



**Virtual Campus – Spring 2009**  
**Feb 23, 2009 – May 16, 2009**

*Mission: Wayland Baptist University exists to educate students in an academically challenging, learning focused and distinctively Christian environment for professional success, lifelong learning and service to God and humankind.*

Course: **HLAD 3329** - Health Facility Financial Management – Winter 2008

**INSTRUCTOR:**

Dr. Brad Beauvais  
 Office hours: By appointment  
 Office phone: (210) 221-6493  
 Cell: (210) 627-1078  
 E-mail: [bradley.beauvais@us.army.mil](mailto:bradley.beauvais@us.army.mil)

Catalog Description: Operational knowledge of financial management, theory and practice in the modern health care organization is developed including prospective payment applications, differing third party payer systems, discounted cash flow considerations, long-term debt and refunding analysis, contemporary health care equity financing, capital structure and costs, operational forecasting, short-term financing challenges, alternative analysis of lease financing, merger and acquisition analysis, as well as financial aspects of current risk sharing in the health care industry.

Prerequisites: ACCT 2306 or concurrent enrollment.

**Required Textbook and Resources:**

BOOK	AUTHOR	ED	YEAR	PUBLISHER	ISBN#	REVIEW
<b>Understanding Healthcare Financial Management</b>	Gapenski	5th	2007	Health Administration Press	1-56793-264-9	Spring 10

**Course Outcome Competencies & Objectives:**

Upon completion of this course the student should be able to:

- Contrast the alternative approaches to prospective payment based on managed care and their influences upon the financial characteristics of health facilities.
- Recognize the advantage and disadvantages of differing capital structures for investor owned, non-profit, and government health facilities.
- Analyze the operating cycle of a health facility and develop remedial actions for improvement.
- Convert financial statements to a cash flow consideration, employing present value, initial rate of return, and payback evaluations.
- Develop operational forecasting techniques for critical care as well as routine medical and surgical delivery.
- Recognize productive merger and acquisition activities and the financial implications of such considerations.
- Identify and evaluate risk sharing techniques, diversification alternatives and trade off options in health facility financing.
- Distinguish the values in financial ratio analysis for differing types of health facility designs.

Attendance Requirements: Students are expected to be 'present' in the courseroom on a regular basis. This includes participating in course discussions, posting relevant articles, meeting course assignment deadlines, etc. In the event of extenuating circumstances, proactive communication with the course instructor is expected. Further, it is university policy that no otherwise qualified disabled person be excluded from participation in, be denied the benefits of, or be subject to discrimination under any educational program or activity in the university. If a student feels he or she cannot meet the course attendance requirements as stipulated, accommodations will be made when & where appropriate.

## METHOD OF EVALUATION:

- A. *Examinations* will be made available in the courseroom and will be open book, and open notes. The purpose of the examinations are to test knowledge of health services topics from the perspective of a practitioner of management in the field of health administration (40 percent of final grade per examination).
- B. *Research Paper*. The purpose of the research paper is to enable students to develop and refine their research and writing skills in the practice of management. Students will select a health finance topic of interest to research and prepare a 5-10 page (excluding cover page and reference list; no abstract required) research paper. This paper will provide a brief review of the literature on the topic of interest that develops and articulates either a statement of problem or opportunity in health services administration. The literature review will include at least one source that provides empirical evidence that the proposed health care finance problem or opportunity is substantial in the field. **A suggested topic will be submitted to the instructor by the fourth week of class for approval.** Topics will expand on areas covered in the textbook and class discussion. Appropriate sources include published books, articles in peer reviewed journals, or first-tier print media. Magazine articles and articles from non-peer reviewed journals are generally not appropriate and may be referenced in this paper only by exception. The final paper must be typed (1 inch margins/10-12 point font), double-spaced, and follow *Publication Manual of the American Psychological Association*, 5<sup>th</sup> ed. (APA) format. Students will cite at least ten relevant and valid sources in the final paper. **Papers will be submitted in electronic format in week 11.** Papers not received by the last day of class (November 1st) will not be considered for grading (20 percent of final grade).

The evaluation of the research paper will be based on the following criteria:

**Content** – Quality of research based on substance of material presented and depth and breadth of research.

**Context** – Logic, clarity, and organization of material, as well as demonstrated importance of topic to health care delivery.

**Form** – Adherence to the provided format and style manual and extent to which the work meets graduate level attention to grammar and appearance.

