



Credit Hours: 3

Contact Hours: This is a 3-credit course, offered in accelerated format. This means that 16 weeks of material is covered in 8 weeks. The exact number of hours per week that you can expect to spend on each course will vary based upon the weekly coursework, as well as your study style and preferences. You should plan to spend 14-20 hours per week in each course reading material, interacting on the discussion boards, writing papers, completing projects, and doing research.

Faculty Information: Faculty contact information and office hours can be found on the faculty profile page.

COURSE DESCRIPTION AND OUTCOMES

Course Description:

In this course, students are provided an overview of the financial environment in which healthcare organizations operate and introduced to fundamental concepts of finance and accounting in the healthcare industry. Students will examine key healthcare finance concepts, basic managerial and accounting principles, the budget process, and tools used for financial analysis. Attention is also given the government financing of health services via the Medicare and Medicaid programs. Assignments and discussions provide opportunities to examine and apply techniques related to cost accounting with emphasis on cost control strategies.

Course Overview:

Finance is a core business function that is focused on the effective management of that ubiquitous lifeblood of any organization...**cash**. Well-developed health care leaders understand the core elements of finance and are able to apply the concepts in the health care setting to maximize return to the organization, minimize costs, and maintain clarity of purpose in decision making. These same concepts quite often apply in personal financial circumstances as well. From negotiating the terms on a mortgage, to buying an automobile to determining the return on a stock purchase, fundamental applied financial skills are relevant and are really a life skill. This class is designed as an introductory course in the theory and principles of finance as it applies to the health care industry, which includes unique application of time value of money, risk and return, debt and equity valuation, capital budgeting, financial statement analysis, revenue cycle development, and working capital management among other topics. You'll find that this is an applied course that focuses less on the theoretical and more on the practical tools that will be useful in your professional endeavors.

Course Learning Outcomes:

1. Define basic healthcare finance terms and identify financial reporting practices and ethical standards of conduct.
2. Describe the process for creating an operating and a capital budget in healthcare setting.
3. Analyze costing methods in the industry.
4. Assess financial statements of a healthcare organization.
5. Understand the use of trend analysis and forecasting and comparative data.

6. Identify key financial ratios.

PARTICIPATION & ATTENDANCE

Prompt and consistent attendance in your online courses is essential for your success at CSU-Global Campus. Failure to verify your attendance within the first 7 days of this course may result in your withdrawal. If for some reason you would like to drop a course, please contact your advisor.

Online classes have deadlines, assignments, and participation requirements just like on-campus classes. Budget your time carefully and keep an open line of communication with your instructor. If you are having technical problems, problems with your assignments, or other problems that are impeding your progress, let your instructor know as soon as possible.

COURSE MATERIALS

Required:

- Gapenski, L., & Pink, G. (2015). *Understanding healthcare financial management*. Arlington, VA. Association of University Programs in Health Administration and Health Administration Press. ISBN 978-1-56793-706-0.
- Textbook support materials available at:
http://www.ache.org/pubs/hap_companion/book.cfm?pc=2283 Materials include MS Excel models and problems aligned with each textbook chapter.

NOTE: All non-textbook required readings and materials necessary to complete assignments, discussions, and/or supplemental or required exercises are provided within the course itself. Please read through each course module carefully.

COURSE SCHEDULE

Due Dates

The Academic Week at CSU-Global begins on Monday and ends the following Sunday.

- **Discussion Boards:** The original post must be completed by Thursday at 11:59 p.m. MT and Peer Responses posted by Sunday 11:59 p.m. MT. Late posts may not be awarded points.
- **Opening Exercises:** Take the opening exercise before reading each week's content to see which areas you will need to focus on. You may take these exercises as many times as you need. The opening exercises will not affect your final grade.
- **Mastery Exercises:** Students may access and retake mastery exercises through the last day of class until they achieve the scores they desire.
- **Critical Thinking:** Assignments are due Sunday at 11:59 p.m. MT.

