**Module 1: Introduction to health care finance**

* **Introduction to the US health care system** 
  + Describe common characteristics of the US health care system
* **The business of health care** 
  + How do we know health care is a business?
  + Understand the similarities and differences in health care to other business
  + Understand the common ownership forms of HCO, be able to list examples in the local area, discuss advantages of each, disadvantages of each
  + Understand the NFP organization and explain the importance of community benefits of tax-exempt status
  + Understand how health care is different from a charity
* **Introduction to health care finance** 
  + What is financial management
  + Describe 4 C’s of finance
  + What are the key positions in finance
  + Describe 5 pillars of financial practice
* **Reimbursement mechanisms** 
  + Understand common reimbursement mechanisms/risk/incentives

**Book Chapters**

* Introduction: Health care and finance
* Chapter 1: Financial Management in Health Care Organizations

**PowerPoint lectures**

**Watch**

* Module 1.1 = Slides 1-6, 12
* Module 1.2 = All
* Module 1.3 = 1-3, 5, 10
* Module 1.4 = All

**Additional links by topic**

**Topic: Introduction to health care finance**

* Video: [**Finance for non-financial managers**](https://www.youtube.com/watch?v=f-o4BDEResc)

**Topic: Business of healthcare**

* Woolhandler, S., Campbell, T., & Himmelstein, D. U. (2003). Costs of health care administration in the United States and Canada. *New England Journal of Medicine*, *349*(8), 768-775.
* [What is the business of health care?](https://hbr.org/2012/09/what-is-the-business-of-health/)
* [Patient loyalty](http://businessoverbroadway.com/improve-the-patient-experience-to-increase-patient-loyalty)

**Topic: Contractual allowances**

* [Hospital contractual allowances are trending upward, latest research shows](http://managedhealthcareexecutive.modernmedicine.com/managed-healthcare-executive/news/clinical/pharmacy/hospital-contractual-allowances-are-trending-upw)
* [IRS issues IDD on contractual allowance issues in the healthcare industry](http://www.thefreelibrary.com/IRS+issues+IDD+on+contractual+allowance+issues+in+the+health+care...-a0173150625)

**Topic: Ownership conversion**

* Robinson, James C. (2000). Capital finance and ownership conversions in health care. *Health Affairs,* 19(1), 56-71

**Positions in finance**

* Jha, Ashish and Epstein Arnold (2012). Governance around quality of care at hospitals that disproportionately care for black patients. *J Gen Intern Med,* 27(3), 297-303
* [Legal duties and avoiding liability: A nonprofit board member primer](http://www.trusteemag.com/articles/662?dcrPath=/templatedata/HF_Common/NewsArticle/data/TRU/WebExclusives/2013/webexclusive0613legalduties)
* [Generations in the workplace: new blood for your board](http://www.hhnmag.com/articles/5921-generations-in-the-workplace-new-blood-for-your-board?dcrPath=/templatedata/HF_Common/NewsArticle/data/HHN/Magazine/2013/Jul/0713HHN_Feature_boardissues)

**Topic: US Healthcare system**

* Starfield, Barbara (2000). Is US health really the best in the world? *JAMA,* 284(4), 483-485.
* Video: [Why does hc cost so much?](https://www.youtube.com/watch?v=4ZRgVQALFUA)
* [Aging not overwhelming driver of higher healthcare spending as thought](http://www.healthcarefinancenews.com/news/aging-not-overwhelming-driver-higher-healthcare-spending-thought)
* [Comparing the US and the Canadian health care system](http://www.nber.org/bah/fall07/w13429.html)
* Video: [Remote Area Medical: Serving the Underserved](https://www.youtube.com/watch?v=st5mo4siHJ8)
* [Bitter Pill: Why Medical Bills are Killing Us](http://www.uta.edu/faculty/story/2311/Misc/2013,2,26,MedicalCostsDemandAndGreed.pdf)
* [Defensive Medicine: A cure worse than the disease](http://www.forbes.com/sites/realspin/2013/08/27/defensive-medicine-a-cure-worse-than-the-disease/#36b9f1f9358f)

**Topic: CEO pay**

* Video: [Insurance executives’ pay targeted in health-care reform](https://youtu.be/u-cDk-GFoFM)
* [Why are hospital CEOs paid so well?](http://www.theatlantic.com/health/archive/2013/10/why-are-hospital-ceos-paid-so-well/280604/)
* [48 statistics on for-profit hospital operator executive](http://www.beckershospitalreview.com/compensation-issues/48-statistics-on-for-profit-hospital-operator-executive-compensation.html)
* [Hospital CEO pay and incentives](https://www.youtube.com/watch?v=st5mo4siHJ8)
* [Hospital CEO pay has some ill at ease](http://www.ajc.com/news/news/local/hospital-ceo-pay-has-some-ill-at-ease/nQwyX/)
* [Hospital CEO bonuses reward volume and growth](http://khn.org/news/hospital-ceo-compensation-mainbar/)

