

**UNIVERSITY OF MISSOURI-KANSAS CITY  
HENRY W. BLOCH SCHOOL OF MANAGEMENT**

**HA 5571: Financial Management Issues of Health and Human Services Organizations  
Spring 2012**

Meeting time: Wednesday 4.00 PM–6.45 PM

Location: Bloch 3

<b>Instructor:</b>	Arif Ahmed, BDS, PhD, MSPH
<b>Office:</b>	308 Bloch
<b>Office hours:</b>	By appointment
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**Course Description**

This course is intended to provide an overview of the financial management issues of health and human services organizations. We will explore the organizational and regulatory environment of health care system as it relates to financial management. We will also examine a broad range of financial management topics including financial statements, financial performance analysis, cost accounting, reimbursement and pricing, and budgeting.

**Course Objectives**

*After completing this course, the student should be able to:*

- Describe the financial and regulatory environment of health care delivery in the United States.
- Describe and differentiate between various third-party reimbursement mechanisms.
- Describe the government's role in health care financing.
- Read and understand financial statements.
- Prepare and analyze organizational/departmental and program budgets.
- Describe and apply basic concepts of cost behavior, cost allocation, and product pricing.

**Required Textbooks and Readings**

- Gapenski, L. C. (2012). *Healthcare finance: An introduction to accounting and financial management* (5th Ed.). Chicago: Health Administration Press.
- Gapenski, L. C. (2010). *Cases in healthcare finance* (4th Ed.). Chicago: Health Administration Press.
- Additional readings may be assigned at the discretion of the instructor.*

**Background Requirements/Expectations**

If you do not have a health care background and/or want to further your understanding of organization and financing of health care in the United States, please contact me for a list of optional background readings. We will use Microsoft Excel for completing most assignments; therefore, it is expected that you have some familiarity with the software. If you need help with Excel, I will be happy to direct you to online and on-campus resources for assistance.

## Course Requirements/Assignments

1. **Examinations (200 points):** There will be three examinations—each worth 100 points. Exam 1 and Exam 2 will be given during the course of the semester. Exam 3 will be given during the scheduled final examination period. Only the highest two exam grades will be counted towards the course grade. **I will need advance notice (by April 25) if you intend to take Exam 3.**
2. **Case reports (105 points):** There are **four** healthcare financing cases assigned for the course. Each case is worth 35 points. You will analyze and prepare reports for **any three** cases. This is a group assignment. (*Detail guidelines will be available on Blackboard*).
3. **Case presentation (30 points):** Each group will present and defend their solution for at least one case in class. (*Detail guidelines will be available on Blackboard*).
4. **Class participation (15 points):** Attendance and class participation is very important for everyone to benefit from the course. Therefore, please read all assigned readings before coming to class. You are expected to attend classes and contribute to a meaningful discussion of the topic of the day. Please remember that my definition of “class participation” includes not only attending class but also raising valid points, sharing experiences, and asking questions.

## **Grading Scale:**

A = 95% or more    A- = 90-94%    B+ = 87-89%    B = 83-86%    B- = 80-82%  
C+ = 77-79%    C = 70-76%    D = 60-69%    F = 59% or less

*There will be no curve for the final course grade*

## **Course Policies:**

1. Students are expected to use the Blackboard site set up for this course. Most course-related information, announcements, and documents will be posted on this site. All electronic communications pertaining to the course will be done through Blackboard and/or your UMKC e-mail account. You can access Blackboard at <https://blackboard.umkc.edu/webapps/login/> using your UMKC login and password.
2. The examination dates will not be changed and there will be no make-up examination unless there is a valid and reasonable excuse (such as serious illness) for missing the exam.
3. For team/group projects, all members are expected to devote equal share of effort in completing *each* project. Do not take turns in completing group projects individually—this beats the purpose of group assignments. All members of the group are individually and collectively responsible for the projects and will receive same points. However, if a student receives an average of less than 18 points (out of maximum 24 points) in peer evaluation, the team project grades for the individual in question will be determined by multiplying the team score by the proportion of points received in peer evaluation. *See the course Blackboard site for further details.*
4. There is no excuse for missing the group presentation. The penalty will be a zero score for the individual concerned.
5. Once finalized, no requests for changing groups or the case presentation schedule will be entertained.
6. Unless otherwise noted, all assignments must be typed and are due at the start of class on the date specified in the syllabus.

