

PPD 510B: FINANCIAL MANAGEMENT OF HEALTH SERVICES

Spring 2021, Zoom, 2-units



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The mission of the USC Sol Price School of Public Policy is to improve the quality of life for people and their communities, here and abroad. We achieve this mission through education and research that promote innovative solutions to the most critical issues facing society.

Accomplishing our mission requires that we build a culture that reinforces the ethical framework within which we make decisions. Key to establishing that culture is embracing values that guide our actions. As members of the USC community we will: *Act with **integrity** in the pursuit of **excellence**. Embrace **diversity, equality and inclusion** and promote **well-being**. Engage in **open communication** and be **accountable** for living our values.*

My goal for this class and every class I teach is to prepare you to get a great job and have a successful career in healthcare. This is not a theoretical class. I've worked in healthcare financial management for over a decade in several different segments of the healthcare industry. We will discuss the real-life challenges that I and other leaders face in healthcare finance while trying to deliver great patientcare, keep costs down and keep patients out of the hospital.

Class Dates & Times	
Thursday Evenings	6:00 p.m. – 7:50 p.m.

COURSE DESCRIPTION

- **516:** Financial Accounting for Health Care Organizations: Accounting as a management tool; accounting systems; basic accounting concepts and procedures; budgets; financial statements.
- **510a:** Accounting principles, financial reports, managerial finance, financial planning, capital investments, working capital analysis; elements of budgeting and reimbursement; performance standards; reporting; developing a management system.
- **510b:** Changing practices, emerging issues, strategies and innovations in financial planning, management, and regulation; federal and state policies and requirements.

We will use the knowledge from 516 and 510a to dive deeper into healthcare finance. This course covers the payer mix and the differences of managing in the worlds of fee-for-service, capitation and hybrid financial models. We'll compare those models to managing with government payer types and then look at how the Accountable Care Act has done in its first decade. We'll look at the complexity of billing and coding and dissect why it is so hard for clinicians to do this successfully. The course will look at how technology and artificial intelligence is changing healthcare – the good, the bad and the scary. Financial executives, including at least one CFO will join us to describe what keeps them up at night and what excites them about the future of finance. While we learn finance, I will teach students how to present, run meetings and differentiate themselves from their peers to excel in their healthcare careers.

This class is run like a business, rather than a classroom to help students crush it when they get the healthcare job of their dreams! Lectures and case studies will be incorporated to provide a basic understanding of these topics and to provide a common language and approach to the financial issues that healthcare organizations must address to be successful.

LEARNING OBJECTIVES

- Using Bloom's Taxonomy in developing course learning objectives.

Course Learning Objectives	Cognitive / Affective	Level
1. Given the challenges in this highly evolving and competitive business, use the tools and techniques necessary to ensure that healthcare executives understand how the mission and vision of healthcare organizations can be fulfilled through sound business principles and practices.	Affective	Organizing
2. Demonstrate an ability to apply a common language critical for financial and non- financial managers, providers, and trustees of all types of healthcare organizations to be effective participants and leaders in understanding the principles of financial management.	Cognitive	Application
3. Expose students to contemporary financial issues facing healthcare organizations today and require the application of methodologies to support critical analysis and strategic decision making.	Cognitive	Syntheses

- There are three main domains of learning. These domains are *cognitive* (thinking), *affective* (emotion/feeling), and psychomotor (physical/kinesthetic).
 - The taxonomy of the Affective Domain used in this course is *Organizing*.
 - Organizing:** This refers to the learner's internalization of values and beliefs involving (1) the conceptualization of values; and (2) the organization of a value system. As values or beliefs become internalized, the learner organizes them according to priority.
 - Taxonomies of the Cognitive Domain used in this course are:
 - Application:** The ability to use learned material, or to implement material in new and concrete situations.
 - Synthesis:** The ability to put parts together to form a coherent or unique new whole.
- Graduates of the USC Price MHA program will demonstrate 15 core competencies, organized by 6 domains. The main purpose of this competency-based curriculum is to help faculty and students focus on the key knowledge, skills and abilities that students need to develop overall and within each course while they are enrolled in the MHA program so they can succeed in the workforce once they graduate.

The following competency levels indicate what is expected of students to achieve for the competencies this course emphasizes.

