

## BUSI 334, Financial Management in Healthcare Administration, Syllabus (3 credits)

### COURSE DESCRIPTION

This course offers a wide-ranging overview of the financial side of healthcare. Topics include economic factors driving the rising costs of medical services, cost reimbursement programs, and healthcare reform through the Patient Protection and Affordable Care Act of 2010. Students learn the basics of healthcare accounting and finance, including accounting fundamentals. They also explore the more complex issues of cash management, budgeting and variance analysis, and revenue cycle management. Prerequisite: BUSI 201 Introduction to the Healthcare Industry.

### REQUIRED TEXTS & RESOURCES

Cleverley, W. O., & Cleverley, J. O. (2018). Essentials of health care finance. Burlington, MA: Jones & Bartlett Learning. ISBN: 9781284094633.

NOTE: The Point University Bookstore may offer this textbook (s) in other formats. Information can be found at [www.pointuniversityshop.com](http://www.pointuniversityshop.com).

### COURSE SCHEDULE

Each course begins on a Wednesday with a Getting Started module before moving into the week 1-7 content. The introduce yourself forum is required during the Getting Started module in order to be counted present during this half-week of instruction. The introduce yourself forum is open from the start of the course to the first Sunday. All posts are due by Sunday at 11:59 p.m. Participation is required to be marked present for this time period. Keep in mind that in future weeks, forum due dates may be different.

Unless stated otherwise, graded assignments are due on the last day of the course week (Sunday). <http://point.edu/course-schedules/>

Learning Activities	Graded Assignments	
Preview Week	Course Introduction	
	Review the Syllabus	N/A
	Review Preview Week Introduction	N/A
	Participate in Course Orientation	N/A
	Introduce Yourself Forum (registers attendance)	Mandatory
Week 1	<b>Financial Information, Decision-Making, Billing, &amp; Coding for Health Services</b>	
	Read Cleverley & Cleverley (2018) Chapter 1 (pages 1-10) and Chapter 2 (pages 11-27).	N/A
	Review PowerPoint for Ch. 1 & 2	N/A
	Review Week 1 Introduction & Supplemental Videos: <i>Healthcare Finance Overview</i>	N/A

	<a href="https://www.youtube.com/watch?v=2bEQa0V9558">https://www.youtube.com/watch?v=2bEQa0V9558</a> <i>Healthcare System Overview</i> <a href="https://www.youtube.com/watch?v=LMHxxvzbzFqc&amp;list=PLkALQs5OC59GhknSLBKfif_dhx34pkWVs&amp;index=6">https://www.youtube.com/watch?v=LMHxxvzbzFqc&amp;list=PLkALQs5OC59GhknSLBKfif_dhx34pkWVs&amp;index=6</a> <i>Medical Billing and Coding Process</i>  <a href="https://www.youtube.com/watch?v=h4pQto-tY80">https://www.youtube.com/watch?v=h4pQto-tY80</a>	
	Week 1 Discussion Forum: Intro to Healthcare Finance (Philippians 4:6)	Initial Post due Week 1 Day 5 & Response to Peer Week 1 Day 7
	Week 1 Assignment: Short-Answer Questions about Billing & Coding Processes	Week 1 Day 7
	Final Project Assignment 1: Company Selection	Week 1 Day 7
	Quiz #1 (Ch. 1 & 2) – 25 questions	Week 1 Day 7
<b>Week 2</b>	<b>Financial, Legal, &amp; Regulatory Environment of Healthcare Organizations</b>	
	Read Cleverley & Cleverley (2018) Chapter 3 (pages 31-52) and Chapter 4 (pages 97-127).	N/A
	Review PowerPoint for Ch. 3 & 4	N/A
	Review Week 2 Introduction & Supplemental Videos: <i>The Economics of Healthcare</i> <a href="https://www.youtube.com/watch?v=cbBKoyjFLUY">https://www.youtube.com/watch?v=cbBKoyjFLUY</a> <i>Medicare Basics: Appeals</i> <a href="https://www.youtube.com/watch?v=oVwYog8mEw0">https://www.youtube.com/watch?v=oVwYog8mEw0</a> <i>Stark Law Basics</i> <a href="https://www.youtube.com/watch?v=0RBEGrAttWE">https://www.youtube.com/watch?v=0RBEGrAttWE</a> <i>HIPAA Compliance</i> <a href="https://www.youtube.com/watch?v=s9znUYvVO4A">https://www.youtube.com/watch?v=s9znUYvVO4A</a>	N/A
	Week 2 Discussion Forum: HIPAA Scenarios (James 5:14)	Initial Post due Week 1 Day 5 & Response to Peer Week 2 Day 7
	Week 2 Assignment: Assigning Diagnosis Codes & Calculating Hospital Financial Requirements	Week 2 Day 7
	Final Project Assignment 2: Company Information	Week 2 Day 7
	Quiz #2 (Ch. 3 & 4) – 25 questions	Week 2 Day 7
<b>Week 3</b>	<b>Revenue Determination &amp; Health Insurance</b>	
	Read Cleverley & Cleverley (2018) Chapter 6 (pages 151-168) and Chapter 7 (pages 171-190).	N/A
	Review PowerPoint for Ch. 6 & 7	N/A
	Review Week 3 Introduction & Supplemental Videos: <i>HMO, PPO, &amp; EPO Health Plans</i> <a href="https://www.youtube.com/watch?v=AUmuJle86dk">https://www.youtube.com/watch?v=AUmuJle86dk</a>	N/A

