compliance Issues/OIG Investigations

Hospitals are trying to comply with the myriad of complex regulations. A result of this concern, however, is that some providers have become overly cautious on coding, from fear of being cited for upcoding for reimbursement, and then being faced with fraud for “inappropriate” coding. Facilities and providers not having the time or money to properly train for these new regulations exacerbate this. Evaluating joint ventures is paramount in this environment.

#### Unionization

Both New Hampshire and Vermont have seen a measurable increase in union activity. While past activity has focused on nursing staff, unions are beginning to branch out to other healthcare staff. Nursing shortages, other staff shortages, and economic conditions in general have created a favorable political environment for unionization drives.

### Public Trust

Public confidence in the capital market system and the accounting profession has been shaken by recent developments at Enron, WorldCom and other public companies. As a result of recent corporate scandals, the Corporate and Auditing Accountability, Responsibility, and Transparency Act of 2002 (Sarbanes-Oxley Act) came into law on July 30, 2002. The accounting profession must build upon its traditional values in order to face these challenges and restore public trust.

### Medical Malpractice Liability

The marketplace for medical malpractice insurance is facing availability and affordability concerns across the nation. Although not yet in crisis, New Hampshire and Vermont have been identified as states showing problem signs by the House Energy and Commerce Committee. The hardening market has caused several major carriers to vacate their medical malpractice lines of business or, in some instances, fail altogether. Many of the remaining insurers have increased renewal rates significantly. Astronomical judgments for claims have been cited as a contributor to the current crisis.

While Congress considers national legislation, tort reform at the state level is also underway to help ease the burden on providers. For example, in New Hampshire, the Medical Society along with the NHHA worked to develop a strategy to address the Lost Opportunity Doctrine. It will be important for providers to become active participants in advancing legislation that ensures the continued availability and affordability of medical malpractice coverage.

## c. Technological Environment

### Educated Consumer

With the increased access and awareness of medical information on the Internet, the patient-clinician relationship is changing. Patients are demanding more clinical and financial information and a higher intensity of services than has been in place before.

### Value of Investment in Information Technology

The pendulum appears to be swinging from questioning the cost/benefit of investments in information technology to looking at information technology as a means to achieve greater efficiencies in the face of increasing demands for healthcare services, a tight labor market, increasing costs, and reduced reimbursement. Allocated dollars for healthcare information technology continues to rise despite the perception that systems performance often falls short of expectations. With the increased complexity in both billing rules/regulations and clinical information, organizations are increasingly looking to information technology as a competitive

advantage.

#### Health Insurance Portability and Accountability Act (HIPAA)

HIPAA has had and will continue to have a tremendous impact on the healthcare sector both culturally and financially over the next few years. The Transaction & Code Sets regulations need to be implemented by October 16, 2003. The Privacy regulations were implemented April 14, 2003 and the Security regulations recently finalized will require compliance by **April 21, 2005 (or April 21, 2006 for small health plans)**. Both Hospital Associations in New Hampshire and Vermont are working closely on this issue, as are multi-disciplinary groups such as NHVSHIP, with our local Chapter participating in the education component.

### **B. Internal Assessment**

#### **1. Chapter Strengths and Weaknesses add national involvement**

The Chapter Officers, Board of Directors, Committee Chairpersons, and selected past presidents assessed the Chapter's strengths and weaknesses during our Strategic Planning meeting on May 7, 2003. Those present reviewed the prior year's Strategic Plan and updated the sections on Strengths and Weaknesses.

##### **a. Chapter Strengths/Opportunities**

1. The ability of the New Hampshire/Vermont Chapter to continually provide quality educational programs to our members is our greatest strength. NH/VT has seen increased member attendance at programs by 20% over last year as of April 30, 2003.

We have established good relationships with allied health care organizations (i.e., MGMA and HIMMS) and other HFMA chapters. These relationships allow us to provide quality co-sponsored education sessions.

We have shown the ability to provide national speakers at our educational programs and produced programs at an advanced level as requested by our members. We have also demonstrated flexibility in our programming to respond to member needs for education in a timely manner.

2. The New Hampshire/Vermont Chapter has great dedication from our leadership, both past and present. There is tremendous momentum within the Chapter leadership, which must be sustained. We have seen increased past president activity in the past few years. There is tremendous benefit to the chapter in maintaining past president volunteer levels.
3. Our Corporate Sponsorship Program has grown substantially from its inception. Over the past ten years, this has grown from \$5,500 to \$26,700 in annual contributions. These revenues are critical to our Chapter in order to subsidize quality education

programs for our members. The work involved with maintaining this level of contribution has grown substantially.

