FIN 6304: 010 – Healthcare Financial Management

Course Description/Overview

Financial management of the firm; financial analysis; cash flow and capital budgeting; forecasting and planning.

Prerequisite Knowledge

Course Technology
Use of Blackboard is required. Handouts, Internet links, assignments and updates will be posted on Blackboard.

Class Meeting Times
Wednesday evenings 6:00 pm to 8:50 pm

Technical Support
The Technology Service Center (TSC) may be contacted by calling (325) 942-2911 or 1-866-942-2911 or by email at helpdesk@angelo.edu

Faculty/Instructor Information

Steve Ewing
Adjunct Professor
Phone: (325) 486-6605 (voice mail has been deactivated)
E-Mail: steve.ewing@angelo.edu (use to document communications)
Office Hours: 30 minutes following class and by appointment

Course Objectives

Learning Objectives:
Improve competency in interpersonal, oral and written communications. Enhance critical thinking skills relative to the financial management of healthcare organizations. Increase awareness of the ethical practices in matters related to financial management within healthcare.

Understand the basics of healthcare organizational structures and types, the unique revenue streams from various insurance and government payors and the financial management of expenses from cost, departmental and service line perspectives.

Comprehend the importance of cash flow in finance and management of the firm, with a thorough understanding of cash flow principles and the mechanics of constructing cash flows from the balance sheet and income statement. Comprehend the use of financial analysis aided with the interpretation of financial ratios.
Understand the use of planning concepts and the associated managerial problems with plans and planning. Comprehend the importance of cash flow concepts and how risk and return are efficiently managed in financial management of healthcare organizations. Demonstrable skill to construct real plans based on fairly complex assumptions.

Appreciate the details of the weighted average cost of capital concept, with demonstrable skill in calculating component capital costs. Comprehend the interrelations among capital structure, financial results, stock market prices and risk in the performance of healthcare organizations. Understand how working capital is financed and how it provides the organization’s operating needs.

**Assessment Methods**

Competency demonstrated through
- In-class and Blackboard assignments,
- In-class and Blackboard discussions,
- Case Studies
- Exams.

**Course Textbook and Required Readings**

1.) Understanding Healthcare Financial Management, Seventh Edition
Louis C. Gapenski, PhD George H. Pink, PhD
ISBN: 9781567937060

Order directly from:
- ACHE.org using STUDENT19 promo code for best pricing
- Amazon.com or another book seller

2.) Microsoft Excel Data Analysis and Business Modeling 5th Edition
ISBN 978-1509304219

**Optional Text**

The Core Elements of Value in Healthcare (do not purchase until discussed in first class)
Paveljit S. Bindra, MD
ISBN: 9781567939705

Order directly from:
- ACHE.org using STUDENT19 promo code for best pricing
- Amazon.com or another book seller

Other readings are assigned in a timely manner as needed and are provided to you as PDF, MS Word format, or a link to an online resource.

Microsoft Excel 2016 skills will be necessary to complete homework assignments and in-class work.
Grading Policies

This course employs the following to measure student learning.

<table>
<thead>
<tr>
<th>Grade Calculations</th>
<th>Percent of Grade</th>
<th>Due</th>
</tr>
</thead>
<tbody>
<tr>
<td>Case Studies (7) + Ethics Case</td>
<td>45%</td>
<td>When assigned, by Mon 11:59 pm</td>
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<tr>
<td>Homework Assignments (14)</td>
<td>25%</td>
<td>When assigned, by Mon 11:59 pm</td>
</tr>
<tr>
<td>Excel Work Problems (8)</td>
<td>20%</td>
<td>When assigned, by Mon 11:59 pm</td>
</tr>
<tr>
<td>Exam 1 (Final)</td>
<td>10%</td>
<td>Wed 05/08 During Class Time</td>
</tr>
</tbody>
</table>

Angelo State University employs a letter grade system. Grades in this course are determined on a percentage scale:

- A = 85 – 100 %
- B = 70 – 84.9 %
- C = 60 – 69.9 %
- F = 59.9 % and below.

