

HPEM 6310	Healthcare Finance	Credit Hours: 3
Semester:	Spring	Year: 2023
Class Days/Times:	Tues, 6-9 pm – Tyler	Class Location: Online

Instructor of Record: Michael E. Morris, PhD, MPH, CHFP Associate Professor

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Office Hours: M/W from 2:00 – 4:30 pm: Call first to confirm. Other times by appointment.

Course Description:

Healthcare financial management draws heavily from financial accounting, managerial accounting, finance and economics. HPEM 6310 specifically focuses on learning and applying key financial and managerial accounting tools and concepts to healthcare problems. It provides a broad introduction to key concepts, issues, tools and vocabulary useful for both policy makers and administrators. Topics include healthcare financial statements, recording transactions, financial statement analysis, full costing, differential costing, budgeting and responsibility accounting. The course uses a number of cases and focuses upon both analytics and communication skills. Although we will touch on these topics, a more robust discussion of healthcare financial management topics such as reimbursement systems, and physician compensation models are found in other courses in the curriculum.

Prerequisite: None

Co-requisite: None

Student Learning Outcomes (SLO or “course objective”): Upon successfully completing this course, the student will be able to:

1. Discuss and apply the concept of systems thinking in relation to the value paradigm and healthcare finance.
2. Explain the format and contents of a business’s financial statements
3. Assess the financial condition of an organization
4. Apply basic managerial accounting concepts
5. Perform basic time value analyses
6. Explain and apply financial risk concepts
7. Describe the primary forms of business financing
8. Explain how to estimate and use the corporate cost of capital
9. Summarize the capital structure decision process
10. Perform basic capital investment analyses
11. Explain basic current asset management techniques

Course Assessment/Methods of Evaluation:

Assignments	Number	Percentage
Exam 1	1	15
Exam 2	1	20
Discussion Board Posts	3	10
Application Assignment (12 assignments drop 1 grade)	12	55
Total		100%

Course Grade Scale (points): A: 90 to 100, B: 80 to 89, C: 70 to 79, F: < 70 points

Linked MPH Program Learning Outcomes:

The student learning outcomes listed above address the following MPH Program PLOs:

- PLO1 - The student will demonstrate mastery in each of the five core knowledge areas in public health: Biostatistics, Epidemiology, Social & Behavioral Sciences, Health Policy and Management, and Environmental Health Sciences.
- PLO2 - The student will demonstrate proficiency in the four core functions of public health, as well as be able to explain the principles and interrelatedness of the ten essential public health services.
- PLO3 - The student will demonstrate proficiency in using multiple informational resources to gather, analyze, apply and report solutions to public health problems with a special emphasis on rural community health.
- PLO4 - The student will demonstrate proficiency in English communication in both oral (public speaking) and written forms as they pertain to conveying key concepts in public health.
- PLO5 - The student will demonstrate proficiency in using computers and other forms of digital technology and media as they pertain to research, office management and public health issues.
- PLO6 - The student will demonstrate independent and critical thinking skills.

Linked MHA Program Learning Outcomes:

The student learning outcomes listed on pp. 1 and 2 address the following MHA Program PLOs:

- PLO A.1 - The student will identify appropriate sources and gather information, effectively and efficiently.
- PLO A.2 - The student will appraise literature and data critically that enhances community health.
- PLO A.3 - The student will develop, understand and use data from performance, surveillance or monitoring systems.
- PLO A.5 - The student will understand and apply basic statistical methods relevant to public health and health administration practice.

- PLO A.10 - The student will implement a decision-making process that incorporates evidence from a broad analysis that includes uncertainty, risk, stakeholders, and organizational values.
- PLO B.1 - The student will speak and write in a clear, logical, and grammatical manner in formal and informal situations; prepare cogent business presentations; facilitate an effective group process.
- PLO B.2 - The student will receive, process, and respond appropriately to information conveyed by others.
- PLO B.3 - The student will perceive and respond appropriately to the spoken, unspoken, or partly expressed thoughts, feelings, and concerns of others.

Required Textbook:

Gapenski's Healthcare Finance: An Introduction to Accounting and Financial Management
7th Edition by Kristin L. Reiter, Paula H. Song 2021 Health Administration Press Chicago
Illinois

Other Required Readings: As assigned. These articles will be posted on Moodle in the week to which they are relevant.

****It is required that you join HFMA as a student member**, you will be utilizing multiple resources from them.

<https://www.hfma.org/membership/overview.html#benefits>

Assignment Descriptions:

Discussion Board Posts

Discussion board posts are reflections and integration of content in your readings and should be roughly 300 words in length and convey your thoughts, impressions, or insights gained from reading the assigned chapter and or articles. These are to be posted in Moodle on the discussion thread for that week. Additionally, each student must select one other student's discussion thread and post a 100-word response on the discussion board. This response should have a degree of substance to it and not be simply that you agree or disagree. If you do agree or disagree, elaborate as to why. If the reflection inspires a new line of thinking for you, tell us about it. These examples are not exclusive, think creatively and express yourself.