4. Administrative support was centralized in prior years and is being provided for the Chapter for fees based on membership and program enrollment by Berry, Dunn, McNeil & Parker. This has served to reduce the time commitment of individuals who may volunteer as chapter leaders or run educational programs. This has also provided a mechanism to uphold a high standard of quality within the Chapter. The Chapter evaluates the success of this arrangement on an annual basis.
5. Chapter financial position is currently strong. Our success is due to our corporate sponsor program as well as our continued success in chapter education programming and conservative budgeting.
6. The Chapter has developed a systematic process for identifying and developing potential chapter leaders. The Leadership Succession Plan has become an integral part of Strategic Planning for the Chapter.
7. The Mini-Leadership Training Conference developed by the Chapter assists new members of the Board of Directors and new Committee Chairs in fulfilling their responsibilities to the Chapter.
8. The Yerger Achievement Awards validate the success of continuous quality improvement for the Chapter. In 1998, the New Hampshire/Vermont Chapter won 6 Yerger Awards, one of the highest number of awards in National. In 1999 the Chapter received 4 awards, 3 in 2000, and in 2001, the Chapter received six awards, again one of the highest number in National. In 2002 the Chapter received 5 Yerger Achievement Awards.
9. Membership in the Chapter continues to remain strong, with a significant increase of new members. Our membership has a high level of diversification, including a significant number of senior financial executives. A recent Member Profile compiled by National HFMA indicates that approximately 35 percent of our members hold the title of President, CEO, CFO, Vice President or other chief officer.
10. The Chapter has developed a process to recognize the efforts of individuals within the Chapter for their contributions. A letter is addressed to the member's employer thanking them as well for their indirect support of the Chapter. We will continue to develop consistent and meaningful programs to recognize volunteers.
11. The increased support and interest at our local chapter for certification brought about a new Certification Committee that was established for the fiscal year 2001-2002. The committee achieved a great success in its first year, establishing a library of study materials, a coaching course, and proctors in various geographic areas of NH and VT. In 2002-2003, another tool to aid certification candidates was developed – a

Founders Points Calculator. These efforts have resulted in gold-level numbers of certified members in both 2001-2002 and 2002-2003.

12. Our scholarship programs have supported students in financial healthcare fields and we have increased interest in our expanded scholarship programs (students of HFMA members interested in continuing their own education).
13. The Chapter conducted a Physician/Provider Compensation Survey during 2001-2002 and 2002-2003 with satisfactory results, both in participation and in use of the final product by providers. We will continue to provide this service to our membership.
14. The Membership Committee developed the first HFMA 101 course designed to help members garner more information about the HFMA organization both locally and nationally.
15. The ability to maintain a significant number of senior management and Chief Financial Officer participation as volunteers is an issue. We believe it is important to keep these individuals involved in HFMA both for their expertise and commitment to ensuring opportunities for their employees.
16. The chapter maintains representation at the National level in a variety of positions.

**b. Chapter Weaknesses/Threats**

1. Member volunteerism in the Chapter continues as a concern for Chapter leadership. Some of our committees have few active members other than Officers, Board members and committee chairs. The Chapter needs to increase the general involvement of the membership. The current responsibilities of the Chapter are shouldered by a small number of active members
2. The educational program survey consistently demonstrates that professional demands on time prevent members from attending educational programs.
3. Due to time constraints of our chapter leaders, attendance at chapter board meetings is inconsistent; as a board we need to assess ways to make attendance easier to ensure involvement.
4. The ability to maintain a significant number of senior management and Chief Financial Officer participation as volunteers is an issue. We believe it is important to keep these individuals involved in HFMA both for their expertise and commitment to ensuring opportunities for their employees.
6. Although our scholarship programs are successful for those who have taken advantage of them, awareness by a significant number of our members is still low.
7. There is a potential for decreased organizational support for HFMA participation as a result of the current economic decline. This could result in a negative impact on membership, sponsorships and certification.
8. Competition from other professional organizations is seen as a threat to maintaining members' participation in educational programs and other Chapter activities.

**c. Chapter Quality and Service Performance**

The NH/VT Chapter has a very high percentage of Certified Members, approximately 8 percent as of June 2002. The Chapter's Certification Committee, new in 2001-2002 has made great strides in implementing the new Certification process identified by National. The Committee's initiatives include a campaign to educate members in the benefits of certification, a library of study materials, and a system of proctoring which makes the exams accessible in all geographic areas of NH and VT. Nine members of the Chapter passed the certification exam in 2002-2003, a record number for the Chapter.

The New Hampshire/Vermont Chapter conducts a yearly Chapter Member Survey to

assess the educational needs of our membership and to assess member satisfaction. Every year we re-assess the process to upgrade the Survey to better meet the needs of the members.

Perhaps the single most exceptional achievement of the Chapter is the Christopher F. Weinheimer Scholarship program. This Scholarship was created in recognition of former National Chairman and former Chapter President Chris Weinheimer.

In 1993, the Chapter established a scholarship in recognition of Chris Weinheimer's years of service to HFMA and our chapter, in particular. Chris is the past Chairman of the Board of HFMA.

