HCMA 4320 – FINANCIAL PERFORMANCE MANAGEMENT IN HEALTHCARE
(CRN 18977)
TR, 1:30 – 2:50 PM
BUSN 332

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Course description

This is an introductory course in healthcare finance. It starts by describing the financial function and its organization for different healthcare provider types in the US. This includes a review of payment methodologies and general regulations affecting reimbursement in a value-based healthcare environment. The course continues studying topics of relevance in healthcare such as revenue cycle, management and financing of working capital, resource allocation, capital budgeting, and strategic financial planning. The course concludes with a review of financial performance metrics used in a hospital setting and capital investment analysis approaches. Case studies will be used throughout the course. At the completion of this course students will be able to:

- Understand the organization and management of the finance function in different healthcare operation types.
- Explain unique processes involved in managing the revenue cycle and capital investments for the case of healthcare services.
- Apply different metrics to evaluate financial performance in hospitals and clinics, and provide recommendations on the financial feasibility of healthcare-related investment proposals.
- Apply population health analytics to complete strategic budgets and long-term financial plans for healthcare operations.

Note: the syllabus and calendar are subject to change; any updates will be posted accordingly
Pre-requisites

Econ 3310- Managerial Economics
QMB 3301- Quantitative Methods in Business, or equivalent statistics course
FIN 3310- Business Finance


Course Outline

1. The financial function in healthcare operations
   a. Organization and allocation of resources for different healthcare organization types
   b. Healthcare legislation review and current reporting requirements
   c. Factors determining tax status of healthcare organizations

2. Operating revenue
   a. Third-party payment and challenges for reimbursement control
   b. Federal and state public insurance programs
   c. Cost accounting

3. Revenue cycle and the continuum of care
   a. Managing working capital
   b. Managing revenue cycle
   c. Managing materials

4. Resource allocation
   a. Strategic and operational planning
   b. Budgeting
   c. Capital budgeting

5. Performance metrics and investment analysis in healthcare operations
   a. Common financial metrics used in healthcare
   b. Financial feasibility of healthcare investment proposals
   c. Trend analysis and applications in financial performance
   d. Population health analytics and applications in healthcare finance
Course Calendar

Below is the tentative calendar of topics to be covered. Note that these are start dates for covering a specific topic.

<table>
<thead>
<tr>
<th>Topic</th>
<th>Target Dates</th>
<th>Text Readings</th>
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<tbody>
<tr>
<td>Introduction</td>
<td>6/3/2019</td>
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<tr>
<td>Healthcare Reform</td>
<td>6/3/2019</td>
<td>Chapters 1-3</td>
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<tr>
<td>Financial Management</td>
<td>6/4/2019</td>
<td>Chapter 4</td>
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<td></td>
<td>6/5/2019</td>
<td>Chapter 5</td>
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<td>6/6/2019</td>
<td>Chapter 6</td>
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<td>Operating Revenue</td>
<td>6/10/2019</td>
<td>Chapter 7</td>
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<td>6/11/2019</td>
<td>Chapter 8</td>
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<td>6/12/2019</td>
<td>Chapter 9-10</td>
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<tr>
<td><strong>Midterm Exam 1</strong></td>
<td>6/13/2019</td>
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<td>Working Capital</td>
<td>6/17/2019</td>
<td>Chapter 11</td>
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<td>6/18/2019</td>
<td>Chapter 12</td>
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<td>6/19/2019</td>
<td>Chapter 13-14</td>
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<td><strong>Midterm Exam 2</strong></td>
<td>6/20/2019</td>
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<td>Resource Allocation</td>
<td>6/24/2019</td>
<td>Chapter 15</td>
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<td>6/25/2019</td>
<td>Chapter 16</td>
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<td>6/26/2019</td>
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<tr>
<td><strong>Final Exam</strong></td>
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The course aims at fostering these *UTEP/EDGE* skills:

- **Leadership**: Step up, think, and act critically and creatively to bring others together to accomplish a common task.
- **Problem Solving**: Find solutions to difficult or complex issues.
- **Communication**: Reach mutual understanding through effective exchange of information, ideas, and feelings.
- **Critical Thinking**: Analyze and evaluate issues in order to solve problems and develop informed opinions.
- **Teamwork**: Participate as an effective, efficient member of a group in order to meet a common goal.
Course Expectations

Students are expected to participate actively in class discussions and demonstrate the scholarship appropriate in university level academics. Timely completion of all written assignments, tests, and presentations is required. Unless otherwise specified, all assignments are individual and students are expected to produce original work and complete it providing proper references if required.

Course Policy

Please follow these “etiquette” points that will make for a productive learning experience:

a. If students cannot attend class, they should inform the TA ahead of time. Attendance is required for this course according to COBA policy, but not mandatory. In case of an absence, it is the student’s responsibility to secure all lecture materials and topics covered during class.

b. The use of personal computers in class is allowed as these are considered tools for better in-class learning and class participation. For example, students will be asked to research online statistics and health finance news on a real-time basis. Also, students will be requested to complete online exercises and quizzes using Blackboard’s iClicker. However, students are requested to avoid using any electronic device during guest speaker presentations. Cell phones are permitted always, but students are asked to take phone calls outside the classroom.

c. Students MUST read the assigned text book chapters and additional readings before coming to class and should be prepared for class discussions.

d. Students should not engage in unnecessary side conversations because it is disrespectful to the instructor, guest speakers, and other students.

e. Students are allowed to bring food or drinks to class, but are asked to be quiet and clean up after class.

f. Students must complete all assignments by the due date. Homework will be completed online via Blackboard.

g. Cheating or plagiarism is considered a serious violation of the University’s policies and will not be tolerated. For more information on plagiarism please refer to the Student Code of Conduct.
Student Grading Criteria

Student performance will be evaluated based on:

1) Student group case presentations (worth 20% of grade);
2) Student’s group peer evaluation (worth up to 5% of final grade);
3) Weekly exercises (worth 15% of grade)
4) Exam1 - multiple-choice and short answer - (worth 15% of grade);
5) Exam2 - multiple-choice and short answer - (worth 20% of grade);
6) Final exam - multiple-choice and short answer - (worth 25% of grade).

- 90 or above = A
- 80 – 89 = B
- 70 – 79 = C
- 60 – 69 = D
- Below 60 = F

Student group presentation – In the News. In addition to participating in class discussion, students will be asked to do at least one presentation called “In the News”. This is a 3-minute, student-led, presentation of a current event relevant to the topic to be dealt in class. For example, when dealing with the topic of performance metrics a student group might select to discuss the impact of new legislation on hospital reimbursements. This presentation is given at the beginning of class and the calendar and student assignment of these presentations will be distributed after the first week of class.

Student group case discussion. Students groups will be asked to review and analyze several case studies in healthcare finance. Students are expected to provide answers to specific questions from the case, or provide general recommendations. Each student group will present their findings in class, using appropriate PPT slides, and taking no more than 10 minutes.

Withdrawing from class

Students are asked to review the UTEP academic calendar for deadlines if considering withdrawing from class. Please contact the class TA to notify of your decision.
Students with Disabilities

The Center for Accommodations and Support Services (CASS) aspires to provide students with disabilities, accommodations and support services to help them pursue their academic, graduation, and career goals. If you have a disability and believe you may need services, you are encouraged to contact the center to discuss your needs with a counselor. All discussions and documentation are kept confidential. Contact: Monday thru Friday 8:00a.m.-5:00p.m. Phone: (915) 747-5148. Location: Union Building East Room 106. E-mail: cass@utep.edu

Course Resources

All presentations and assignments will be posted on Blackboard. We will use this tool to post announcements and respond student questions.