

PubH 6535 Managerial Accounting in Healthcare Organizations

Spring 2013

Credits: 3

Meeting Days/ Time/Place: On-line

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Weekly Chat Sessions TBD

I. Course Description

This course shall provide an introduction to accounting and financial management and serves as a foundations course in financial management for healthcare organizations. Managerial Accounting is the first of four courses in financial management and serves as a prerequisite for more advanced finance courses that are in the health management curriculum. The primary objective of this course is to impart administrative/managerial knowledge and financial/ accounting theory and technique required in managing healthcare organizations within today's evolving environment. The elements of this course will teach the fundamental concepts of healthcare finance, including both accounting and financial management principles with emphasis on the current financial environment in which providers operate. The primary purpose of this course is to present the basic accounting concepts and financial management techniques (e.g. cost allocation, time value of money, pricing and service decisions, budgeting) that are most critical to managerial decision making within healthcare organizations.

This course is constructed in such a manner to assist each student in the development of their individual managerial skills, consistent with the National Center for Healthcare Leadership (NCHL) Competency Model Demonstration, in which the School of Public Health is a participant.

II. Course Prerequisites

Prior accounting or financial course work or experience is helpful but not necessary. Those students that have not taken undergraduate courses in accounting or financial management are encouraged to read "Accounting for Dummies" by John A. Tracy, CPA. Students who have not used Microsoft Excel are encouraged to acquire John Walkenback's book "Excel 2007 Bible" and become proficient in the application of Excel.

III. Course Goals and Objectives

Students successfully completing this course will be able to:

- Interpret and analyze financial statements and make informed management decisions (NCHL Competency L8.1)
- Describe the distinct difference between the financial characteristic of non-profit and for-profit healthcare
- Understand cost classifications encompassing fixed and variable costs (NCHL Competency L8.2)
- Understand financial techniques such as breakeven analysis, net present value analysis and internal rate of return analysis in evaluating capital investments
- Comprehend the methods and approaches for cost allocation including activity based costing
- Implement strategic budgeting methods and operational planning principles.
- Develop operating proforma statements and budgets for healthcare organizations.
- Manage budgets and organizational assets (NCHL Competency L8.2)
- Establish and monitor performance benchmarks/indicators (NCHL Competency L17.1)
- Explain organizational financial metrics and reports (NCHL Competency L18.1)
- Utilize benchmarks to understand causality in financial data (NCHL Competency L18.2).
- Prepare effective written business cases or presentations (NCHL Competency L6.2).

IV. Methods of Instruction and Work Expectations

This course will be taught on line, providing a peer-learning and collaborative atmosphere as professionals and colleagues interact in a stimulating learning environment. Please consider this syllabus as a work plan designed to achieve desired outcomes. At all times, full participation and involvement is encouraged to allow each student to develop a competence and mastery of the concepts and materials related to financial management.

The course consists of 14 on line lessons, or weeks. There are readings, discussions, and assignments for each lesson. Begin with Week 1. You may work ahead of you wish, but note that this is not a work-at-your-own-pace course. There are specific due dates throughout the semester.

Each week there will be at a minimum a one hour period where the instructor will be available utilizing on-line CHAT which will allow the students to ask questions, have dialog and further the information exchange in a live on-line forum. The time for this will be set after discussion with the students at the beginning of the term to attempt to make this access able by most if not all of the students. The instructor will also work with individual students on an as needed basis depending on schedule.

V. Course Text and Readings

There are two required texts for this course:

Healthcare Finance: An Introduction to Accounting and Financial Management,
Louis C. Gapenski, 5th Edition, Health Administration Press.