WEEKLY READING AND ASSIGNMENT DETAILS

Module 1

Readings

- Chapters 1, 2, & 3 in *Understanding Healthcare Financial Management*
- Chapters 1, 2, and 3 presentations
- Friedberg, M. W., Chen, P. G., White, C., Jung, O., Raaen, L., Hirshman, S., ... & Tutty, M. (2015). Effects of health care payment models on physician practice in the United States. *RAND Corporation, Santa Monica, CA*. Chapters 3, 9, and 11.
- Hirsch, J. A., Harvey, H. B., Barr, R. M., Donovan, W. D., Duszak, R., Nicola, G. N., ... & Manchikanti, L. (2016). Sustainable growth rate repealed, MACRA revealed: historical context and analysis of recent changes in Medicare physician payment methodologies. *American Journal of Neuroradiology, 37*(2), 210-214.
- Schoen, C., Osborn, R., Squires, D., & Doty, M. M. (2013). Access, affordability, and insurance complexity are often worse in the United States compared to ten other countries. *Health Affairs, 32*(12), 2205-2215.

Opening Exercise (0 points)

Discussion (25 points)

Mastery Exercise (10 points)

Module 2

Readings

- Chapter 13 in *Understanding Healthcare Financial Management*
- Chapter 13 presentation in *Understanding Healthcare Financial Management*
- McCue, M. J., & Nayar, P. (2009). A financial ratio analysis of for-profit and non-profit rural referral centers. *The Journal of Rural Health, 25*(3), 314-319.
- Pink, G. H., Holmes, G. M., D'Alpe, C., Strunk, L. A., McGee, P., & Slifkin, R. T. (2006). Financial indicators for critical access hospitals. *The Journal of Rural Health, 22*(3), 229-236.
- Zeller, T. L., Stanko, B. B., & Cleverley, W. O. (1997). A new perspective on hospital financial ratio analysis. *Healthcare Financial Management, 51*(11), 62-67.

Opening Exercise (0 points)

Discussion (25 points)

Mastery Exercise (10 points)

Critical Thinking: (70 points)

Choose one of the following two assignments to complete this week. Do not do both assignments. Identify your assignment choice in the title of your submission.

Option 1

Complete problem #4 from the Chapter 13 practice exercises of your textbook, Gapenski and Pink (2015), and submit the completed document or Excel file as requested in the assignment.

Option 2

Complete problem #5 from the Chapter 13 practice exercises of your textbook, Gapenski and Pink (2015), and submit the completed document or Excel file as requested in the assignment.

Portfolio Milestone (50 points)

You have a final Portfolio Project due by the end of Week 8 of this course. This week, your first project milestone is due. Complete the milestone that corresponds with the final project option you have elected to complete.

Option 1

As part of this class, you are required to develop a financial analysis of a *healthcare delivery organization* of your choosing. The intent of this assignment is to evaluate the financial and operational health of the organization and disseminate the information to the class.

For this milestone, identify the organization you will review and begin your analysis of the business' location(s), competitive market(s), service lines, and business segments, for example. The assignment is iterative in nature—meaning you can build off of the work completed this week in your future deliverables. Submit 2-3 slides in a presentation tool such as PowerPoint, describing the organization and your preliminary analysis.

Option 2

As part of this class, you are required to develop a financial analysis of a *healthcare support organization* of your choosing. The intent of this assignment is to evaluate the financial and operational health of the organization and disseminate the information to the class.

For this milestone, identify the organization you will review and begin your analysis of the business' location(s), competitive market(s), service lines, and business segments, for example. The assignment is iterative in nature—meaning you can build off of the work completed this week in your future deliverables. Submit 2-3 slides in a presentation tool such as PowerPoint, describing the organization and your preliminary analysis.

Module 3

Readings

- Chapter 4 presentation *Understanding Healthcare Financial Management*
- Chapter 5 presentation in *Understanding Healthcare Financial Management*
- Jarvis, W. F. (2014). Risk and return in the post-crisis world. *Healthcare Financial Management, 68*(5), 118-121.
- Payne, B. C., & Geppert, J. M. (2015). Health care and the cross-section of US stock returns. *Journal of Economics and Finance, 39*(1), 153-170.
- Projan, S. J. (2003). Why is big Pharma getting out of antibacterial drug discovery? *Current Opinion in Microbiology, 6*(5), 427-430. (See the section pertaining the use of NPV to evaluate pharma project returns.)

Opening Exercise (0 points)

Discussion (25 points)

Mastery Exercise (10 points)

Critical Thinking: (75 points)

Choose one of the following two assignments to complete this week. Do not do both assignments. Identify your assignment choice in the title of your submission.

