

**Rutgers, The State University of New Jersey**  
*School of Public Affairs and Administration*

**Health Care Finance 20:834:584**  
**Spring 2015**

(as of December 1, 2014, SUBJECT TO CHANGE)

Class Location: Room TBA, Center for Urban and Public Service,  
111 Washington Avenue, Newark, NJ 07102

Class Dates: Tuesdays, January 20 to May 5  
Class Times: 5:30 p.m. to 8:10 p.m.

Instructor: Mark E. Hopkins E-mail: [mark.hopkins@rutgers.edu](mailto:mark.hopkins@rutgers.edu)  
Office Hours: By appointment

Course Description: A thorough overview of financial management principals of one of the most complex and evolving industries: health care. Not an accounting course but rather intended to give students the building blocks for understanding the multiple sources of revenues and varied expenses of health care organizations. The class will be focused largely on hospitals but will also include skilled nursing facilities, physician practices, federally qualified health centers and home health agencies. Students will come away with an understanding of healthcare organization cost centers, governmental and third-party reimbursement mechanisms, financial planning, capital financing and understanding financial statements and key financial indicators. There are no formal pre-requisites for this course but previous courses in accounting, budgeting or finance would be beneficial.

Suitable for: Individuals working for or seeking to work in management of health care organizations such as hospitals, skilled nursing facilities, physician practice groups, federally qualified health centers as well as health insurance companies, accountable care organizations and health care policy and decision-makers in government at the local, state or federal level.

Required Text: Cleverly, W., Song, P., Cleverly, J., *Essentials of Health Care Finance, 7<sup>th</sup> Edition* (2011), Jones & Bartlett Learning, Sudbury, MA. Available at Rutgers Bookstore and on Amazon.com.

Additional Required Reading: Chapter 6 – Hospital Economics 101, New Jersey Commission on Rationalizing Health Care Resources (2008).

Brill, S., “Bitter Pill: Why Medical Bills Are Killing Us” *Time*, March 4, 2013.

Berenson, R. & Docteur, E., “Doing Better by Doing Less: Approaches to Tackle Overuse of Services,” Urban Institute, January 2013.

Zuckerman, S. & Holahan, J., “Despite Criticism, The Affordable Care Act Does Much to Contain Health Care Costs,” Urban Institute Health Policy Center, October 2012.

Suggested Reading: Gawande, A., "Annals of Medicine, The Cost Conundrum," *The New Yorker*, June 1, 2009.

Others articles might be added.

Grading Criteria:	Class Attendance, including preparedness and undivided attention	15%
	Class Participation	10%
	Mid-Term Exam	35%
	Final Exam	40%

Students are expected to attend every class. Attendance includes being on-time, staying for the entire class, being prepared by doing the assigned reading sufficient to respond credibly when called upon. Undivided attention means listening to the lecture and discussion, in other words no texting, e-mailing, social networking, phoning, web surfing, or talking, reading or writing on any other subject during class. Participation means demonstrated critical thinking by actively participating in class discussions and asking questions.

Grades are assigned based on the total points from Class Attendance, Class Preparation and Mid-Term Exam and Final Exam (exams will be curved based on the highest grade). The totals in each category will be multiplied by the percentage noted above in "Grading Criteria." The final letter grade assigned will be based on the total points, as follows:

- A** for scores of 90 to 100 points
- B+** for scores of 85 to 89 points
- B** for scores of 80 to 84 points
- C+** for scores 75 to 79 points
- C** for scores of 70 to 74 points
- F** for scores less than 70 points

### **Academic Integrity**

Students are expected to strictly adhere to the Rutgers University Academic Integrity Policy which can be found at [http://academicintegrity.rutgers.edu/files/documents/AI\\_Policy\\_9\\_01\\_2011.pdf](http://academicintegrity.rutgers.edu/files/documents/AI_Policy_9_01_2011.pdf).

## **Class Topics and Readings (Subject to Change)**

(as of December 1, 2014, SUBJECT TO CHANGE)

- Session 1:** Introduction and Overview of Course  
Tuesday  
January 20  
*Essentials of Health Care Finance – Chapter 8* “General Principals of Accounting,” and familiarize yourself with the terms in the Glossary.
- Session 2:** *Essentials of Health Care Finance - Chapter 1* “Financial Information and the Decision Making Process” and Guest Lecturer: Stephen Fillebrown  
Tuesday  
January 27  
– Calculating and Understanding Hospital Financial Ratios, and  
Guest Lecturer: Elizabeth Wood – Medicare & Medicaid Dual Eligibility.
- Session 3:** *Essentials of Health Care Finance - Chapter 9* “Financial Statements.”  
Tuesday  
February 3
- Session 4:** *Essentials of Health Care Finance – Chapter 2* “Billing and Coding for Health Services.”  
Tuesday  
February 10
- Session 5:** *Essentials of Health Care Finance – Chapter 3* “Financial Environment of Healthcare Organizations.”  
Tuesday  
February 17
- Session 6:** *Essentials of Health Care Finance – Chapter 4* “Legal and Regulatory Environment.”  
Tuesday  
February 24
- Session 7:** *Essentials of Health Care Finance - Chapter 5* “Measuring Community Benefit.”  
Tuesday  
March 3
- Session 8: MID-TERM EXAM**  
Tuesday  
March 10
- SPRING BREAK – MARCH 14 TO 22**
- Session 9:** *Essentials of Health Care Finance - Chapter 6* “Revenue Determination.”  
Tuesday  
March 24
- Session 10:** *Essentials of Health Care Finance - Chapter 7* - “Health Insurance and Managed Care.”  
Tuesday  
March 31
- Session 11:** Final Report of the New Jersey Commission on Rationalizing Health Care Resources- Chapter 6 “Hospital Economics 101” and  
Tuesday  
April 7  
Brill, S., “Bitter Pill: Why Medical Bills Are Killing Us” *Time*, March 4, 2013.

**Session 12:** *Essentials of Health Care Finance* – **Chapter 11** “Analyzing Financial Position,” and **Chapter 13** “Strategic Financial Planning.”  
Tuesday  
April 14

**Session 13:** *Essentials of Health Care Finance* – **Chapter 16** “Management Control Process” and **Chapter 21** “Capital Formation.”  
Tuesday  
April 21

**Session 14:** *Essentials of Health Care Finance* – **Chapter 22** “Working Capital and Cash Management” and **Chapter 23** “Developing the Cash Budget”  
Tuesday  
April 28

**Session 15:** Lecture - Overview of the Patient Protection and Affordable Care Act  
Tuesday  
May 5  
Berenson, R. & Docteur, E., “Doing Better by Doing Less: Approaches to Tackle Overuse of Services,” Urban Institute, January 2013.  
Zuckerman, S. & Holahan, J., “Despite Criticism, The Affordable Care Act Does Much to Contain Health Care Costs,” Urban Institute Health Policy Center, October 2012.

**Session 16:** **FINAL EXAM**  
Tuesday  
May 12