

# **PAD 5935-02: Health Care Finance Spring 2003**

## **Instructor**

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## **Teaching Assistant**

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## **Class Information**

Time: 5:15-8:00 p.m., Wednesdays

Location: Innovation Park, 2035 E. Paul Dirac Drive, Morgan Building

## **Course Goal**

By the end of the course, the student will have a clear understanding of the financial structure and market forces in the health care system and should have the financial tools and methodologies to analyze the health care system.

## **Course Description**

This course will provide a comprehensive overview of the financial structure, market forces, controls and techniques used in the health care financial management and the perspectives of the various interest groups involved (providers, insurers, policy makers, patients and the general public). It will also provide students with a foundation in the use of financial tools and methodologies that will enable them to better understand the health care financial literature and perform effective analysis within the health care system on an as needed basis.

This course will provide students with both a macro overview of the principal financial mechanisms in place across the U. S. health care industry and specific

insights into the critical issues the industry currently faces. Additionally, the course will emphasize the development of practical financial analysis skills that will provide students with a foundation for immediate application within the health care industry and a better understanding of course materials as presented. Training in use of these tools will include use of several of the most important financial tools and methodologies employed across the health care industry such as benefit/cost and cost effectiveness analysis, ratio analysis and others.

### **Course Requirements**

This class is intended as an interactive dialogue. The students are full partners in this class and are expected to participate fully in dialogue, policy analysis, raising key issues and questions, sharing personal experiences and challenging assumptions. Students are expected to add creatively to assigned materials and share their insights and generally enable a rich two-way flow of ideas during class. The class will require all students to attend and participate in all class sessions, complete all readings and homework assignments and complete course exams. Students will also participate in a team case study evaluation of a current health care finance issue.

### **Team Research Project**

Students will critique and analyze a current health care finance issue using the tools acquired in class and from their own experiences. They will then develop and present their financial analysis and final recommended solutions with copies for all members of class to share and evaluate, based on the materials covered in class. Class teams (composed of four or five members) and issues will either be voluntarily developed by class members or will be assigned.

### **Course Grading**

The final course grade will consist of four components:

1. Class Participation 20%
2. Midterm Exam 20%
3. Final Exam 20%
4. Team Research Project 40%

### **Text Readings**

Cleverley, William O. *Essentials of Health Care Finance*. Fourth Edition. Aspen Publications, 1997.

Eastaugh, Steven R. *Health Care Finance: Cost, Productivity, & Strategic Design*. Aspen Publications, 1998.

Florida Hospital Association. *FHA eye on the Market: Healthcare in the Sunshine State*, 1998. Twelfth Edition.

## **Course Web Page**

A course web page has been developed to provide you information. There is a "Communications" link on the page which will link you to both a class mailing list and a discussion board where you can post questions. In order to access the "Communications" features, you will need the User Name and Password.

**Contact the teaching assistant if you have lost the student User Name and Password.**

The web page address is: pad5935-02.sp03.fsu.edu

## **Schedule**

### **1/8/03 Introduction**

- FHA, p. 1-80

### **1/15/03 Physicians**

- Eastaugh, Chapter 3 "Paying the Doctor"
- Cleverly, p. 174-177
- FHA, p. 169-185

### **1/22/03 Hospitals**

- Eastaugh, Ch. 10 "Tax Exempt and For Profit Systems"
- Ch. 11 "Evaluation of Financing Alternatives"
- FHA, p. 135-168

### **1/29/03 HMOs**

- Eastaugh, Ch. 8 "HMOs, Competition, and Managed Care"
- FHA, p. 81-96
- Cleverly, p. 49-70

### **2/5/03 Insurance, Underinsured and Publicly Subsidized Programs**

- FHA, p. 97-13

### **2/12/03 Long Term Care**

- Eastaugh, Ch. 9 "Long-Term Care: Issues and Options"
- Cleverly, p. 167-173

### **2/19/03 Exam**

- Midterm Exam

### **2/26/03 Costs and Benefit/Cost Analysis**

- Cleverly, Ch. 10 "Cost Concepts and Decision Making"

### **3/5/03 Benefit/Cost Analysis**

- Eastaugh, Ch. 1. "Payment Incentives, Integrated Systems, and Cost Management"
- Eastaugh, Ch. 4 "Cost-Effectiveness and Cost-Benefit Analysis"

### **3/12/03 No Class due to Spring Break Holiday**

### **3/19/03 Cost Effectiveness and Benefit/Cost Analysis**

- Eastaugh, Ch. 4 "Cost-Effectiveness and Cost-Benefit Analysis"
- Cleverly, Ch. 4 "General Principles of Accounting"

### **3/26/03 Financial Statements and Ratio Analysis**

- Cleverly, Ch. 5 "Financial Statements"

### **4/2/03 Financial Ratio Analysis**

- Cleverly, Ch. 7 "Analyzing Financial Statements"
- Eastaugh, p. 224-229

**4/9/03**

**4/16/03**

**4/23/03 Presentations**

**4/30/03 Final Exam**

### **ADA Requirements**

Students with disabilities needing academic accommodations should:

1. Register with and provide documentation to the Student Disability Resource Center (SDRC).
2. Bring a letter to the instructor from the SDRC indicating you need academic accommodations. **This should be done within the first week of class.**

(This syllabus and other class materials are available in alternative format upon request.)

For more information about services available to FSU students with disabilities, contact the Assistant Dean of Students: [sdrc@admin.fsu.edu](mailto:sdrc@admin.fsu.edu), [Disabled Student Services](#), 08 Kellum Hall, Florida State University, Tallahassee, FL 32306-4066, (850) 644-9566.

### **Honor Code**

Students are expected to uphold the Academic Honor Code. The Academic Honor System of The Florida State University is based on the premise that each student has the responsibility to:

1. Uphold the highest standards of academic integrity in the student's own work,
2. Refuse to tolerate violations of academic integrity in the University community, and
3. Foster a high sense of integrity and social responsibility on the part of the University community.