The instructor reserves the right to adjust the grading scale presented above.

Response Time
Feedback will be provided for each case study, Excel assignment, homework assignment and test 10 days after of due date. The correct solutions for the assignments and tests will be provided either on Blackboard or in a class following the date of assignment or test. Students requiring further explanations should stay after class to discuss or schedule an appointment.

Missed/Late Work
If you cannot be present at an exam or cannot timely turn in an assignment you must discuss your situation with the instructor beforehand. If a make-up exam / assignment is allowed, then an email from the instructor will document the approval and provide the date and time for the make-up exam or assignment. The make-up exam / assignment might be different and more difficult. Missed exams or assignments without prior approval will result in a grade of zero.

Participation/Absenteeism
An engaged student learns the most and active participation helps solidify understanding of the course material. Please dismiss yourself from the class room if a situation arises requiring your attention so as not to distract others. Course attendance is important and strongly encouraged, but roll-call will not be formally recorded. You are responsible for everything discussed in class, whether in attendance or not.
Final Exam
The Final Exam may be cumulative in nature, but will predominately test on the content of the chapters shown in the Course Outline (as shown below).
Course Policies

Academic Honesty and Integrity
Angelo State University expects its students to maintain complete honesty and integrity in their academic pursuits. Students are responsible for understanding and complying with the university Academic Honor Code and the ASU Student Handbook.

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It is the professor’s intention to be as fair and impartial as is humanly possible. Therefore, all students will be asked to adhere to the same set of guidelines and rules UNLESS there are disabilities or documented extenuating circumstances that have been discussed with the professor and the Student Life Office. Please make sure you inform the professor as soon as any situation arises. Do NOT wait until the problem is compounded by poor class performance, poor attendance, etc.

Academic integrity is expected. This includes, but is not limited to, any form of cheating, plagiarism, unauthorized sharing of work, or unauthorized possession of course materials. The professor assumes that all students can be trusted. Please do no violate this trust. Violation of academic integrity will result in a failing grade for the course.

Courtesy and Respect
Courtesy and Respect are essential ingredients to this course. We respect each other's opinions and respect their point of view at all times while in our class sessions. The use of profanity & harassment of any form is strictly prohibited (Zero Tolerance), as are those remarks concerning one's ethnicity, life style, race (ethnicity), religion, etc., violations of these rules will result in immediate dismissal from the course.

Student Disability Services
ASU is committed to the principle that no qualified individual with a disability shall, on the basis of disability, be excluded from participation in or be denied the benefits of the services, programs or activities of the university, or be subjected to discrimination by the university, as provided by the Americans with Disabilities Act of 1990 (ADA), the Americans with Disabilities Act Amendments of 2008 (ADAAA) and subsequent legislation.

The Office of Student Affairs is the designated campus department charged with the responsibility of reviewing and authorizing requests for reasonable accommodations based on a disability, and it is the student’s responsibility to initiate such a request by contacting:

Dallas Swafford
Director of Student Disability Services
Office of Student Affairs
325-942-2047
dallas.swafford@angelo.edu
University Center, Room 112

**Student absence for religious holidays**
As stated in the Angelo State University Operating Policy and Procedure (OP 10.19 Student Absence for Observance of Religious Holy Day), a student who intends to observe a religious holy day should make that intention known in writing to the instructor prior to the absence. A student who is absent from classes for the observance of a religious holy day shall be allowed to take an examination or complete an assignment scheduled for that day within a reasonable time after the absence.

**Course Drop**
To view information about how to drop this course or to calculate important dates relevant to dropping this course, you can visit [http://www.angelo.edu/services/registrars_office/course_drop_provisions.php](http://www.angelo.edu/services/registrars_office/course_drop_provisions.php).

