



# ALBUQUERQUE CHAPTER

Albuquerque AGA Monthly Newsletter

December 2014

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## President's Message

Greetings,  
Although this time of year is stressful, it is also a very joyous time in our lives – audits are (hopefully) done and filed, there are parties to attend, and people to enjoy! I am finally feeling able to breathe much better now that deadlines are almost or already met, which is a welcome change. Now onto the hustle of crossing things off my holiday-specific list!

Our chapter has a fantastic event planned to close out our activities for 2014! We hope you will all join us for our Winter Seminar and Toy Drive Reception on December 17<sup>th</sup>. It will be a great time to learn how the Omni Circular will affect activities and work in the New Year, and a chance to take a break to enjoy our holiday reception. In addition, we will be collecting new toys to bring to children spending the holiday at the UNM Children's Hospital. There are so many positive aspects to this event, and we hope to see and visit with you all.

On behalf of our very dedicated CEC elves, we wish you very happy holidays and a great start to 2015!

*Heather Prudhomme, CPA, CGFM, CGMA*  
AGA Albuquerque President



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groups/AGAABQ/](https://www.facebook.com/groups/AGAABQ/)



**Please Note:**  
The January AGA  
Luncheon will  
be held at  
Pappadeaux

## Welcome New Members!

### November Members:

Ms. Heather M. Martinez - NM Aging & Long-Term Services Dept.  
Ms. Cindy Mok - NM Crime Victims Reparation Commission

*Welcome!*



## December Seminar And Toy Drive Reception



**Wednesday, December 17, 2014**  
1:00 pm - 5:00 pm

**Crowne Plaza - Garden Room**  
1901 University Blvd NE  
Albuquerque, NM 87102

**December Seminar**  
**Omni Circular and the SEFA**

*AJ Bowers and Robert Gonzales, of Accounting & Consulting Group, will detail how the changes OMB has initiated with the SuperCircular will affect you. They will also discuss the proper internal controls that should be in place and the process to prepare an accurate SEFA. They will then go over techniques to help avoid the most commonly made mistakes during the preparation of a SEFA.*

Provides 4 Technical YellowBook CPE credits.  
\$50 for members | \$65 for non-members

*Don't forget about our toy drive and holiday happy hour & networking event immediately following the seminar from 5:00pm - 6:30pm. Toys will be donated to the UNM Children's Hospital, no need to gift wrap.*

RSVP to Marla Gorena at [mgorena@acgsw.com](mailto:mgorena@acgsw.com) or 505.883.2727



### January Luncheon

#### An Update on AU-C 240: Today's Name for Consideration of Fraud in a Financial Statement Audit

*Janet M. McHard, CPA, CFE, MAFF, CFF is the founding partner of McHard Accounting Consulting LLC, a firm dedicated to forensic and investigative accounting. She is a Certified Fraud Examiner, a certification bestowed upon examination by the Association of Certified Fraud Examiners, for whom she is also a faculty member. She also holds a CPA in the State of New Mexico. Janet is a Master Analyst in Financial Forensics, a designation offered by the National Association of Certified Valuation Analysts, and is Certified in Financial Forensics by the AICPA.*

**Wednesday, January 21, 2014**  
11:30 am - 1:00 pm

**Pappadeaux Seafood Kitchen**  
5011 Pan American Fwy NE, Albuquerque, NM 87109  
\$15 for members | \$20 for non-members  
Provides 1 hour, technical CPE

**RSVP to Marla Gorena at [mgorena@acgsw.com](mailto:mgorena@acgsw.com)**

*If you'd like to bring some food or a monetary donation for the Animal Humane Society we will be collecting them at the luncheon.*







## Perspectives: A View into the Program Integrity Window of the Affordable Care Act and the Role of the Financial Management Community

By Jeffrey C. Steinhoff, CGFM, CPA, CFE, CGMA, and Timothy J. Comello, CPA, KPMG LLP

With the Affordable Care Act (ACA), our nation's healthcare system is undergoing historic change.<sup>1</sup> An important component is reducing healthcare fraud, waste and abuse. Of \$106 billion in estimated improper payments reported by federal agencies for fiscal year 2013, \$65 billion (or 60 percent) were reported by the U.S. Department of Health and Human Services (HHS), primarily attributable to Medicare and Medicaid.<sup>2</sup>

Title VI of ACA is focused solely on program integrity. The underlying objective of Title VI is to identify healthcare providers and suppliers most likely to abuse the government healthcare system at the front end and keep them out altogether or dramatically change their behavior from the outset. Through much greater ongoing scrutiny, problems are avoided. And when problems arise, immediate action is taken. The ACA program integrity provisions build on and expand the November 2009 Presidential Executive Order – *Reducing Improper Payments and Eliminating Waste in Federal Programs* and federal improper payment legislation<sup>3</sup> for which finance organizations now play important roles.