Option 1

Complete the following practice exercises from your textbook, Gapenski and Pink (2015), and submit the completed document or Excel file as requested in the assignment.

- Problems 1 and 8 from Chapter 4
- Problem 5 from Chapter 5

Option 2

Complete the following practice exercises from your textbook, Gapenski and Pink (2015), and submit the completed document or Excel file as requested in the assignment.

- Problems 1 and 4 from Chapter 4
- Problem 7 from Chapter 5

Module 4

Readings

- Chapters 6, 7, & 9 in *Understanding Healthcare Financial Management*
- Chapters 6, 7, & 9 presentations in *Understanding Healthcare Financial Management* (the Chapter 7 slides can be skimmed)
- Turner, J., Broom, K., Elliott, M. & Lee, J. (2015). A comparison of capital structure: The use of debt in investor owned and not-for-profit hospitals. *Journal of Health Care Finance*, 41(4), 1-16.
- Visconti, R (2013). Managing healthcare project financing investments: A corporate finance perspective. *Journal of Investment and Management*, 2(1), 10-22.

Opening Exercise (0 points)

Discussion (25 points)

Mastery Exercise (10 points)

Critical Thinking: (75 points)

Choose one of the following two assignments to complete this week. Do not do both assignments. Identify your assignment choice in the title of your submission.

Option 1

Complete the following practice exercises from your textbook, Gapenski & Pink (2015), and submit the completed document or Excel file as requested in the assignment.

- Problems 1, 3, and 5 from Chapter 6
- Problem 5 from Chapter 9

Option 2

Complete the following practice exercises from your textbook, Gapenski & Pink (2015), and submit the completed document or Excel file as requested in the assignment.

- Problems 1, 3, and 6 from Chapter 6
- Problem 2 from Chapter 9

Module 5

Readings

- Chapters 8 & 11 in *Understanding Healthcare Financial Management*
- Chapters 8 & 11 presentations in *Understanding Healthcare Financial Management*
- Arlotto, P. (2014). Accelerating the ROI of EHRs. *Healthcare Financial Management*, 68(2), 72-79.
- Burt, J., & Voss, J. (2012). Capital spending in the current healthcare environment. *Health Capital Topics*, 5(4), 1-3.
- Carroll, N. W., Smith, D. G., & Wheeler, J. R. C. (2015). Capital investment by independent and system-affiliated hospitals. *Inquiry: A Journal of Medical Care Organization, Provision and Financing*, 52, C1.
- Lumen Learning (n.d.). Boundless finance: Introduction to capital budgeting. Retrieved from <https://courses.lumenlearning.com/boundless-finance/chapter/introduction-to-capital-budgeting/>
- Moynihan, S. (2015). How to mitigate the impact of new lease accounting rules. CFO.
- Shinkham, R. (2014). To buy or lease equipment? Depends on the hospital. *FierceHealthFinance*.

Opening Exercise (0 points)

Discussion (25 points)

Mastery Exercise (10 points)

Critical Thinking: (75 points)

Choose one of the following two assignments to complete this week. Do not do both assignments. Identify your assignment choice in the title of your submission.

Option 1

Complete the following practice exercises from your textbook, Gapenski & Pink (2015), and submit the completed document or Excel file as requested in the assignment.

- Problems 1 and 3 from Chapter 11
- Problem 2 from Chapter 8

Option 2

Complete the following practice exercises from your textbook, Gapenski & Pink (2015), and submit the completed document or Excel file as requested in the assignment.

- Problems 1 and 5 from Chapter 11
- Problem 8 from Chapter 8

Module 6

Readings

- Chapters 12 & 14 in *Understanding Healthcare Financial Management*
- Chapters 12 & 14 presentations in *Understanding Healthcare Financial Management*
- Cote, M. J., & Tucker, S. L. (2001). Four methodologies to improve healthcare demand forecasting. *Healthcare Financial Management*, 55(5), 54-54.
- Jones, R. (2010). The nature of healthcare costs and financial risk in commissioning. *British Journal of Healthcare Management*, 16(9), 424-430.
- Kaufman, K. (2008). Managing risk in a challenging financial environment. *Healthcare Financial Management: Journal of the Healthcare Financial Management Association*, 62(8), 45-50.

Opening Exercise (0 points)

Discussion (25 points)

Mastery Exercise (10 points)

Critical Thinking: (75 points)

Choose one of the following two assignments to complete this week. Do not do both assignments. Identify your assignment choice in the title of your submission.