**Incomplete as a Course grade**
As stated in the Angelo State University Operating Policy and Procedure (OP 10.11 Grading Procedures), the grade I is given when the student is unable to complete the course because of illness or personal misfortune. An I that is not removed before the end of the next long semester automatically becomes an F. A graduate student will be allowed one year to remove a grade of I before it automatically becomes an F. To graduate from ASU, a student must complete all I’s.

**Grade Appeal Process**
As stated in the Angelo State University Operating Policy and Procedure (OP 10.03 Student Grade Grievances), a student who believes that he or she has not been held to appropriate academic standards as outlined in the class syllabus, equitable evaluation procedures, or appropriate grading, may appeal the final grade given in the course. The burden of proof is upon the student to demonstrate the appropriateness of the appeal. A student with a complaint about a grade is encouraged to first discuss the matter with the instructor. For complete details, including the responsibilities of the parties involved in the process and the number of days allowed for completing the steps in the process, see Operating Procedure 10.03 at: [http://www.angelo.edu/content/files/14196-op-1003-grade-grievance](http://www.angelo.edu/content/files/14196-op-1003-grade-grievance).

**College of Business Code of Ethics**
Students, faculty, administrators and professional staff of the College of Business should always:
- Be forthright and truthful in dealings with all stakeholders
- Take responsibility for one’s actions and decisions
- Serve as an example of ethical decision-making and behavior to others
- Admit errors when they occur, without trying to conceal them
- Respect the basic dignity of others by treating them as one would wish to be treated
# Course Outline

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<thead>
<tr>
<th>Date</th>
<th>Topic</th>
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<tbody>
<tr>
<td>Wed 01/16</td>
<td>Syllabus Review &amp; Class Intro / Medicare Reimbr</td>
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<tr>
<td>Wed 01/23</td>
<td>UHCFM Ch #1 – Intro HC Fin Mgmt / CEVHC Ch #1 – Value Based HC</td>
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<tr>
<td>Wed 01/30</td>
<td>UHCFM Ch #2 – Health Insurance / CEVHC Ch #2 – Clinical Innovations</td>
</tr>
<tr>
<td>Wed 02/06</td>
<td>UHCFM Ch #3 – Pmts to Providers / Pay 4 Performance</td>
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<tr>
<td>Wed 02/13</td>
<td>CEVHC Ch #3 – Value and Payment Reform / Medicare Reimbr</td>
</tr>
<tr>
<td>Wed 02/20</td>
<td>UHCFM Ch #4 – Time Value Analysis</td>
</tr>
<tr>
<td>Wed 02/27</td>
<td>UHCFM Ch #5 – Fin Risk &amp; Req Return</td>
</tr>
<tr>
<td>Wed 03/06</td>
<td>UHCFM Ch #8 – Leasing Financing</td>
</tr>
<tr>
<td>Wed 03/13</td>
<td>** Spring Break **</td>
</tr>
<tr>
<td>Wed 03/20</td>
<td>UHCFM Ch #9 – Cost of Capital, UHCFM Ch #10 – Cap Structure</td>
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<tr>
<td>Wed 03/27</td>
<td>UHCFM Ch #11 – Capital Budgeting</td>
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<tr>
<td>Wed 04/03</td>
<td>UHCFM Ch #12 – Project Risk Analysis</td>
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<tr>
<td>Wed 04/10</td>
<td>UHCFM Ch #13 – Financial Condition Analysis</td>
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<tr>
<td>Wed 04/17</td>
<td>UHCFM Ch #14 – Financial Forecasting</td>
</tr>
<tr>
<td>Wed 04/24</td>
<td>UHCFM Ch #15 – Revenue Cycle &amp; Current Acct Mgmt</td>
</tr>
<tr>
<td>Wed 05/01</td>
<td>CEVHC Ch #13 – Ethics &amp; Compliance</td>
</tr>
<tr>
<td>Wed 05/08</td>
<td>Final Exam</td>
</tr>
</tbody>
</table>

*Last updated 01/10/19*