- C. *Participation in Current Events Discussion*. Students are required to collectively complete assigned finance problems each week in the courseroom. This is a group effort and should be a result of the collective effort of the class. I suggest working the problems individually and then compare and contrast responses in the courseroom. You will be expected to complete similar problems on the midterm and final, so it will be a good idea to become proficient with the assigned problems. One grade will be assigned to the class for each week's effort (40 percent of final grade).
- D. *Grades* will be based on students' preparation and performance in case discussions, article summaries, film critiques, and projects.

Requirement	Percent of Grade	Session Due
Midterm Exam (Chapters 1-8)	20%	Week 5
Final Exam (Chapters 1- 14, 15, 18)	20%	Week 9
Research Paper Final Draft	20%	Week 11
Class Homework & Participation	40%	All

E. Wayland Baptist Grading Chart

Percent Equivalent	Grade
94 - 100	A
90 - 93	A-
87 - 89	B+
84 - 86	B
80 - 83	B-
77 - 79	C+
74 - 76	C
70 - 73	C-
Below 70	F

**CLASS SCHEDULE:**

The Course Calendar provides assigned readings and key dates for the course, and is subject to change.

Week	Session Topic/Objectives/Readings
1 Week of 23 Feb	<b>INTRODUCTION TO HEALTHCARE FINANCIAL MANAGEMENT</b>
	<b>READINGS:</b> Gapenski Chapters 1 - 2
2 2 March	<b>HEALTH PROFESSIONALS &amp; EVOLUTION OF CARE IN THE US</b>
	<b>READINGS:</b> Gapenski Chapter 3 - 4 <b>Chapter 3 Homework Assigned (Problems 1 – 6, 9, 11, 12, 14)</b> <b>Chapter 4 Homework Assigned (Problems 1, 3, 5)</b>
3 9 March	<b>MEDICAL TECHNOLOGY AND HEALTH SERVICES FINANCING</b>
	<b>READINGS:</b> Gapenski Chapter 5 - 6 <b>Chapter 5 Homework Assigned (Problems 1, 2, 3, 7)</b> <b>Chapter 6 Homework Assigned (Problems 2, 3)</b>

	<b>INPATIENT &amp; OUTPATIENT SERVICES</b>
<b>4</b> 23 March	<p><b>READINGS:</b> Gapenski Chapter 7 - 8</p> <p><b>Submit Research Paper Topic Proposal (One page)</b></p> <ul style="list-style-type: none"> <li>• Identify topic</li> <li>• Brief one paragraph summary of problem or opportunity</li> <li>• Three (3) key references</li> </ul> <p><b>Chapter 8 Homework Assigned (Problem 2a)</b></p>
<b>5</b> 30 March	<p><b>MID TERM EXAM (Chapters 1 – 6)</b></p> <p><b>MID TERM EXAM</b></p>
<b>6</b> 6 April	<p><b>COST OF CAPITAL &amp; CAPITAL STRUCTURE</b></p> <p><b>READINGS:</b> Gapenski Chapter 9 - 10</p>
<b>7</b> 13 April	<p><b>THE BASICS OF CAPITAL BUDGETING &amp; RISK ANALYSIS</b></p> <p><b>READINGS:</b> Gapenski Chapter 11 - 12</p> <p><b>Chapter 11 Homework Assigned (Problems 1, 2, 7)</b></p> <p><b>Chapter 12 Homework Assigned (Problem 3)</b></p>
<b>8</b> 20 April	<p><b>FINANCIAL CONDITION ANALYSIS &amp; FORECASTING</b></p> <p><b>READINGS:</b> Gapenski Chapter 13 - 14</p> <p><b>Chapter 13 Homework Assigned (Problem 3)</b></p>
<b>9</b> 27 April	<p><b>OTHER TOPICS – Working Capital Management &amp; Risk Management</b></p> <p><b>READINGS:</b> Gapenski Chapter 15 &amp; 18</p> <p><b>Chapter 15 Homework Assigned (Problems 2, 4 &amp; 7)</b></p> <p><b>Chapter 18 Homework Assigned (Problem 1)</b></p>
<b>10</b> 4 May	<p><b>FINAL EXAM (Chapters 1 – 14)</b></p> <p><b>FINAL EXAM</b></p>
<b>11</b> 11 May	<p><b>PAPER FINAL DRAFT DUE</b></p> <p><b>FINAL PAPER DUE = No later than 16 May at MIDNIGHT!!!</b></p>