PPD 600: MANAGEMENT OF MANAGED CARE ORGANIZATIONS
Spring 2025, 2-units, VPD 110

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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.

My goal for this class and every class that 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 have worked in managed care for many years, and we will discuss the real-life challenges that I face every day trying to deliver great patient care, while managing costs and keeping my patients out of the hospital.

In Class Dates & Times		
Friday, January 24, 2025	**2:00 p.m. – 7:00 p.m.**	**VPD 110**
Saturday, January 25, 2025	**9:00 a.m. – 3:00 p.m.**	**VPD 110**
Friday, February 28, 2025	**2:00 p.m. – 7:00 p.m.**	**VPD 110**
Saturday, March 1, 2025	**2:00 p.m. – 7:00 p.m.**	**VPD 110**
Saturday, April 12, 2025	**9:00 a.m. – 3:00 p.m.**	**VPD 110**

COURSE DESCRIPTION

This course presents an overview of major issues related to the management of health insurance and managed care plans. It will include analysis of managed care in the commercial market and in government programs such as Medicaid and Medicare. Key topics include legal and administrative structure(s) of managed care organizations, provider network development and management including provider payment arrangements, population health management, quality and accountability, integrated care, informatics and public policy. This course is relevant for anyone working in healthcare but especially those students interested in management or healthcare policy working with public and private (both for-profit and not-for-profit) health insurance plans and organized delivery systems, such as HMOs and hospital/physician integrated delivery systems. The emphasis is placed on the US system, but we will also address aspects of California managed care characteristics.

LEARNING OBJECTIVES

1. Using Bloom's Taxonomy in developing course learning objectives:

Course Learning Objectives	Cognitive / Affective	Level
1. This course will provide students with an overview to assess major issues related to the design, function, management, regulation and evaluation of health insurance programs and managed care organizations. Changes occurring in public policy with the current administration will be integrated into discussions.	Cognitive	Evaluation
2. Access outside speakers in class and through on-line discussions to offer insight into practical issues that senior administrators face in managing in a period of transformative change.	Affective	Valuing
3. Students will be provided opportunities to demonstrate their understanding and functioning as managers dealing with the following health insurance/managed care issues: • Health insurance and risk • Administration and governance • Network structure and management • Provider contracting	Cognitive	Application

• Medical management • Quality monitoring and improvement • Role of informatics • Population health and its role in the future of managed care • Integrated care strategies • Impact of changes in pharmacy benefit management • Public programs and their impact on the insurance market • Transformational change- how will technology and innovation change your role as administrators and patients' role in the health care system			

a. There are three main domains of learning. These domains are *cognitive* (thinking), *affective* (emotion/ feeling), and *psychomotor* (physical/kinesthetic).
b. Taxonomies of the Cognitive Domain used n this course are:
 i. **Evaluation:** The ability to judge, check, and even critique the value of material for a given purpose.
 ii. **Application:** The ability to use learned material, or to implement material in new and concrete situations.
c. The objective of the Affective Domain used in this course is *Valuing*.
 i. **Valuing -** This refers to the learner's beliefs and attitudes of worth – acceptance, preference, or commitment. An acceptance, preference, or commitment to a value.

2. 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 Demonstrate knowledge of established and evolving issues in health care, and the ability to apply this knowledge to diverse health organizations.	Intermediate	**1-3**	Case Study, Group Project
Domain 2: Critical Thinking and Analysis			
2.1 Demonstrate the ability to understand a situation, issue or problem by breaking it into smaller pieces and tracing its implications in a step-by-step manner.	Intermediate	**1,3**	Case Study, Group Project, Peer Evaluation
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	**1-3**	Case Study, Group Project, Peer Evaluation

Domain 5: Communication			
5.1 Demonstrate the ability to facilitate a group, and to prepare and present cogent business presentations.	Intermediate	**2-3**	Case Study, Group Project, Peer Evaluation
Domain 6: Leadership			
6.1 Demonstrates the ability to work as a team member and to support and value diverse opinions and perspectives	Intermediate	**2-3**	Group Project, Peer Evaluation

COURSE REQUIREMENTS AND FINAL GRADE DETERMINATION

ASSIGNMENT	DUE DATE	% OF GRADE
Class Preparation and Participation	Weekly	5%
Homework/Quizzes	Weekly	10%
Midterm	2/28/2025	25%
Group Project	4/12/2025	25%
Final Presentation	4/12/2025	10%
Final Exam	4/20/2025	25%
TOTAL		**100%**

REQUIRED TEXT
Kongstvedt, Peter R. - *Health Insurance and Managed Care: What They Are and How They Work*, Fifth Edition. Jones and Bartlett Learning.