Cases in Health Care Finance, **Louis C. Gapenski, 4th Edition, Health Administration Press.**

V. Course Outline/Weekly Schedule

Course Start Date	Topic	Readings	Assignment	Points	Due Dates
16-Jan	Intro. To Healthcare Finance	Introduction Ch. 1	Introductions & Organizational Financial Situation	5 and 15	23-Jan
23-Jan	Financial Environment	Ch. 2	Q:2.1-2.3, 2.5,2.6,2.8 P:2.1 and 2.5	Q 12 P 20	30-Jan
30-Jan	Income Statement	Ch. 3	Q:3.1- 3.8 P:3.2, 3.4,3.5	Q 16 P 30	6-Feb
6-Feb	Balance Sheet & Cash Flow	Ch. 4	Q:4.1, 4.5-4.9 P:4.1,4.4	Q 12 P 20	13-Feb
13-Feb	Reading & Interpretation		Financial Statement Interpretations Analysis #1	50	20-Feb
20-Feb	Case Review	Case Book	Primary Case: 1 or 2 Discussions	50	27-Feb
27-Feb	Cost & Profit Behavior	Ch. 5	Q:5.1-5.4,5.7 P:5.3 and 5.7	Q 10 P 20	6-Mar
6-Mar	Cost Allocation	Ch. 6	Q:6.1-6.9 P:6.3 and 6.7	Q 18 P 20	13-Mar
BREAK MARCH 16 - 24TH SPRING BREAK					
27-Mar	Price & Service Decisions	Ch.7	P:7.3 Discussions	P:10 and 20	3-Apr
3-Apr	Case Review	Case Book	Secondary Case: 3, 4, 5, 6, and 7	44	10-Apr
10-Apr	Budgeting	Ch. 8	Q:8.1-8.5 P:8.3	Q 10 P 10	17-Apr
17-Apr	Time Value Analysis	Ch. 9	Q:9.2, 9.8 P:9.7,9.8,9.11	Q 4 P 30	24-Apr
24-Apr	Financial Risk & Required Return	Ch. 10	Q:10.1,10.5 P:10.3	Q 4 P 10	1-May
1-May	Business Plan	Moodle	Final Exam (1 - 8) Business Plan Budget	Final 50 Business Plan 50	8-May

VII. Evaluation and Grading			
Personal Introduction and Situational Summary			5
Organizational Financial Health			15
Response to Individual Questions & Problems			256
Pricing Discussion			20
Financial Statement Interpretation			50
Primary Cases Review			50
Secondary Case Review			50
Financial Business Plan			50
Final Exam (Chapters 1 - 8)			50
Total			546

CASES: The cases are designed to test the students: (1) understanding an application of financial and managerial concepts and tools; (2) critical thinking skills; (3) problem solving and analytical skills; and (4) ability to work with colleagues. To enhance the students understanding of the case topics, the pedagogy will be as follows: (1) Prior to the assignment of the cases, a prepared lecture dedicated to the case and the skills and concepts necessary to successfully solve the case will be provided. (2) The Case Book will contain the raw data required to solve the case. (3) Project groups will be selected/assigned for each case presentation [Primary Cases and Secondary Cases]; groups will be composed of three or four individuals. (4) The lesson assignment plan will delineate when each case write-up and analysis is due. (5) All students are encouraged to challenge and debate the presentations when posted on the online discussion board.

Each project group is allowed to consult any resource when solving the cases, including your fellow classmates; however you are required to prepare your own individual/group write-up and analysis. Plagiarism is disallowed and will result in a zero score for that particular case. Discussion boards have been established on PubH-6535 Moodle site to facilitate discussion/dialog between executive MHA students. To encourage the sharing of ideas, student participation points are awarded for contributing in a value-add way to the discussion. The Moodle site will have the group assignments for each case. Submit your case for grading by “dropping” an electronic copy of your case into the assignment box.

Grading

Grades (A-F) will be assigned on the basis of the following distribution of points:

%	Course Grade
93 – 100	A
90 – 92	A-
87 – 89	B+
83 – 86	B
80 – 82	B-
77 – 79	C+
73 – 76	C
70 – 72	C-
67 – 69	D+
60 – 66	D
0 – 59	F

Course Evaluation

Beginning in fall 2008, the SPH will collect student course evaluations electronically using a software system called CoursEval: www.sph.umn.edu/courseval. The system will send email notifications to students when they can access and complete their course evaluations. Students who complete their course evaluations promptly will be able to access their final grades just as soon as the faculty member renders the grade in SPHGrades: www.sph.umn.edu/grades. All students will have access to their final grades through OneStop two weeks after the last day of the semester regardless of whether they completed their course evaluation or not. Student feedback on course content and faculty teaching skills are an important means for improving our work. Please take the time to complete a course evaluation for each of the courses for which you are registered.