The original program consisted of four \$1,000 scholarships awarded annually. These scholarships, two at the University of Vermont (UVM) and two at the University of New Hampshire (UNH) are awarded to students who enroll as full-time students in an undergraduate program, are students who have indicated a career in healthcare finance or administrations, and are residents of Vermont or New Hampshire. The chapter does ask the schools to give preference to dependents of HFMA members provided they meet the guidelines.

We continue to review and improve the quality of the Scholarship. In January 1999, the Board of Directors approved a significant enhancement to the Scholarship program. In addition to the two current scholarships, a continuing education scholarship was added, as well as improving the benefits on the original scholarship.

The Continuing Education Scholarship benefits NH/VT members who wish to continue their formal education. Any NH/VT regular or advanced member in good standing who has 40 founders award points may apply for the scholarship. The member must be enrolled in an accredited college or university in a bachelors or masters program. The applicant must apply for one course per college term, and is limited to two scholarship awards in their lifetime. The successful recipient will receive an award of the lesser of \$1,000 or the cost of the specific course.

The enhancement to the original scholarship allows the recipient to continue to receive \$1,000 per year for four years while they complete a four year degree at an accredited college or university, continue to major in a finance related field, and maintain a 3.0 or better grade point average on a 4.0 scale. Two new scholarships are intended to be awarded annually until there are a total of eight scholarships each year.

#### **d. Chapter Growth**

##### **1. Financial Growth**

The New Hampshire/Vermont Chapter enjoys excellent financial health for the Chapter's size despite investment losses in the last two years. Operating margin is expected to be

below budget in the current year, but measures have been introduced to recover the loss in the coming year. The Chapter’s scholarship program is sound; the fund is estimated to remain at \$44,300 in the current year. One of the keys to our success has been the Corporate Sponsorship Program. Since the program began 10 years ago, sponsorship revenue has increased 500 percent.

Financial Summary

	YTD 03/31/03	Budget 2002-2003	Actual 2001-2002	Actual 2000-2001	Actual 1999-2000
Revenue	97,200	132,000	139,200	133,800	106,900
Expenses/losses	89,000	132,750	145,300	125,000	96,500
Operating margin	13,600	3,450	4,150	18,200	17,500
Operating Equity	13,000	4,250	5,000	22,150	24,400
Scholarship Equity	44,300	44,300	44,300	37,880	37,880
General Fund	13,460	13,460	13,460	10,930	0

**Corporate Sponsorship Summary**

<u>Year</u>	<u>Number of Sponsors</u>	<u>Revenues Generated</u>
1993	13	5,500
1994	15	6,500
1995	15	5,500
1996	18	9,100
1997	28	14,600
1998	29	12,800
1999	28	15,700
2000	28	17,800
2001	32	21,550
2002	40	26,700
2003	36	27,500

2. Membership Growth

The New Hampshire/Vermont Chapter has 379 members as of April 30, 2003, relatively small in comparison to others within the nation. Compared with prior years, our membership has grown as follows:

<b>Year</b>	<b>Members</b>
2003	379
2002	354
2001	346
2000	311
1999	302

The percent increase in growth in 2002-2003 over the prior year is over 6 percent, contrasted with overall growth of approximately 2 percent in all HFMA chapters. Our success is largely due to recruiting and retention efforts by the Membership Committee, supported by the quality of services performed by Chapter leaders in all activities this year.

#### **IV. Chapter Goals and Objectives**

In the fall of 1998, when the Chapter revised its strategic planning process, it was decided to treat the Chapter Goals & Objectives as the one-year action plan to address the needs and goals set in the three-year Strategic Plan.

Goals and Objectives are developed during the first three months of the Chapter year so that newly appointed Committee chairs and committee members are able to contribute to the process. A list of the Chapter Goals and Objectives for the current year is communicated to the membership in September.

## **V. Planning and Data Gathering Process**

The operating process for updating the Strategic Plan for 2003-2006 began with the Member Survey, a written questionnaire sent by mail to the entire Chapter membership. Results from the Member Survey were distributed to the Officers, Board of Directors, Advisory Committee and Committee Chairs. Individuals from these groups in attendance at the Mini LTC performed a systematic review of members' needs. They also reviewed the Chapter's operational strengths and weaknesses. A draft Strategic Plan was then developed at Mini LTC. The draft was distributed to the Officers, Board of Directors, Advisory Committee and Committee Chairs (including those not in attendance at Mini LTC) for their approval.

The three-year Strategic Plan will be reviewed on a yearly basis and updated as necessary.

The operating process for developing the Goals and Objectives is as follows:

1. Conduct mid-year and final assessment of current Goals and Objectives (did we meet our goals?)
2. Develop a recommended Goals & Objectives for the upcoming year (do we add, subtract, and keep our current goals?)

The Goals and Objectives are the working plan to address the needs identified in the Strategic Plan. Goals and Objectives, while part of the Strategic Plan, are separate and flexible so they can be continuously updated to meet the current needs of the Chapter.