

The prerequisite for this course sequence is HS 132, "Financial and Managerial Accounting for Health Services Organizations," or equivalent. Financial theory also draws upon microeconomic concepts presented in HS 236, "Microeconomic Theory of the Health Sector," or equivalent

Textbook, Readings, and Class Participation

The required text for HS 436 and HS 450 is:

Zelman, WN, MJ McCue, and AR Millikan, *Financial Management of Health Care Organizations*, Malden, Mass.: Blackwell, 1998.

Additional readings and cases will be passed out at or prior to the session before they are discussed.

Class participation is an essential part of the learning experience in these courses. To allow broad participation in class discussions, students should complete assigned readings before class. Students will also discuss their case analyses in class, and each group will formally present its business plan. In addition, guest lecturers from a wide range of backgrounds will present in their areas of expertise, and material will be covered in class that is not covered in the textbooks.

Business Plan Project

The major project for the four integrated courses (436, 433, 445, 450) is a comprehensive, detailed business plan for a health care organization. This project must be done in a group consisting of 3-4 persons, including at least one clinician and one non-clinician per group. Instructor will act as "business advisors" to the groups.

Below are example health care business areas in which groups might choose to develop business plans:

Wholesale distribution (Supplies, Pharmaceuticals)	Hospital
Pharmaceutical development & sales/CRO	Managed Care Organization
Medical devices/Manufacturing/Diagnostics/Implants	Surgery/Ambulatory centers
Information systems/Software	Facility-based long term care (SNF, Nursing home)
Business & consulting services	Home health care
MSO/Practice management	
Medical group/IPA	

Several deliverables (described below under "Grading") will be required over the two quarters, culminating in a written business plan and formal presentation to the class and instructors. A description of requirements for the business plan and intermediate deliverables will be passed out in class.

The business plan will be linked to deliverables in HS 433 and HS 445. Specifically, each group's management strategy analysis will be its final paper for HS 433, and its marketing plan will be the final paper for HS 445.

Grading

Grades will be assigned based on class participation and performance on the assignments, as follows:

Assignment	% of HS 436 Grade	Date Due
Class participation (individual)	15%	Sessions 1-7
Accounting review assignment	10%	Session 2
Budgeting assignment	20%	Session 4
Managerial accounting assignment	15%	Session 5
Draft business plan (group)	30%	Session 6
Time value of money assignment	10%	Session 7
Ratio analysis	15% (for HS-450 grade)	Session 1-Winter Quarter, Jan 4
Valuation	15% (for HS-450 grade)	Session 2- Winter Quarter, Jan 11

Grading notes:

1. Be prepared to discuss each case in class, including ones for which you do not turn in a written analysis.
2. The written case analysis is required to be turned in at the start of the class session when the case is discussed. If you do not have the written analysis for a case prepared, and plan to turn it in late, please do not come to class until the discussion of that case has concluded.
3. Group discussions to prepare for case presentations will improve the quality of your analyses. However, the written report you turn in must be your own work. Students who turn in identical assignments will each receive zero credit for that assignment.
4. If you are unable to turn in an assignment when it is due, please contact an instructor as soon as possible. Credit may be deducted from the grade for an assignment that is turned in late.

Sessions, Topics, and Assigned Readings

HS 436—Fall 2001

Session	Date	Topics	Chapters & Readings
1	20 September	Introduction and course overview Accounting review Accounting in health care organizations	Zelman: 1, 2, 3
2	4 October	Budgeting	Zelman: 10
3*	11 October	Managerial & Cost accounting	Zelman: 9, 12
4	25 October	Billing and Revenue Management	Handouts
5	8 November	Activity Based Costing	Handouts
6	30 November	Time value of money/ Business Plans	Zelman: 6 Business Plan draft due
7	14 December	Valuation / Ratio analysis	Zelman: 4 Handouts

* indicates 2nd of two back-to-back weekends