Incomplete Contracts

A grade of incomplete "I" shall be assigned at the discretion of the instructor when, due to extraordinary circumstances (e.g., documented illness or hospitalization, death in family, etc.), the student was prevented from completing the work of the course on time. The assignment of an "I" requires that a contract be initiated and completed by the student before the last official day of class, and signed by both the student and instructor. If an incomplete is deemed appropriate by the instructor, the student in consultation with the instructor, will specify the time and manner in which the student will complete course requirements. Extension for completion of the work will not exceed one year (or earlier if designated by the student's college). For more information and to initiate an incomplete contract, students should go to SPHGrades at: www.sph.umn.edu/grades.

University of Minnesota Uniform Grading and Transcript Policy

A link to the policy can be found at onestop.umn.edu.

VIII. Other Course Information and Policies

Grade Option Change (if applicable)

For full-semester courses, students may change their grade option, if applicable, through the second week of the semester. Grade option change deadlines for other terms (i.e. summer and half-semester courses) can be found at onestop.umn.edu.

Course Withdrawal

Students should refer to the Refund and Drop/Add Deadlines for the particular term at onestop.umn.edu for information and deadlines for withdrawing from a course. As a courtesy, students should notify their instructor and, if applicable, advisor of their intent to withdraw.

Students wishing to withdraw from a course after the noted final deadline for a particular term must contact the School of Public Health Student Services Center at sph-ssc@umn.edu for further information.

Student Conduct, Scholastic Dishonesty and Sexual Harassment Policies

Students are responsible for knowing the University of Minnesota, Board of Regents' policy on Student Conduct and Sexual Harassment found at www.umn.edu/regents/polindex.html.

Students are responsible for maintaining scholastic honesty in their work at all times. Students engaged in scholastic dishonesty will be penalized, and offenses will be reported to the SPH Associate Dean for Academic Affairs who may file a report with the University's Academic Integrity Officer.

The University's Student Conduct Code defines scholastic dishonesty as "plagiarizing; cheating on assignments or examinations; engaging in unauthorized collaboration on academic work; taking, acquiring, or using test materials without faculty permission; submitting false or incomplete records of academic achievement; acting alone or in cooperation with another to falsify records or to obtain dishonestly grades, honors, awards, or professional endorsement; or altering, forging, or misusing a University academic record; or fabricating or falsifying of data, research procedures, or data analysis."

Plagiarism is an important element of this policy. It is defined as the presentation of another's writing or ideas as your own. Serious, intentional plagiarism will result in a grade of "F" or "N" for the entire course. For more information on this policy and for a helpful discussion of preventing plagiarism, please consult University policies and procedures regarding academic integrity: <http://writing.umn.edu/tww/plagiarism/>.

Students are urged to be careful that they properly attribute and cite others' work in their own writing. For guidelines for correctly citing sources, go to <http://tutorial.lib.umn.edu/> and click on "Citing Sources".

In addition, original work is expected in this course. Unless the instructor has specified otherwise, all assignments, papers, reports, etc. should be the work of the individual student. It is unacceptable to hand in assignments for this course for which you receive credit in another course unless by prior agreement with the instructor. Building on a line of work begun in another course or leading to a thesis, dissertation, or final project is acceptable.

Disability Statement

It is University policy to provide, on a flexible and individualized basis, reasonable accommodations to students who have a documented disability (e.g., physical, learning, psychiatric, vision, hearing, or systemic) that may affect their ability to participate in course activities or to meet course requirements. Students with disabilities are encouraged to contact Disability Services to have a confidential discussion of their individual needs for accommodations. Disability Services is located in Suite 180 McNamara Alumni Center, 200 Oak Street. Staff can be reached by calling 612/626-1333 (voice or TTY).

Mental Health Services:

As a student you may experience a range of issues that can cause barriers to learning, such as strained relationships, increased anxiety, alcohol/drug problems, feeling down, difficulty concentrating and/or lack of motivation. These mental health concerns or stressful events may lead to diminished academic performance or reduce a student's ability to participate in daily activities. University of Minnesota services are available to assist you with addressing these and other concerns you may be experiencing. You can learn more about the broad range of confidential mental health services available on campus via www.mentalhealth.umn.edu