7. Please visit [http://www.umssystem.edu/ums/rules/collected\\_rules/programs/ch200](http://www.umssystem.edu/ums/rules/collected_rules/programs/ch200) to familiarize yourself with the University policies on student conduct. **Particularly, please review the information pertaining to plagiarism and cheating. If unsure, please ask me. I take these issues very seriously.**
8. It is the students' responsibility to know important dates on the academic calendar, including the last day to withdraw from class without academic penalty.
9. You are expected to demonstrate professionalism in your conduct, discussions, presentations, and assignments.
10. Please plan your schedule and commute to class in a manner that allows you to arrive in the classroom before the start of the class period.
11. Inclement weather policy: In the event of threatening weather conditions classes may be cancelled at the discretion of the UMKC central administration. Please consult the UMKC website and/or listen to radio/TV broadcasts for official announcements. You can also subscribe to UMKC Alert! Emergency Mass Notification System (<http://www.umkc.edu/umkcalert/default.asp>).
12. While the provisions of this syllabus are as accurate and complete as possible, the instructor reserves the right to change any provision herein if circumstances so warrant. Every effort will be made to inform the students about the changes as quickly as possible. It is the responsibility of each student to know what changes, if any, have been made to the provisions of the syllabus and to complete the course requirements accordingly.
13. Course withdrawal: All course withdrawals must be initiated in the Bloch School Student Services Office, room 115, and completed through the Registration Center in the UMKC Administrative Center. Students intending to withdraw from the course after the eighth week of class (fourth week in the summer session) are required to obtain a signature of both the instructor and an academic advisor before the course withdrawal is official. *Telling the instructor that you intend to withdraw from the course or ceasing to attend class does not constitute an official withdrawal.* The academic calendar in the class schedule/registration guide lists the official withdrawal dates.
14. Following support services are available to all students:
  - The Bloch School Computer Lab located in Bloch 110 is available for your use. The lab schedule is available at: <http://www.umkc.edu/is/Labs/hoursLocations/normlabhours.asp>
  - UMKC Writing Center: Students who desire assistance in written assignments may contact the UMKC Writing Center at 816-235-1146. It is located at 5201 Rockhill Road.
  - Office of Disabled Student Services: If you have any questions about a disability or desire accommodations under the Americans with Disability Act, please contact the Office of Disabled Student Services at 816-235-5696. The Office's website can be accessed at: <http://www.umkc.edu/disability/>

**HA 5571: Financial Management Issues of Health and Human Services Organizations  
Spring 2012: Tentative Course Schedule**

<b>Date</b>	<b>Topic</b>	<b>Readings</b>	<b>Assignment</b>
11-Jan	<ul style="list-style-type: none"> <li>• Course introduction and syllabus overview</li> <li>• Organizational, legal, and regulatory environment of health care</li> </ul>	Chapter 1 and 2 Background Readings	
18-Jan	<ul style="list-style-type: none"> <li>• Financial environment and the third-party payer system</li> <li>• Reimbursement mechanisms</li> <li>• Financial incentives of patients, payers, and providers</li> <li>• <i>Group formation</i></li> <li>• <i>Case presentation responsibility assignment</i></li> </ul>	Chapter 2 Class handouts Ethics MC 1 (p 227)	
25-Jan	<ul style="list-style-type: none"> <li>• Financial Accounting</li> <li>• <i>Start Case 1</i></li> </ul>	Chapters 3 & 4	
1-Feb	<ul style="list-style-type: none"> <li>• Analyzing Financial Performance</li> </ul>	Chapters 4 & 17 Online Appendix A	
8-Feb	<ul style="list-style-type: none"> <li>• Managed care</li> </ul>	Class handouts Ethics MC 3 (p 231)	
15-Feb	<b>EXAM 1</b>		
22-Feb	<ul style="list-style-type: none"> <li>• Cost Behavior and Profit Analysis</li> <li>• <i>Start Case 6</i></li> </ul>	Chapter 5	Case 1
29-Feb	<ul style="list-style-type: none"> <li>• Government as the third-party payer</li> </ul>	Class handouts	
7-Mar	<ul style="list-style-type: none"> <li>• Cost allocation</li> <li>• <i>Start Case 4</i></li> </ul>	Chapter 6	Case 6
14-Mar	<ul style="list-style-type: none"> <li>• Financial ramifications of current health policy issues</li> <li>• Cost-benefit/effectiveness analysis as a financial management tool</li> </ul>	Class handouts Ethics MC 5 (p 235) Ethics MC 6 (p 239)	
21-Mar	<b>EXAM 2</b>		
4-Apr	<ul style="list-style-type: none"> <li>• Pricing and Service Decisions</li> <li>• <i>Start Case 5</i></li> </ul>	Chapter 7	
11-Apr	<ul style="list-style-type: none"> <li>• Time Value Analysis</li> </ul>	Chapter 9	Case 4
18-Apr	<ul style="list-style-type: none"> <li>• Planning and Budgeting</li> </ul>	Chapter 8	Case 5
25 Apr	<ul style="list-style-type: none"> <li>• Capital Budgeting</li> </ul>	Chapter 14	
2 May	<b>EXAM 3 (5:45 to 7:45 PM)</b>		