Option 1

Complete the following practice exercises from your textbook, Gapenski and Pink (2015), and submit the completed document or Excel file as requested in the assignment.

- Problem 3 from Chapter 12
- Problem 1 from Chapter 14

Option 2

Complete the following practice exercises from your textbook, Gapenski and Pink (2015), and submit the completed document or Excel file as requested in the assignment.

- Problem 5 from Chapter 12
- Problem 1 from Chapter 14

Module 7

Readings

- Chapters 3 & 15 in *Understanding Healthcare Financial Management*
- Chapters 3 & 15 presentations in *Understanding Healthcare Financial Management*
- Beauvais, B. (2016). Moving the needle: Evaluating the impact of new care delivery models on hospital profitability. *Journal of Health Care Finance*, 43(2).
- Huckfeldt, P. J., Sood, N., Romley, J. A., Malchiodi, A., & Escarce, J. J. (2013). Medicare payment reform and provider entry and exit in the post-acute care market. *Health Services Research*, 48(5), 1557-1580.
- Landman, H (2013). The value-driven revenue cycle. *Healthcare Financial Management*, 67(7), 790-91.

Opening Exercise (0 points)

Discussion (25 points)

Mastery Exercise (10 points)

Module 8

Readings

- Berwick, D. M., & Hackbarth, A. D. (2012). Eliminating waste in US health care. *Jama*, 307(14), 1513-1516. Retrieved from <https://jamanetwork.com/journals/jama/article-abstract/1148376?redirect=true>
- Morrisey, M. A. (2016). Turmoil in the health insurance marketplaces. Leonard Davis Institute of Health Economics. Retrieved from <https://ldi.upenn.edu/brief/turmoil-health-insurance-marketplaces>
- Oberlander, J. (2016). The virtues and vices of single-payer health care. *New England Journal of Medicine*, 374(15), 1401-1403. Retrieved from <http://www.nejm.org/doi/full/10.1056/NEJMp1602009#t=article>
- Polsky, D., Richards, M., Bassey, S., Wissoker, D., Kenney, G. M., Zuckerman, S., & Rhodes, K. V. (2015). Appointment availability after increases in Medicaid payments for primary care. *New England Journal of Medicine*, 372(6), 537-545. Retrieved from <http://www.nejm.org/doi/full/10.1056/NEJMs1413299#t=article>

Opening Exercise (0 points)

Discussion (25 points)

Mastery Exercise (10 points)

Portfolio Project (300 points)

Choose one of the following two assignments to complete this week. Do not do both assignments. Identify your assignment choice in the title of your submission.

Option 1: Healthcare Delivery Organization Presentation

Develop a financial analysis of a healthcare delivery organization of your choosing. The intent of this assignment is to evaluate the financial and operational health of the organization and disseminate the information to the class. You may pursue, analyze, and synthesize any information source you choose (e.g., website content, personal interviews, organizational documentation). Strive to be rigorous and thorough in your research.

Note: For-profit organizations are generally easier to research than not-for-profits as all financials are reportable to the Securities and Exchange Commission.

Preliminary Deliverable:

Week 2

Identify the organization you will review and begin your analysis of the business' location(s), competitive market(s), service lines, and business segments, for example. The assignment is iterative in nature—meaning you can build off of the work completed this week in your future deliverables. Submit 2-3 slides describing the organization and your preliminary analysis.

Final Presentation Instructions:

- Projects are not limited in size, should be professional in appearance, and cover (at a minimum) the evaluation of the metrics discussed in Gapenski and Pink (2015), which are detailed in Chapter 13 in the sections about Ratio Analysis, DuPont Analysis, and Operating Indicator Analysis.
- You may pursue, analyze, and synthesize any information source you choose (e.g., website content, personal interviews, organizational documentation). Strive to be rigorous and thorough in your research.
- Your final presentation should report on the business' location(s), competitive market(s), service lines, and business segments, for example. Unless otherwise indicated, a five-year trend analysis—including the most recent year of available information/data—is expected.
- *Do not just report the data—discuss what it means.* Ultimately, would you invest in the company? Why or why not?
- Presentations should adhere to Advisory Board formatting. See the Strategic Plan Template for an example.