### What are the key program integrity provisions in Title VI of ACA?

Here is a snapshot of some of the key healthcare program integrity provisions in Title VI of ACA that tie directly to support that can be provided by the government financial management community.

- **Screening procedures:** Providers and suppliers are to be screened based on likeliness, or degree of risk of fraud, waste and abuse, such as participation in multiple government healthcare programs and prior suspension, exclusion or revoked billing privileges from any government healthcare program. The goal is to weed out and keep out bad players. Data quality is critical to effective screening.
- **Data sharing:** To expand fraud intelligence, the U.S. Department of Health and Human Services (HHS) and state governments are required to implement data sharing agreements. Included are sharing agreements with the U.S. Departments of Veterans Affairs and Defense, which have large healthcare systems, and the Social Security Administration (SSA),

<sup>1</sup> The Patient Protection and Affordable Care Act, Public Law 111-148, March 23, 2010, and the Healthcare and Education Reform Act of 2010, Public Law 111-152, March 30, 2010

<sup>2</sup> [www.paymentaccuracy.gov](http://www.paymentaccuracy.gov)

<sup>3</sup> The Improper Payments Elimination and Recovery Act of 2010, Public Law 111-204, July 22, 2010; and the Improper Payment Elimination and Recovery Improvement Act of 2012, Public Law 112-248, January 10, 2013

*Perspectives: A View Into The Program Integrity Window Of Affordable Care Act And The Role Of The Financial Management Community—Continued*

with its Social Security number verification capabilities and the Social Security Death Index, which is a master file of deaths reported to SSA since 1936.

- **Distributed data processing:** Effectively sharing financial and nonfinancial data (such as enrollment, claims and health status) between HHS and health insurance issuers is essential to meet the overall goals of the multiple subsidy and market stabilization programs established under ACA.
- **Medicaid integrity program reports:** Reports are required on improper payments prevented and recovered, overpayments and return on investment in improper payment activities.
- **Recovery audit contractors:** States are to contract with recovery audit firms for improper Medicaid payments, consistent with existing requirements for Medicare Parts A and B. Also, use of recovery audit contractors is expanded to Medicare Parts C and D.
- **Payment prohibition for non-U.S. entities:** States are prohibited from making healthcare payments to any financial institution or entity located outside the United States.
- **Extension of overpayment recovery period:** The overpayment recovery period was extended from 60 days to one year.
- **Performance measurement:** Quantitative program integrity reporting is required.

**What is the role of the financial management community in supporting ACA program integrity?**

The operative word is “support.” Program integrity is foremost the responsibility of healthcare program management. They own the ACA processes, systems and controls. They have vast knowledge of healthcare integrity issues, whether HHS or state Medicaid program offices and integrity units.

Healthcare program managers need reliable, timely and relevant financial information to help drive decisions and sound internal controls to help ensure funds are spent as intended to avoid fraud, waste and abuse. The government financial management community can play an important role in supporting ACA program integrity as well as the integrity of other government healthcare programs. High-performance in financial management goes far beyond basic finance operations to adding value as trusted business advisors.<sup>4</sup>

So, how does your finance organization stack up? Are you part of the healthcare program integrity team, lending your knowledge, skills and abilities in internal controls, data quality, reporting and oversight? If not, hopefully you will explore options for adding your expertise to support healthcare program integrity initiatives under ACA and be part of historic change.

*This essay was adapted from a KPMG Government Institute Issue Brief, “The Affordable Care Act – Are You Part of the Program Integrity Playbook,” available at [www.kpmginstitutes.com/government-institute](http://www.kpmginstitutes.com/government-institute).*

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<sup>4</sup> “Taking the Next Steps: A Maturity Model to High Performance in Federal Financial Management,” by Jeffrey C. Steinhoff, CGFM, CPA, CFE, and Laura A. Price, CGFM, CPA, *Journal of Government Financial Management*, Spring 2009, and *The KPMG Executive Guide to High Performance in Federal Financial Management*, June 2009





## AGA ALBUQUERQUE CHAPTER STUDENT MENTORSHIP PROGRAM

### Mentorship Program Overview

Many college students are affected by the lack of appropriate and sufficient academic and professional guidance, and as a result, many of them drop before graduation, and those who manage to graduate are often challenged to develop business networks to create and explore opportunities for employment, to find and keep jobs, advance their careers, or develop skills to enter specific occupational fields.

The Student Mentorship Project will serve as a bridge between the student community and members in the AGA Albuquerque Chapter toward the goal of fostering optimal learning among students, increasing their chance of employment once they graduate, and ensuring their professional success once they find a job.

### How will the Project Work?

Students and members in AGA Albuquerque Chapter will create professional networks and business connections to increase job opportunities and support job creation.

The project can help:

- ✓ Build connections to find and advance employment.
- ✓ Help you learn about skills required to enter your profession of choice.