	<i>Paying Doctors</i> <a href="https://www.youtube.com/watch?v=HWQ7nbcsWmk">https://www.youtube.com/watch?v=HWQ7nbcsWmk</a> <i>Healthcare Cost &amp; Quality</i> <a href="https://www.youtube.com/watch?v=4MupvRrZ3II">https://www.youtube.com/watch?v=4MupvRrZ3II</a>	
	Week 3 Discussion Forum: Performance (1 Corinthians 10:31)	Initial Post due Week 3 Day 5 & Response to Peer Week 3 Day 7
	Week 3 Assignment: Calculating Required Price, Revenue, & Effects from Contract Negotiation	Week 3 Day 7
	Quiz #3 (Ch. 6 & 7) – 25 questions	Week 3 Day 7
<b>Week 4</b>	<b>General Principles of Accounting &amp; Financial Statements for Healthcare Organizations</b>	
	Read Cleverley & Cleverley (2018) Chapter 8 (pages 195-207) and Chapter 9 (pages 211-225).	N/A
	Review PowerPoint for Ch. 8 & 9	N/A
	Review Week 4 Introduction & Supplemental Videos: <i>Nonprofit Financial Statements</i> <a href="https://www.youtube.com/watch?v=mBcFV9tDDC0">https://www.youtube.com/watch?v=mBcFV9tDDC0</a> <i>Financial Statement Basics</i> <a href="https://www.youtube.com/watch?v=mhmaHayMha8">https://www.youtube.com/watch?v=mhmaHayMha8</a> <i>Fund Accounting</i> <a href="https://www.youtube.com/watch?v=W5D5Dr0j9j4">https://www.youtube.com/watch?v=W5D5Dr0j9j4</a> <i>Understanding Restricted Funds</i> <a href="https://www.youtube.com/watch?v=rssGpldFfp0">https://www.youtube.com/watch?v=rssGpldFfp0</a>	N/A
	Week 4 Discussion Forum: Internal Controls	Initial Post due Week 4 Day 5 & Response to Peer Week 4 Day 7
	Week 4 Assignment: Fund accounting (short-answer), calculating ROI and net operating income	Week 4 Day 7
	Final Project Assignment 3: Financial statements basic info	Week 4 Day 7
	Quiz #4 (Ch. 8 & 9) – 25 questions	Week 4 Day 7
<b>Week 5</b>	<b>Analyzing Financial Position &amp; Strategic Financial Planning</b>	
	Read Cleverley & Cleverley (2018) Chapter 11 (pages 259-280) and Chapter 13 (pages 307-327).	N/A
	Review PowerPoint for Ch. 11 & 13	N/A
	Review Week 5 Introduction & Supplemental Videos: <i>Balanced Scorecard</i> <a href="https://www.youtube.com/watch?v=biyGxEix5Zs">https://www.youtube.com/watch?v=biyGxEix5Zs</a> <i>Return on Equity (ROE)</i>	N/A