Application Assignments

These assignments will vary in content from solving computational problems at the end of the book chapters to completing a business case analysis. There are 12 of them throughout the semester and your lowest grade will be dropped leaving 11 graded assignments comprising 55% of our course grade.

Exams

The two exams will cover material covered in the readings, lectures and in class exercises. The first exam will cover material up to week 7 of the course. The second exam will be cumulative and cover material from the entire class.

Course Content:

Schedule	Assigned Readings
<p><u>Week 1 (January 8)</u></p> <p><i>The Healthcare Environment</i></p> <p>Assigned: Discussion Board Post</p>	<p>Reiter & Song Chapter 1</p> <p>Berwick 2008 Porter 2009</p>
<p><u>Week 2 (January 15)</u></p> <p><i>Healthcare Insurance and Reimbursement Methodologies</i></p> <p>Assigned: Discussion Board Post Assigned: Application Assignment 1</p>	<p>Reiter & Song Chapter 2</p>
<p><u>Week 3 (January 22)</u></p> <p><i>The Income Statement and Statement of Change in Equity</i></p> <p>Assigned: Application Assignment 2</p>	<p>Reiter & Song Chapter 3</p>
<p><u>Week 4 (January 29)</u></p> <p><i>Balance Sheet and Statement of Cash Flows</i></p> <p>Assigned: Application Assignment 3</p>	<p>Reiter & Song Chapter 4</p>
<p><u>Week 5 (February 5)</u></p> <p><i>Financial Condition Analysis</i></p> <p>Assigned: Discussion Board Post Assigned: Application Assignment 4.</p>	<p>Reiter & Song Chapter 17</p>
<p><u>Week 6 (February 12)</u></p> <p><i>Cost Behavior, Organizational Costing, and Profit Analysis</i></p> <p>Assigned: Discussion Board Post Assigned: Application Assignment 5 – Problem Set 3</p>	<p>Reiter & Song Chapter 5</p>

<p><u>Week 7 (February 19)</u></p> <p><i>Exam 1</i></p>	<p>-----</p>
<p><u>Week 8 (February 26)</u></p> <p><i>Departmental Costing and Cost Allocation</i></p> <p>Assigned: Application Assignment 6</p>	<p>Reiter & Song Chapter 6</p>
<p><u>Week 9 (March 5)</u></p> <p><i>Service Line Costing and Pricing</i></p> <p>Assigned: Application Assignment 7</p>	<p>Reiter & Song Chapter 7</p>
<p>March 12 SPRING BREAK</p>	<p>-----</p>
<p><u>Week 10 (March 19)</u></p> <p><i>Financial Planning and Budgeting</i></p> <p>Assigned: Application Assignment 8</p>	<p>Reiter & Song Chapter 8</p>
<p><u>Week 11 (March 26)</u></p> <p><i>Time Value Analysis</i></p> <p>Assigned: Application Assignment 9</p>	<p>Reiter & Song Chapter 9</p>
<p><u>Week 12 (April 2)</u></p> <p><i>Financial Risk and Required Return</i></p> <p>Assigned: Application Assignment 10</p>	<p>Reiter & Song Chapter 10</p>

<p><u>Week 13 (April 9)</u></p> <p><i>Long Term Debt and Equity Financing</i></p> <p>Assigned: Application Assignment 11</p>	<p>Reiter & Song Chapter 11</p>
<p><u>Week 14 (April 16)</u></p> <p><i>Capital Structure and Cost of Capital</i></p> <p>Assigned: Application Assignment 12</p>	<p>Reiter & Song Chapter 13 & 14</p>
<p><u>Week 15 (April 23)</u></p> <p><i>Project Risk Analysis</i></p>	<p>Reiter & Song Chapter 15</p>
<p><u>FINAL EXAM DUE APRIL 30th 11:59 pm</u></p> <p>•</p>	<p>----</p>

Other Class Policies:

Adding/Dropping:

The official deadline for adding and dropping courses is as published in the academic calendar and Graduate Bulletin (typically the day before Census Day). However, students are strongly encouraged to meet with their graduate advisor or the Program Coordinator prior to adding/dropping courses. Movement into and out of classes after the 4th class day requires approval of the Program Director. Students can drop until mid-semester without a WP or WF. Drops after mid-semester require approval of the Dean. Each student is responsible for their own enrollment status with the university.

Disability Accommodations:

UTHSCT abides by Section 504 of the Rehabilitation Act of 1973 and the Americans with Disabilities Act, which mandate reasonable accommodations be provided for students with documented disabilities. If you have a disability and may require some type of instructional and/or examination accommodations, please contact me early in the semester so that I can provide or facilitate provision of accommodations you may need. If you have not already done so, you will need to register with the Student Services Office (located on the UT Tyler Campus). You may call 903-566-7079 for more information.

Note: The Instructor retains the right to change this syllabus.