Building Futures

Changing Lives



### Principles of this project will include:

- ✓ A screening process for matching both mentors and mentees
- ✓ Structured meetings between the mentor and mentee
- ✓ An agreement for both mentees and mentors so that they understand the expectations of the program and their responsibilities
- ✓ Training for mentors and orientation for mentees
- ✓ "Good Matches" between mentors and mentees that help foster credibility for both parties and the program

### For more information please contact:

**Diana Ursu**

**Email:**

[ursu.diana@gmail.com](mailto:ursu.diana@gmail.com)

## The AGA PDT - Your Passport to an Unforgettable Training Experience

**March 30 - April 1, 2015 at the Hotel Cascada in Albuquerque**

### 2015 Format:



**Monday - CGFM Day - 6 hours of CPE**  
Chapter-led intensive training  
\$60 for members \$85 for non-members

**Tuesday & Wednesday - PDT - 17 hours of CPE**  
Federal, State & Local topics  
\$250 for members | \$300 for non-members

Speaker/topic list will be released in January



## CGFMs Have You Completed Your CPEs?

***If you earned your CGFM in an even year (1996-2012), your two-year CPE cycle ends December 31. View the CGFM CPE requirements below:***

### Calendar of CPE Cycles

One of the requirements to maintain the CGFM certification in an active status is to complete at least 80 hours of continuing professional education (CPE) every two years in government financial management topics or related technical subjects (see [CPE Requirements](#) for more information). ([Go to the AGA website: www.agacgfm.org](http://www.agacgfm.org))

The two-year CPE cycle depends on the year the CGFM was awarded. The award date can be found on the CGFM certificate. You can use the table below to determine your CPE cycle.

**CPE Rule of Thumb:** If the CGFM was awarded in an even year, every CPE cycle will also end on an even year (Exception: 1994 follows the odd years schedule).

**If your CGFM was awarded in 1994/1995, 1997, 1999, 2001, 2003, 2005, 2007, 2009, 2011 or 2013**

Your current CPE Cycle is 01/01/2014 – 12/31/2015

**If your CGFM was awarded in 1996, 1998, 2000, 2002, 2004, 2006, 2008, 2010, or 2012**

Your current CPE Cycle is 01/01/2013 – 12/31/2014

**If your CGFM was awarded in 2014**

Your 1st CPE Cycle will be 01/01/2015 - 12/31/2016

If you have any questions about your CPE cycle, please contact the Office of Professional Certification at 800.AGA.7211, or [Send Us an E-mail](#).

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## CEC Member Spotlight — James Hartogensis, CPA, CGFM



James is in his second year serving as the Certified Government Financial Manager (CGFM) Chair for the Albuquerque Chapter. James is the principal of James L. Hartogensis, CPA LLC. His practice provides audit, tax, and consulting services to non-profits and governmental organizations.

James' first job was as a junior summer camp counselor where he earned the impressive sum of \$50 for an entire summer's work! He has worked in public accounting for 20 years with CPA firms ranging in size from the largest in New Mexico to the smallest. James has also worked as a CFO for a government agency and as a compliance officer for NM Student Loans.

James earned his bachelor's degree in business administration with a concentration in accounting at UNM. He attained his CPA license in 1994 and his CGFM certification in 2011. James has been a member of the Albuquerque Chapter for eight years and has served on the board in a number of capacities, including as Membership Chair, Vice President, President-Elect, President, and Immediate Past President. He is also a member of the American Institute of Certified Public Accountants and the New Mexico Society of Certified Public Accountants.

James interests outside of work include spending time with his three sons and granddaughter, playing golf, attending live music and sporting events (especially those featuring Boston teams), and enjoying a meal at Sadie's. James lived in the Swiss Alps as a child and would love to return to Switzerland for a visit or perhaps even to live.

## MISSION STATEMENT

Albuquerque AGA serves government accountability professionals by providing quality education, fostering professional development and certification, and supporting standards and research to advance government accountability.

[www.agaabq.org](http://www.agaabq.org)

## AGA CORE VALUES

Service, Accountability,  
Integrity, Leadership



## AGA Chapter Executive Committee (CEC)

President  
Heather Prudhomme  
[hprudhomme@atkinsoncpa.com](mailto:hprudhomme@atkinsoncpa.com)

Past President  
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Treasurer  
Matt Bone  
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Accountability Chair  
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**Make achieving the CGFM your goal for this program year!**

The first **two** AGA Albuquerque Chapter Members who send in a notice of CGFM award between now and May 31, 2015 (final test must not have been taken prior to September 1, 2014) will receive recognition in our newsletter and \$500 from the AGA Albuquerque Chapter. For more details or to apply for the award please contact James Hartogensis, CPA, CGFM at [jhartocpa@msn.com](mailto:jhartocpa@msn.com).