Option 2: Healthcare Support Organization Presentation

Develop a financial analysis of a *healthcare support organization* of your choosing (e.g., medical device manufacturer, pharmaceutical company, medical supply company). The intent of this assignment is to evaluate the financial and operational health of the organization and disseminate the information to the class. You may pursue, analyze, and synthesize any information source you choose (e.g., website content, personal interviews, organizational documentation). Strive to be rigorous and thorough in your research.

Note: For-profit organizations are generally easier to research than not-for-profits as all financials are reportable to the Securities and Exchange Commission.

Preliminary Deliverable

Week 2

Identify the organization you will review and begin your analysis of the business' location(s), competitive market(s), service lines, and business segments, for example. The assignment is iterative in nature—meaning you can build off of the work completed this week in your future deliverables. Submit 2-3 slides describing the organization and your preliminary analysis.

Final Presentation Instructions

Upload your completed financial analysis of your chosen *healthcare support organization*. The intent of this assignment is to evaluate the financial and operational health of the organization and disseminate the information to the class.

- Projects are not limited in size, should be professional in appearance, and cover (at a minimum) the evaluation of the metrics discussed in Gapenski and Pink (2015), which are detailed in Chapter 13 in the sections about Ratio Analysis, DuPont Analysis, and Operating Indicator Analysis.
- You may pursue, analyze, and synthesize any information source you choose (e.g., website content, personal interviews, organizational documentation). Strive to be rigorous and thorough in your research.
- Your final presentation should report on the business' location(s), competitive market(s), service lines, and business segments, for example. Unless otherwise indicated, a five-year trend analysis—including the most recent year of available information/data—is expected.
- *Do not just report the data—tell me what it means.* Ultimately, would you invest in the company? Why or why not?

Presentations should adhere to Advisory Board formatting. See the Strategic Plan Template for an example.

COURSE POLICIES

Grading Scale	
A	95.0 – 100
A-	90.0 – 94.9
B+	86.7 – 89.9
B	83.3 – 86.6
B-	80.0 – 83.2
C+	75.0 – 79.9
C	70.0 – 74.9
D	60.0 – 69.9
F	59.9 or below

Course Grading

20% Discussion Participation
0% Opening Exercises
8% Mastery Exercises
37% Critical Thinking Assignments
35% Final Portfolio Project

IN-CLASSROOM POLICIES

For information on late work and incomplete grade policies, please refer to our [In-Classroom Student Policies and Guidelines](#) or the Academic Catalog for comprehensive documentation of CSU-Global institutional policies.

Academic Integrity

Students must assume responsibility for maintaining honesty in all work submitted for credit and in any other work designated by the instructor of the course. Academic dishonesty includes cheating, fabrication, facilitating academic dishonesty, plagiarism, reusing /re-purposing your own work (see *CSU-Global Guide to Writing and APA Requirements* for percentage of repurposed work that can be used in an assignment), unauthorized possession of academic materials, and unauthorized collaboration. The CSU-Global Library provides information on how students can avoid plagiarism by understanding what it is and how to use the Library and Internet resources.

Citing Sources with APA Style

All students are expected to follow the *CSU-Global Guide to Writing and APA Requirements* when citing in APA (based on the APA Style Manual, 6th edition) for all assignments. For details on CSU-Global APA style, please review the APA resources within the CSU-Global Library under the “APA Guide & Resources” link. A link to this document should also be provided within most assignment descriptions in your course.

Disability Services Statement

CSU–Global is committed to providing reasonable accommodations for all persons with disabilities. Any student with a documented disability requesting academic accommodations should contact the Disability Resource Coordinator at 720-279-0650 and/or email ada@CSUGlobal.edu for additional information to coordinate reasonable accommodations for students with documented disabilities.

Netiquette

Respect the diversity of opinions among the instructor and classmates and engage with them in a courteous, respectful, and professional manner. All posts and classroom communication must be conducted in accordance with the student code of conduct. Think before you push the Send button. Did you say just what you meant? How will the person on the other end read the words?

Maintain an environment free of harassment, stalking, threats, abuse, insults or humiliation toward the instructor and classmates. This includes, but is not limited to, demeaning written or oral comments of an ethnic, religious, age, disability, sexist (or sexual orientation), or racist nature; and the unwanted sexual advances or intimidations by email, or on discussion boards and other postings within or connected to the online classroom. If you have concerns about something that has been said, please let your instructor know.