CLASS ASSIGNMENT DESCRIPTIONS
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. Each student is expected to have completed all readings and assignments prior to each scheduled class or weekly discussion. Full class attendance is expected since we only meet 5 times. Attendance will count towards participation grade.

Effectiveness of In-Class Exercises and Participation
The class will be highly participatory and include a combination of lecture, discussion and in-class exercises. At various times, students will be organized into teams to discuss issues more in-depth or to address specific issues relevant to management of managed care. Teams will be asked to present to the larger group or to facilitate discussions with the full class. Additionally, students will be asked to prepare questions and participate in discussions with outside lecturers for on-site or internet-based learning.

Networking Assignment
Networking is critical to advancing in your careers. Every job I have ever received has been from someone I have known, and this is even truer the higher you advance up the corporate ladder. The risk and the cost increase exponentially the higher the role and the more the responsibility you have in the organization. Companies will rarely make a hire without a recommendation from someone trusted within the organization when the stakes are this high. This assignment will start to train you to build your network.

Over the course of the semester, find a C-Suite executive (CEO, COO, CFO, CMO, CIO, CDO) in a company that you admire, who will give you 15 or 20 minutes of their time to answer questions. It will take creativity and perseverance to succeed but this exercise will be worth the entire semester if you take it seriously. The executive does not have to be in healthcare and could actually be more beneficial to you and your network if they are not in healthcare. Have smart questions ready for the interview

and be prepared. You have to start day one to get this done by the deadline because these leaders' schedules are very busy. By April 20th, please turn in a bulleted summary of your experience. I don't need a term paper:
- Who did you pick and why?
- Is the person you interviewed the same target that you started with? Totally okay if it changes.
- How did you connect with them?
- What did you learn from them?
- What was the biggest surprise in the interview?
- What did you learn about the process?

A great read on this topic is The Third Door by Alex Banayan (USC Alumnus). This is not required reading but should be for those of you looking to break into a new industry or a new company. We will start every live class discussing progress of this project. It is that important.

Team Project
The purpose of the team project is to examine a topic or issue relevant to management of a department or managed care organization within the framework of concepts that you have learned in this class. The goal of this assignment is to help make this course more relevant to you and possibly to identify a topic you may wish to explore further as part of your final assignment. Pick a topic or issue in managed care that interests your group and then present that topic to the class as an expert in the field. The instructions for this project are very loose on purpose. In business especially as you grow in your career, you will often get incomplete information to make decisions. I want you to start getting comfortable making decisions with limited information right now in a safe environment.

You should submit an executive summary that summarizes your project and supports your presentation. 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, problem solving technique and conclusions.

Students should get final project ideas to me no later than February 23, 2025. Team members will communicate between intensive sessions to address issues, review material and prepare for a final presentation on April 12th.

A successful project will:
1. Present a summary of the current situation associated with your topic/issue.
2. Describe one or two challenges associated with your topic.
3. Describe one or two key healthcare players/stakeholders involved in this problem area.
4. Present and evaluate one or two possible responses for resolution to the challenge and discuss how your department/organization or outside stakeholders (e.g., clients, members, and providers) might be affected.
5. Draw a conclusion about the problem, its potential resolution and discuss related areas for further study.
6. Develop a solution for your department/organization based on management principles and published research. The team will be expected to present materials to the class as a whole.

Presentations: Every person in a group should present and have equal airtime. Each group will have 9 minutes to present your ideas and timing will be part of your grade. This is a skill you will need throughout your career. Mastering effective presentations will differentiate you from your peers. If you use PowerPoint, you must follow these guidelines:

1. PowerPoint slides should have bullets to support your conversation, not paragraphs. Slides are guides for speakers, not reading material for audiences.
2. You should not be reading slides – the bullets should act as your guide and trigger ideas. This means you will have to rehearse and practice out loud. Practicing to yourself is NOT the same.
3. PowerPoint slides should be professional, uniform, grammatically correct and readable.
4. You should have no pixelated images in your presentation – if you can't get a good quality image then don't use it.

You will need to rehearse your presentations out loud using the technology and practicing as a group.