	<a href="https://www.youtube.com/watch?v=kPS_LXWAVt0">https://www.youtube.com/watch?v=kPS_LXWAVt0</a> <i>Benchmarking</i> <a href="https://www.youtube.com/watch?v=R6tJpyaFiQc">https://www.youtube.com/watch?v=R6tJpyaFiQc</a> <i>What is Strategic Planning?</i> <a href="https://www.youtube.com/watch?v=mLJ34L5UW4E">https://www.youtube.com/watch?v=mLJ34L5UW4E</a>	
	Week 5 Discussion Forum: Strategic Planning	Initial Post due Week 5 Day 5 & Response to Peer Week 5 Day 7
	Week 5 Assignment: Calculating incremental profit and selected financial statement ratios	Week 5 Day 7
	Final Project Assignment 4: Analyzing Financial Position Part 1	Week 5 Day 7
	Quiz #5 (Ch. 6 & 7) – 25 questions	Week 5 Day 7
<b>Week 6</b>	<b>Management Control Process &amp; Cost Variance Analysis</b>	
	Read Cleverley & Cleverley (2018) Chapter 16 (pages 377-393) and Chapter 17 (pages 401-417).	N/A
	Review PowerPoint for Ch. 16 & 17	N/A
	Review Week 6 Introduction & Supplemental Videos: <i>Hospital Budgets (through 4:23 only)</i> <a href="https://www.youtube.com/watch?v=ksFfxya-iCQ">https://www.youtube.com/watch?v=ksFfxya-iCQ</a> <i>Zero-Based Budgeting</i> <a href="https://www.youtube.com/watch?v=t0KLvsVShsk">https://www.youtube.com/watch?v=t0KLvsVShsk</a> <i>Budget vs Actual</i> <a href="https://www.youtube.com/watch?v=TbairA-syeM">https://www.youtube.com/watch?v=TbairA-syeM</a>	N/A
	Week 6 Discussion: Budgeting (Luke 14:28-30)	Initial Post due Week 6 Day 5 & Response to Peer Week 6 Day 7
	Week 6 Assignment: Calculating Labor Usage Variance and Spending/Cost Variances for departments	Week 6 Day 7
	Final Project Assignment 5: Analyzing Financial Position Part 2	Week 6 Day 7
	Quiz #6 (Ch. 16 & 17) – 25 questions	Week 6 Day 7
<b>Week 7</b>	<b>Working Capital and Cash Management</b>	
	Read Cleverley & Cleverley (2018) Chapter 22 (pages 503-515).	N/A
	Review PowerPoint for Ch. 22	N/A
	Review Week 7 Introduction & Supplemental Videos: <i>What is Cash Management?</i> <a href="https://www.youtube.com/watch?v=HBYwpqn1FMk">https://www.youtube.com/watch?v=HBYwpqn1FMk</a> <i>Working Capital</i> <a href="https://www.youtube.com/watch?v=aAOWhMAi8Yk">https://www.youtube.com/watch?v=aAOWhMAi8Yk</a>	N/A

	Week 7 Discussion Forum: Read and Explain 1 Corinthians 14:40	Initial Post due Week 7 Day 5 & Response to Peer Week 7 Day 7
	Week 7 Assignment: Calculating effective cost of interest, cash flow generated, and cash required to finance working capital	Week 7 Day 7
	Final Project: Final Submission	Week 7 Day 7
	Final Project: PowerPoint	Week 7 Day 7
	Quiz #7 (Ch. 22) – 15 questions	Week 7 Day 7

## GRADING POLICIES

### Course Evaluation Plan

An assessment instrument (checklist, rubric, quiz, etc.) will accompany each major graded assignment. See the instructions for specific assignment criteria and accompanying grading instruments.

### Points Distribution

Graded assignments will be distributed as follows:

Graded Assignments	Points Possible
Discussion Forums (7 x 30)	210
Assignments (7 x 40)	280
Final Project Assignments (5 x 25)	125
Quizzes (6 x 25 – 1 point each; 1 x 15 – 1 point each)	165
Final Project (1 x 120)	120
Final Project PowerPoint (1 x 100)	100
<b>Total Points:</b>	<b>1000</b>

### Final Grades

The following scale will be used when calculating final grades:

A	90-100%	D	60-69%
B	80-89%	F	0-59%
C	70-79%		

Final grades will be posted according to the Academic Calendar:

<http://point.edu/academic-calendar/>

## COURSE LEARNING GOALS & OBJECTIVES

### TIME REQUIREMENTS & COMMITMENTS

This course is 3 credit hours. Regarding time on task, students can expect to spend approximately 16 hours per week for an undergraduate course.