**Topic: Tax exempt status:**

* [Growing tax breaks for nonprofit hospitals questioned](http://www.modernhealthcare.com/article/20150620/MAGAZINE/306209968)
* [Tax exempt hospitals spend just as much on charity care as for-profits](https://www.washingtonpost.com/news/to-your-health/wp/2015/08/04/tax-exempt-hospitals-spend-just-as-much-on-charity-care-as-for-profits-study-finds/)

**Topic: Medical bankruptcy**

* Himmelstein, David, Thorne, Deborah, Warren, Elizabeth and Woolandler, Steffie. (2009). Medical Bankruptcy in the United States, 2007: Results of a National Study. *The American Journal of Medicine,* 122, 741-746.
* [Medical bills prompt more than 60% of U.S. bankruptcies.](http://www.cnn.com/2009/HEALTH/06/05/bankruptcy.medical.bills/)
* [Nerd Wallet finds medical bankruptcy accounts for majority of personal bankruptcies](http://www.nerdwallet.com/blog/health/personal-health-finance/medical-bankruptcy/)
* [Medical bills are the biggest cause of U.S. Bankruptcies](http://www.cnbc.com/id/100840148)
* Video: [Meet Margaret: We’re bankrupt because of our medical bills](https://www.youtube.com/watch?v=HZ-9oeY_ibE&feature=youtu.be&t)

**Topic: FP /NFP or Public/Private**

* Video: [Difference between NFP and FP](https://www.powtoon.com/online-presentation/bM3zFvJyshK/trial-nfpvfp/)
* Video: [Can US achieve meaningful healthcare reform within for-profit system?](https://www.youtube.com/watch?v=bPeH536C-NQ)
* [A healthy bottom line: Profits or people?](https://www.scu.edu/ethics/publications/iie/v1n4/healthy.html)
* [For profit health care: Good for insurers, bad for Americans](http://seekingalpha.com/article/160194-for-profit-healthcare-good-for-insurers-bad-for-americans)
* [For profit health care companies: trends and issues – fact sheet](http://kff.org/health-costs/poll-finding/for-profit-health-care-companies-trends-and/)
* Video: [Nurses challenge NFP hospitals on charity care](https://www.youtube.com/watch?v=db9fEEQxO0o&feature=youtu.be)
* Horwitz, Jill R. (2005). Making Profits And Providing Care: Comparing Nonprofit, For-Profit, And Government Hospitals. *Health Affairs,* May/June, 790-801.
* [The role of NFP in health care: a trends summary](https://nonprofitquarterly.org/2014/02/07/the-role-of-nonprofits-in-health-care-a-trends-summary/)
* [Public health versus private health](http://scriptamus.wordpress.com/2009/11/23/public-health-versus-private-health-the-coming-battle-1-the-difference-has-little-to-do-with-government-and-the-private-sector/): The coming battle
* [Hospital performance differences by ownership](http://100tophospitals.com/portals/2/assets/HOSP_12678_0513_100TopHopPerfOwnershipPaper_RB_WEB.pdf)
* Yuan, Xiaoli, Lopez, Dennis, and Forgione, Dana (2012). An empirical investigation of audit fees in the US for-profit healthcare sector. *J of Public budgeting, accounting, and financial management,* 24(4), 639-959.
* Mays, Glen P., Scutchfield, F.D., Bhandari, M.W., and Smith, S.A. (2010). Understanding the organization of public health delivery systems: An empirical typology. *Milbank Quarterly,*
* Video: [Public health care: How can we sustain it?](https://www.youtube.com/watch?v=gAdjhTq1GG0)

**Assignments = TBD**

* Ownership of hospital: Using the internet, discover the type of ownership for each hospital in your area.
* Write a report describing how well you think the CEO of a local hospital is doing. Use these websites to help you
  + [How does the CEO earn his bonus? At most hospitals, it’s hard to know](http://khn.org/news/hospital-ceo-sidebar-earn-bonus/)
  + [Chart: Hospital CEO Pay and incentives](http://khn.org/news/hospital-ceo-compensation-chart/)
  + [Some top hospitals shun CEO Bonus pay](http://khn.org/news/hospital-ceo-sidebar-some-shun-bonus/)
  + [Hospital CEO bonuses reward volume and growth](http://khn.org/news/hospital-ceo-compensation-mainbar/)
* Bank on it: <http://bankonitgame.com/>
* Financial matters: <http://www.themintgrad.org/try-it/financial-matters-quiz/>
* The Mint grad: <http://www.themintgrad.org/try-it/financial-matters-quiz/>
* CAT: Coca-Cola funds scientists who shift blame for obesity
* Learn more about health care financial management
* Understanding financial departments
* Health care system in distress
* Paper Analysis: Collins, SR, Gray, BH, and Hadley, Jack (2001). The for-profit conversion of nonprofit hospitals in the US health care system: eight case studies, *The commonwealth fund,* Retrieved from <http://www.commonwealthfund.org/~/media/files/publications/fund-report/2001/may/the-for-profit-conversion-of-nonprofit-hospitals-in-the-u-s--health-care-system--eight-case-studies/collins_convstudies_455-pdf.pdf>