PPD 600 COURSE OUTLINE

WEEK	READINGS AND HOMEWORK
Week 1: Jan 13-19	**Coverage and Plans** The first segment of the course will focus on managed care's administration of and relationship with providers, including hospitals, physicians, networks of providers and other configurations. **Kongstvedt, Prologue and Chapter 1 – History of Managed Care** **Assignment:** Post 2 or 3 bullets (ONLY) on Discussion Board on why you picked this class – why managed care? Due by midnight on 1/19.
Week 2: Jan 20-26 In-Class Session **Jan 24** 2 pm – 7 pm Classroom: **VPD 110**	**First In-Class Sessions will include:** - Introduction to the course, learning objectives, class culture - Student introductions and discussion of your managed care backgrounds and understanding of health care and managed care – why did you take this course? - Expectations of the class including expectations for the team presentation and executive summary in April - Background and evolving world of managed care - Networking Assignment - Leadership in Healthcare - Managed care vocabulary - History of managed care - Affordable Care Act - Health benefits coverage and types of plans
Week 2: In-Class Session **Jan 25** 9 am – 3 pm Classroom: **VPD 110**	**Second In-Class Sessions will include:** - Discussion of risk, premium development and their impact on the ACA - How do the changes to the individual mandate impact managed care – or do they? - Impact of culture and personal expectations in how we access health care? How does that impact your ability to manage a managed care organization? Since many of you will work in California, what are the special considerations you might need to address in operating an organization in California? - Medicare and Medicaid – managed care - Innovation and technology- let's get started. This will be a theme throughout the class. Let's begin to talk about how technology and innovation will change your role as administrators and push the boundaries of how we manage organizations. - Impact of culture and personal expectations in how we access health care? How does that impact your ability to manage a managed care organization? Since many of you will work in California, what are the special considerations you might need to address in operating an organization in California? - Innovation and technology. This will be a theme throughout the class. Let's begin to talk about how technology and innovation will change your role as administrators and push the boundaries of how we manage organizations.
Week 3: Jan 26-Feb 2	**Health Plans & Benefits** **Kongstvedt, Chapter 2 – Health Benefits Coverage and Types of Plans** **Assignment:** Quiz 1 – I will open the quiz on 2/2 at 8am until midnight – it will be 5 questions and you will have 10 minutes to complete it. You must be caught up on reading to do well.
Week 4: Feb 3-9	**Medicare, Medicaid** **Kongstvedt, Chapter 7 – Medicare and Medicaid** **Assignment:** Review Medicare and Medicaid sites (medicare.gov and medicaid.gov) a. Post a few bullets on Discussion Board on takeaways from both websites. **Assign random groups for final project**
Week 5: Feb 10-16	**Medicare Advantage, MACRA and Alternative Payment Models (APM)** **Assignments:** Quiz 2 – I will open quiz on 2/16 at 8am until midnight – it will be 5 questions and you will have 10 minutes to complete it. You must be caught up on reading to do well. - Review material available through CMS on the Quality Payment Program especially attributes of MIPS, APMs and MACRA rule. - Write 2 or 3 bullets on top take-aways from reviewed material above. **Get caught up on your reading**
Week 6: Feb 17-23	**Integrated Care and the Provider Network** **Kongstvedt: Chapter 3 – The Provider Network** - Meet with groups – **Get final project ideas in for approval by Feb 23rd**