- Beginning (B)** - Recall facts and basic concepts and be able to explain their meaning.
- Intermediate (I)** - Integrate ideas and draw connections between them. Use information in new situations.
- Advanced (A)** - Justify a decision or position and produce new or original work.

MHA Competency	Level (B/I/A)	Course Objective(s)	Assessment Methods
Domain 1: Knowledge of Health Care Environment			
1.1 Apply complex concepts, develop creative and innovative solutions, and adapt previous solutions in new ways.	Beginning	1-2	Case Study, Presentations, Exams, Final Project

Domain 2: Critical Thinking and Analysis			
2.1 Demonstrate the ability to consider the business, demographic, ethnocultural, political, and regulatory implications of decisions, and to develop strategies that improve the long-term success and viability of the organization.	Intermediate	1-3	Case Study, Presentations, Exams, Final Project
Domain 3: Business and Management Knowledge			
3.1 Understand and use the formal and informal decision-making structures in healthcare organizations and the healthcare industry and demonstrate ability to analyze and improve an organization's processes.	Beginning	2-3	Case Study, Midterm, Final Exam, Peer Evaluation
Domain 4: Policy and Community Advocacy			
4.1 Align one's own and the organization's priorities with the needs and values of the community.	Beginning	2-3	Case Study, Peer Evaluation, Presentations
Domain 5: Communication			
5.1 Demonstrates the ability to persuade others to support a point of view, position, or recommendation, while assessing and responding to the feelings and concerns of others	Intermediate	1-3	Case Study, Peer Evaluation, Presentations
Domain 6: Leadership			
6.1 Understand how to establish a compelling organizational vision and goals for an organization	Advanced	1-2	Case Study, Peer Evaluation, Presentations

REQUIRED TEXT AND SUPPLEMENTARY MATERIAL

- Michael K. Harrington, *Health Care Finance and the Mechanics of Insurance and Reimbursement*, 2nd edition (Jones and Bartlett Learning, 2021)

COURSE REQUIREMENTS AND FINAL GRADE DETERMINATION

ASSIGNMENT	DUE DATE	% OF GRADE
Quizzes and Participation	Weekly	10%
Midterm	March 8, 2020	25%
Oral Presentations	April 19, 2020	15%
Group Project	April 19, 2020	25%
Final Exam	March 10, 2020	25%
TOTAL		100%

Class Preparation and Participation: Class discussions by all students contribute to the overall learning experience. The quality of these discussions is based upon each student's preparation prior to class and active engagement in the exchange of thoughts, concepts and ideas. This is even more true while class is online. Each student is expected to have completed all readings and assignments prior to each scheduled class. Full class attendance is expected. Attendance will count towards participation.

Presentation 1: This exercise will be a trial run to get ready for final project presentations. Providing and receiving feedback will be a graded part of the assignment. Critiques will be respectful but harsh to help prepare you for your final project and presenting in your career. Your presentations must be professional, polished and rehearsed. Your slides must be concise, visually pleasing and text must be in bullet format only. No paragraphs, pixelated images or fonts/colors that can't be read. The content is not as important as your execution for this assignment, but we will all use the same framework. Each student will get 5 minutes to present to the VP of finance on why your department came in over budget for the year. The parameters are very loose for this assignment on purpose. Presentations will be recorded. The final presentation rubric will be used for grading.

Final Project: You will be formed into groups representing executive officers in a consulting firm. You will name your firm and create a mission, a vision and set of core values for your company. Your group is required to work with a healthcare client of your choosing to analyze a critical financial issue facing the organization and then make strategic recommendations based on the concepts and tools you learn from this course. Your strategy should address financial risk analysis, decision points or financial and/or operational issues. The final work product should be well-organized and professional.

Executive Report: An executive report should be turned in to accompany your final project presentations. The report should include research, analysis and conclusions. It should stand on it's on, so I can use to grade your projects. In other words, I should be able to read it without your presentation (verbal or written) and understand the entire process. You only need one copy for each group. The executive report doesn't have to be a pages and pages of text, but it does need to document your process, show conclusions and be supported with data.