<b>Goal 1:</b> Students develop an overall knowledge of the financial information and decision-making process in healthcare organizations.	<b>Program Objective(s)</b>
<b>Objective 1.1:</b> Students discuss the importance of financial information and decision-making.	4.7
<b>Objective 1.2:</b> Students describe the users of financial information and the financial functions within the organization.	4.7
<b>Objective 1.3:</b> Students explain the common ownership forms of healthcare organizations along with their advantages and disadvantages.	4.7
<b>Objective 1.4:</b> Students review the revenue cycle for healthcare firms including the role of coding information for claim generation.	4.7
<b>Objective 1.5:</b> Students demonstrate knowledge of the basic characteristics of charge masters, major bill types used in healthcare firms, and the role of claims editing in the bill submission process.	4.7
<b>Goal 2:</b> Students examine the financial, legal, and regulatory environment of healthcare organizations.	
<b>Objective 2.1:</b> Students describe factors that influence the financial viability of a healthcare organization.	4.7
<b>Objective 2.2:</b> Students discuss the sources of operating revenues in healthcare organizations including healthcare payment systems and reimbursement methods.	4.7
<b>Objective 2.3:</b> Students explain the major aspects of Medicare benefits and reimbursements.	4.7
<b>Objective 2.4:</b> Students identify the major components of a corporate compliance plan including the establishment of internal controls relating to the finances of the healthcare organization.	4.7
<b>Objective 2.5:</b> Students examine the most important aspects of the Patient Protection and Affordable Care Act of 2010 as it relates to financial management.	4.7
<b>Objective 2.6:</b> Students review and summarize the process of legal audits and investigations of a healthcare organization, particularly when financial records are involved.	4.7
<b>Goal 3:</b> Students examine how revenue is determined in healthcare organizations.	
<b>Objective 3.1:</b> Students identify payment methods and their relationship to price setting.	4.7
<b>Objective 3.2:</b> Students examine methods for controlling revenue, setting prices, and justifying healthcare firm prices.	4.7
<b>Objective 3.3:</b> Students summarize health plan contract negotiation and payment schedules.	4.7
<b>Objective 3.4:</b> Students analyze the development of managed-care plans and required premium payments for healthcare coverage.	4.7
<b>Goal 4:</b> Students develop knowledge of general accounting principles, financial statements, and strategic financial planning for healthcare organizations.	

	<b>Objective 4.1:</b> Students compare and contrast the topics of financial and managerial accounting as well as accrual and cash accounting methods.	4.7
	<b>Objective 4.2:</b> Students explain and analyze the format and content of the financial statements of healthcare organizations.	4.7
	<b>Objective 4.3:</b> Students discuss the critical components of developing an effective financial reporting system for healthcare organizations.	4.7
	<b>Objective 4.4:</b> Students assess the critical drivers of financial performance and the importance of performance measures in healthcare organizations.	4.7
	<b>Objective 4.5:</b> Students evaluate the strategic planning process in healthcare organizations including the development and integration of the financial plan with management control.	4.7
<b>Goal 5:</b> Students develop an understanding of the management control process, cost variance analysis, and cash management for healthcare organizations.		
	<b>Objective 5.1:</b> Students evaluate the essential elements of the budgeting process for healthcare organizations.	4.7
	<b>Objective 5.2:</b> Students explain and calculate various types of cost, price, efficiency, and volume variances.	4.7
	<b>Objective 5.3:</b> Students comprehend the cash and investment management structure of healthcare organizations.	4.7
	<b>Objective 5.4:</b> Students calculate investment cash flow and working capital requirements for healthcare organizations.	4.7

## DISABILITY SERVICES

Point University is committed to providing qualified students with disabilities an equal opportunity to access a Point education through the provision of reasonable and appropriate accommodations and support services. Accordingly, Point complies with Title IX (<https://point.edu/title-ix>) of the Educational Amendments of 1972 and the subsequent reauthorization of that act, Section 504 of the Rehabilitation Act of 1973, and the Americans with Disabilities Act of 1990 and subsequent amendments to that act. For more information about Disability Support Services, see the “Consumer Information” section of the website (<http://point.edu/disclosures>) and the “Student Services” section of this catalog, or contact the Director of Disability Services and College Section 504 Coordinator, at [disability.services@point.edu](mailto:disability.services@point.edu).

## COURSE EXPECTATIONS

### *Attendance*

A student is expected to actively participate in each week of the class in which he or she is enrolled. Active participation each academic week includes submitting classwork in one or more of the following activities within the course during the week they are due: discussion forums, assignments such as (but not limited to) projects, papers, presentations, case studies, quizzes, or exams. Students may be absent up to 25% of the class. After absences exceed 25% of the session or term’s total – in either consecutive or cumulative days – the student will be withdrawn from the class roster and assigned a grade on the basis of work completed at the time of withdrawal unless, because of exceptional circumstances, prior arrangements have been made with the professor and the Chief Academic Officer.

Students representing the university, such as student-athletes, remain responsible for submitting work online within the week it is due to be counted present. No student will be disadvantaged while representing the university. However, the responsibility is on the student to notify faculty no later than one week before missing class for any reason, to ensure time for content to be made available to them and for make-up work to be considered and arranged. It is expected that students will limit their absences outside of these required absences, as they will be dropped if they overcut the allowed number of absences.

The full attendance policy is found in the catalog (<https://point.edu/catalogs/>).

### *Etiquette & Netiquette*

Students are expected to be respectful and well-mannered towards the instructor and their peers, whether in the physical classroom or the online course site. For guidance on meeting this expectation, particularly in the online environment, please see the materials provided during student orientation or reach out to [advising.center@point.edu](mailto:advising.center@point.edu).

### *Policies*

For academic policies governing attendance, late assignments, and student support, please refer to the Academic Catalog directly (<https://point.edu/catalogs/>).

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