	• Schedule 30-minute meeting with group and professor during this week
Week 7: Feb 24-Mar 2	**Study Week – Get caught up on reading / Study for Midterm** • **Assignment:** *STUDY FOR MIDTERM*
Week 7: Feb 24-Mar 2 In-Class Session Feb 28 2 pm – 7 pm Classroom: **VPD 110**	<mark>**Midterm – you will have one hour - bring computers**</mark> **Third In-Class Session will include:** • We start by taking Midterm in Brightspace • Go over remainder of semester – changes and concerns • Give updates on Networking Assignment • What did you learn on the CMS sites? MA Plans vs. MACRA vs. APM • Team Project- we will spend time planning and answering questions for the team project – <mark>groups of 5 (each group will get 10 minutes to present)</mark> • Accountable Care Organizations • Health benefits coverage and types of plans • Medicare, Medicaid/CHIP (we hope) and the safety net <mark>**Guest Speaker –**</mark> **Finding a job in post-Covid-19 world – experience hunting in 2007/2008** • Using LinkedIn – we will look at accounts and discuss how to use it effectively • Networking for Dummies – MOST IMPORTANT SKILL PERIOD. • Leveraging USC – the best network on the planet
Week 7: Feb 24-Mar 2 In-Class Session Feb 28 2 pm – 7 pm Classroom: **VPD 110**	**Fourth In-Class Session will include:** • Managing metrics – Star, Hedis, Press-Ganey • Patient satisfaction – why doesn't it exist in healthcare? Who does it best? Why? • The California managed care market- characteristics, why it is different, how it effects management • Go over Worst-Case Scenario Planning Assignment • Nuts and Bolts- Administration Scenario Planning- How to fix our worst-case scenarios. How does it work in real life managed care administration? • Sales and Membership • Provider Payments • Utilization Management • Healthcare Technology **Work in groups to finalize final projects**
Week 8: Mar 3-9	**Cost Management** • **Read: Kongstvedt, Chapter 4 – Provider Payment** • **Assignment:** <mark>Quiz 3 – I will open quiz on 3/9 at 8am until midnight</mark> – it will be 5 questions and you will have 10 minutes to complete it. You have to be caught up on reading to do well.
Week 9: Mar 10-16	**Utilization and Quality** • **Read: Kongstvedt, Chapter 5 – Utilization Management, Quality, Accreditation**
Week 10: Mar 17-23	*SPRING RECESS*
Week 11: Mar 24-30	**Sales, Governance, and Administration** • **Read: Kongstvedt: Chapter 6 – Sales, Governance, and Administration** • **Assignment:** <mark>Meet with groups</mark> – schedule 30-minute meeting with group and professor during this week
Week 12: Mar 31-Apr 6	**Laws and Regulations in Health Insurance and Managed Care** • **Read: Kongstvedt, Chapter 8 – Laws and Regulations in Managed Care** • **Assignment:** <mark>Quiz 4 – I will open quiz on 4/6 at 8am until midnight</mark> – it will be 5 questions and you will have 10 minutes to complete it. You have to be caught up on reading to do well.
Week 13: Apr 7-13	**Final In-Class Session will include:**

In-Class Session
Apr 12
9 am–3 pm
Classroom:
VPD 110
	• We will begin with the Team Project Presentations and Critiques
	• Teams will present to the class, followed by discussion of these projects. Groups are also asked to post their presentations on the course Blackboard before class.
	• Run Optum region for the day – dashboard and 4 levers (build case-study with region details)
	    o Bed days
	    o Membership
	    o Quality
	    o Patient Satisfaction
	• Managed Care overview – Legal and Regulatory
	• Review of the course and discussion of issues of interest to the class
	• Conclusion

Week 14: Apr 14-20	**Networking Assignment** **Final Exam** – Open from 8am to Midnight on 4/20 • **Assignment:** Turn in Networking assignment and study for final

USC GRADING POLICY

GRADE	CRITERIA
A	Work of excellent quality
B	Work of good quality
C	Minimum passing for graduate credit
D	Failed in courses for graduate credit
E	Failed

ACADEMIC INTEGRITY

The University of Southern California is foremost a learning community committed to fostering successful scholars and researchers dedicated to the pursuit of knowledge and the transmission of ideas. Academic misconduct is in contrast to the university's mission to educate students through a broad array of first-rank academic, professional, and extracurricular programs and includes any act of dishonesty in the submission of academic work (either in draft or final form).

This course will follow the expectations for academic integrity as stated in the USC Student Handbook. All students are expected to submit assignments that are original work and prepared specifically for the course/section in this academic term. You may not submit work written by others or "recycle" work prepared for other courses without obtaining written permission from the instructor(s). Students suspected of engaging in academic misconduct will be reported to the Office of Academic Integrity.

Other violations of academic misconduct include, but are not limited to, cheating, plagiarism, fabrication (e.g., falsifying data), knowingly assisting others in acts of academic dishonesty, and any act that gains or is intended to gain an unfair academic advantage.

Academic dishonesty has a far-reaching impact and is considered a serious offense against the university. Violations will result in a grade penalty, such as a failing grade on the assignment or in the course, and disciplinary action from the university itself, such as suspension or even expulsion.

For more information about academic integrity see the student handbook or the Office of Academic Integrity's website, and university policies on Research and Scholarship Misconduct.

Please ask your instructor if you are unsure what constitutes unauthorized assistance on an exam or assignment or what information requires citation and/or attribution.