Team Project Grading Rubric

TEAM PROJECT	EXCEPTIONAL	SATISFACTORY	NEEDS IMPROVEMENT
Picked Interesting Problem to Solve ___/ 10 points	Grand slam - picked interesting and new problem to solve that will help overall health care and managed care.	Picked interesting problem that may not be new but is still important.	Problem is not new or interesting.
Relevance and alignment with mission and values. ___/ 10 points	Mission, Vision, Values and culture of company clear. Project relevant to class, managed care and health care overall.	Mission, Vision, Values somewhat clear. Project relevant to only class, managed care or health care but not all three.	Mission, Vision, Values not clear. Project not really relevant to class or health care.
Course Content ___/ 10 points	Project touches on many topics discussed in class and uses discussion to help solve problem.	Project touches on some of topics discussed in class and may or may not use discussion to help solve problem.	Project doesn't touch on class discussion and doesn't use content to help solve problem.
Project Process ___/ 10 points	Process clearly displayed – dissect problem, brainstorm many ideas, process to pick best solution, implementation plan, measure and adapt.	Process mostly displayed – dissect problem, brainstorm many ideas, process to pick best solution, implementation plan, measure and adapt.	Process not properly displayed, dis-organized or missing steps.
Creativity of Solution ___/ 10 points	Out of the box thinking to come up with a NEW solution that is creative but realistic – a new way to look at old ideas.	Mostly creative solution, may be a good idea but not new or a new way to solve.	Same old solutions and same old ideas.

Implementation Plan ___/ 10 points	Clear and well thought out implementation plan looking at all variables and stakeholders and completely realistic given resources available.	Mostly clear and realistic implementation plan looking at most variables and stakeholders given resources available.	Implementation plan not clear or very realistic considering resources available.
Metrics for Success and Adaptability ___/ 10 points	Clearly defined metrics to measure success of solution with plan to adapt/pivot to any gaps.	Mostly defined metrics to measure success of solution with some plans to adapt/pivot to gaps.	No clear measurement for success of your solution.
Executive Report			
Organization and Clarity of Thoughts ___/ 10 points	Executive report well organized and thoughts are clearly presented.	Executive report mostly organized, and thoughts are somewhat clearly presented.	Executive report disorganized and thoughts are sporadically presented.
Support, Efficiency, and Lack of Fluff ___/ 10 points	Ideas are completely supported with data, both internally and externally. Report is concise and only uses content needed – no fluff or excess material.	Ideas are mostly supported with data, both internally and externally. Report is mostly concise with little fluff or excess material.	Ideas have little or no support and contains flowery text not adding to main point.
Professionalism, Grammar, Spelling, Structure, File Nomenclature ___/ 10 points	Minimal or no errors; concisely written with names, date and files all names appropriately.	Several errors; somewhat concisely written with names, date and files all names appropriately.	Careless unprofessional writing with no names, date or names of files.

Final Presentation: The oral presentation of the financial project will be graded separately and should be given in a manner as if presenting to a corporate board or finance committee. You will be timed and critiqued in class. Giving and receiving feedback are both very important skills needed to be an effective leader. Giving and receiving feedback will be part of your grade and everyone will be expected to participate with constructive criticism. If you use PowerPoint slides, they must be to support your presentation only with minimum text and in bullet format - no paragraphs or staring at the screen for long periods of time. This means you have to practice and rehearse out loud. Learning how to present now will differentiate you from your peers. It is a skill that you will use for the rest of your careers no matter what your path.

Every person in a group should present and have equal airtime. You must be dressed professionally even if we are on Zoom. You must rehearse, be polished and stay within the allotted time for individuals and groups. The only way to stay within the time parameters is to rehearse.

Presentation Grading Rubric

PRESENTATION DELIVERY	EXCEPTIONAL	SATISFACTORY	NEEDS IMPROVEMENT
Good introduction to business problem being addressed – clear objectives ___/ 10 points	Grand slam, no question - objective and reason for presentation clear in first 30 seconds. In depth description of problem presented succinctly, focused and well-organized.	Objective and point of presentation mostly clear but may take a little longer to develop. Still captures audience’s attention. Basic description of problem presented; somewhat organized.	Objectives and topic of presentation not clear. Takes too long to develop. Little or no description of problem.

Organizational-logical progression; good transitions – topics and speakers ___/ 10 points	Information well organized and only pertinent material presented – no fluff or filler language. Smooth transitions between topics and speakers.	Information somewhat organized and mostly pertinent. Transitions of topics and people mostly smooth and coherent.	Information disorganized lacking focus and clarity. Transitions difficult to understand and follow.
Eye contact with audience ___/ 10 points	Constant eye contact with audience making them feel conversational and engaged. No reading from notes or slides unless reciting a direct quote.	Mostly makes eye contact and engages with audience. Some reading off notes and slides but still conversational with audience.	Sporadic eye contact but mostly reading from notes and slides.
Voice quality: tonality, volume, rate ___/ 10 points	Voice, tone and presence firm and loud, speech clear and understandable. Pace normal – not speaking too slow or too fast to meet time requirement.	Voice, tone and presence mostly firm and loud enough, speech still clear and understandable. Pace mostly normal.	Voice quality not clear, tone too soft or too low. Speech difficult to understand.
Enthusiasm ___/ 10 points	Overly enthusiastic and passionate about content. Infectious attitude causes audience to be just as passionate and engaged.	Somewhat enthusiastic and passionate about content causing audience to share in finding solution.	Lacks enthusiasm and passion on topic. Robotic or dry delivery.
Slides-quality and professional ___/ 10 points	Slides contain bullets or diagrams only – no paragraphs of text; graphics and images are easy to read, clean and not pixelated. Perfectly guides the audience without taking away from speaker.	Slides generally contain bullets or diagrams only and not too much text; graphics and images mostly easy to read, clean and not pixelated.	Slides too busy or contain too much text: graphics pixelated and difficult to read.
Subject Matter			
Alignment with mission and values; Speaker and audience’s roles are clear and appropriate ___/ 10 points	Mission, Vision, Values and culture of company clear and consistent in presentation. Roles of speaker and audience well-defined and aligned with M&V of company.	Mission, Vision, Values and culture of company somewhat clear. Basic roles of speaker and audience defined and aligned with M&V.	Mission, Vision, and Values not clear or content doesn’t match with culture of organization.
Demonstrated knowledge of topic; Right material in time allowed ___/ 10 points	Presenter speaks like subject matter expert and picks exactly the right information for the time allowed.	Presenter generally sounds like subject matter expert and mostly includes the right information for the time allowed.	Presenter doesn’t sound confident in material and doesn’t address all major issues in time allowed.
Timing			
Meeting time limit target ___/ 10 points	Speaker falls within 15 seconds over or under of time limit and talks in a normal voice and pace. The only way to accomplish this is to rehearse out loud.	Speaker falls within one minute over or under of time limit talking mostly in a normal voice and pace.	Speaker is over or under one minute of time limit.
Class Engagement			

Class engagement during and after ___/ 10 points	Audience and instructor completely engaged during and after presentation; Audience asks thought provoking questions and provides constructive feedback for presenter(s).	Audience and instructor mostly engaged during and after presentation; Audience asks questions and provides general feedback for presenter(s).	Audience not engaged during and after presentation. No questions or critique.
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Guidelines for All Written Work:

- All assignments should be submitted in pdf format.
- Make sure to keep a copy of all submitted work, especially papers.
- Submit all work to the assignment on Blackboard – if assignment isn't open, please email or text me to make available.
- All work should include name, date and files should be named something that makes sense and tells me who and what the work is without opening the file.

PPD 510B COURSE OUTLINE

WEEK	DATE	TOPIC	READINGS AND HOMEWORK
Week 1	Jan 21	Intro to Healthcare, Financial Management (Review)	Read: Ch.1,2
Week 2	Jan 28	Government Payer Types (Ch. 4 review)	Read: Ch.4,7
Week 3	Feb 4	Quiz 1 (Ch.4,7), Discuss Presentations, Culture, Mission, Values and Finance	Read: Ch.13 Hmk: Study for quiz
Week 4	Feb 11	Affordable Care Act, Financial Models – Value-Based, FFS, Capitation	Read: Ch.5
Week 5	Feb 18	Presentations and Critique	Hmk Due: Presentations
Week 6	Feb 25	Quiz 2 , Artificial Intelligence and Healthcare Finance	Hmk: Study for quiz
Week 7	Mar 4	Mid-Term Exam	
Week 8	Mar 11	Guest Speaker – What keeps the C-Suite up at night? Meet with Groups for final project	Read: Ch.9 Hmk: Final project ideas
Week 9	Mar 18	Managed Care and Payer Mix	Read: Ch.6
Week 10	Mar 25	Quiz 3 , Billing and Coding Effectively	Read: Ch.15,16 Hmk: Study for quiz
Week 11	Apr 1	Guest Speaker – Rev Ops, Advanced Revenue Cycle Management	Read: Ch.10 Hmk: Summary of capstone
Week 12	Apr 8	Electronic Medical Records and IT, Meet with Groups for final project	Read: Ch.12
Week 13	Apr 15	Quiz 4 , Guest Speaker – AI, Capstone Financial Modeling, Work on Final Projects	Hmk: Study for quiz
Week 14	Apr 22	Wellness Day	
Week 15	Apr 29	Final Projects and Presentations	Hmk Due: Final projects
Final Exam	May 6	Final Exam – 6:00 p.m. to 8:00 p.m.	