ARTIFICIAL INTELLIGENCE (AI)

I expect you to use AI (e.g., ChatGPT and image generation tools) in this class. Learning to use AI is an emerging skill, and I welcome the opportunity to meet with you to provide guidance with these tools during office hours or after class. Keep in mind the following:
• AI tools are permitted to help you brainstorm topics or revise work you have already written.

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- If you provide minimum-effort prompts, you will get low-quality results. You will need to refine your prompts to get good outcomes. This will take work.
- Proceed with caution when using AI tools and do not assume the information provided is accurate or trustworthy. If it gives you a number or fact, assume it is incorrect unless you either know the correct answer or can verify its accuracy with another source. You will be responsible for any errors or omissions provided by the tool. It works best for topics you understand.
- AI is a tool, but one that you need to acknowledge using. Please include a paragraph at the end of any assignment that uses AI explaining how (and why) you used AI and indicate/specify the prompts you used to obtain the results and what prompts you used to get the results. Failure to do so is a violation of academic integrity policies.
- Be thoughtful about when AI is useful. Consider its appropriateness for each assignment or circumstance. The use of AI tools requires attribution. You are expected to clearly attribute any material generated by the tool used.

STATEMENT ON UNIVERSITY ACADEMIC AND SUPPORT SYSTEMS

Students and Disability Accommodations:
USC welcomes students with disabilities into all of the University's educational programs. The Office of Student Accessibility Services (OSAS) is responsible for the determination of appropriate accommodations for students who encounter disability-related barriers. Once a student has completed the OSAS process (registration, initial appointment, and submitted documentation) and accommodations are determined to be reasonable and appropriate, a Letter of Accommodation (LOA) will be available to generate for each course. The LOA must be given to each course instructor by the student and followed up with a discussion. This should be done as early in the semester as possible as accommodations are not retroactive. More information can be found at osas.usc.edu. You may contact OSAS at (213) 740-0776 or via email at osasfrontdesk@usc.edu.

Student Financial Aid and Satisfactory Academic Progress:
To be eligible for certain kinds of financial aid, students are required to maintain Satisfactory Academic Progress (SAP) toward their degree objectives. Visit the Financial Aid Office webpage for undergraduate- and graduate-level SAP eligibility requirements and the appeals process.

Support Systems:
Counseling and Mental Health - *(213) 740-9355 – 24/7 on call*
Free and confidential mental health treatment for students, including short-term psychotherapy, group counseling, stress fitness workshops, and crisis intervention.

988 Suicide and Crisis Lifeline - *988 for both calls and text messages – 24/7 on call*
The 988 Suicide and Crisis Lifeline (formerly known as the National Suicide Prevention Lifeline) provides free and confidential emotional support to people in suicidal crisis or emotional distress 24 hours a day, 7 days a week, across the United States. The Lifeline consists of a national network of over 200 local crisis centers, combining custom local care and resources with national standards and best practices. The new, shorter phone number makes it easier for people to remember and access mental health crisis services (though the previous 1 (800) 273-8255 number will continue to function indefinitely) and represents a continued commitment to those in crisis.

Relationship and Sexual Violence Prevention Services (RSVP) - *(213) 740-9355(WELL) – 24/7 on call*
Free and confidential therapy services, workshops, and training for situations related to gender- and power-based harm (including sexual assault, intimate partner violence, and stalking).

Office for Equity, Equal Opportunity, and Title IX (EEO-TIX) - *(213) 740-5086*
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) 740-2500*
Avenue to report incidents of bias, hate crimes, and microaggressions to the Office for Equity, Equal Opportunity, and Title for appropriate investigation, supportive measures, and response.

The Office of Student Accessibility Services (OSAS) - *(213) 740-0776*
OSAS ensures equal access for students with disabilities through providing academic accommodations and auxiliary aids in accordance with federal laws and university policy.

[USC Campus Support and Intervention](#) - *(213) 740-0411*
Assists students and families in resolving complex personal, financial, and academic issues adversely affecting their success as a student.

[Diversity, Equity and Inclusion](#) - *(213) 740-2101*
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*
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) 442-1200 – 24/7 on call*
Non-emergency assistance or information.

[Office of the Ombuds](#) - *(213) 821-9556 (UPC) / (323-442-0382 (HSC)*
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.

[Occupational Therapy Faculty Practice](#) - *(323) 442-2850 or* otfp@med.usc.edu
Confidential Lifestyle Redesign services for USC students to support health promoting habits and routines that enhance quality of life and academic performance.