USC GRADING POLICY

GRADE	SCALE
A	94 and above
A-	90-93
B+	87-89
B	83-86
B-	80-82
C+	77-79
C	73-76
D	72 and below = fail

STATEMENT ON ACADEMIC CONDUCT AND SUPPORT SYSTEMS

Academic Conduct:

Plagiarism – presenting someone else’s ideas as your own, either verbatim or recast in your own words – is a serious academic offense with serious consequences. Please familiarize yourself with the discussion of plagiarism in SCampus in Part B, Section 11, “Behavior Violating University Standards” policy.usc.edu/scampus-part-b. Other forms of academic dishonesty are equally unacceptable. See additional information in SCampus and university policies on scientific misconduct, policy.usc.edu/scientific-misconduct.

Support Systems:

Counseling and Mental Health - (213) 740-9355 – 24/7 on call
studenthealth.usc.edu/counseling

Free and confidential mental health treatment for students, including short-term psychotherapy, group counseling, stress fitness workshops, and crisis intervention.

National Suicide Prevention Lifeline - 1 (800) 273-8255 – 24/7 on call
suicidepreventionlifeline.org

Free and confidential emotional support to people in suicidal crisis or emotional distress 24 hours a day, 7 days a week.

Relationship and Sexual Violence Prevention Services (RSVP) - (213) 740-9355(WELL), press “0” after hours – 24/7 on call
studenthealth.usc.edu/sexual-assault

Free and confidential therapy services, workshops, and training for situations related to gender-based harm.

Office of Equity and Diversity (OED) - (213) 740-5086 | Title IX – (213) 821-8298
equity.usc.edu, titleix.usc.edu

Information about how to get help or help someone affected by harassment or discrimination, rights of protected classes, reporting options, and additional resources for students, faculty, staff, visitors, and applicants.

Reporting Incidents of Bias or Harassment - (213) 740-5086 or (213) 821-8298
usc-advocate.symplicity.com/care_report

Avenue to report incidents of bias, hate crimes, and microaggressions to the Office of Equity and Diversity |Title IX for appropriate investigation, supportive measures, and response.

The Office of Disability Services and Programs - (213) 740-0776
dsp.usc.edu

Support and accommodations for students with disabilities. Services include assistance in providing readers/notetakers/interpreters, special accommodations for test taking needs, assistance with architectural barriers, assistive technology, and support for individual needs.

USC Campus Support and Intervention - (213) 821-4710

campussupport.usc.edu

Assists students and families in resolving complex personal, financial, and academic issues adversely affecting their success as a student.

Diversity at USC - (213) 740-2101

diversity.usc.edu

Information on events, programs and training, the Provost's Diversity and Inclusion Council, Diversity Liaisons for each academic school, chronology, participation, and various resources for students.

USC Emergency - UPC: (213) 740-4321, HSC: (323) 442-1000 – 24/7 on call

dps.usc.edu, emergency.usc.edu

Emergency assistance and avenue to report a crime. Latest updates regarding safety, including ways in which instruction will be continued if an officially declared emergency makes travel to campus infeasible.

USC Department of Public Safety - UPC: (213) 740-6000, HSC: (323) 442-120 – 24/7 on call

dps.usc.edu

Non-emergency assistance or information.

Office of the Ombuds - (213) 821-9556 (UPC) / (323-442-0382 (HSC)

ombuds.usc.edu

A safe and confidential place to share your USC-related issues with a University Ombuds who will work with you to explore options or paths to manage your concern.