

# O'Neill

## Lead for the Greater Good

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O'NEILL SCHOOL OF PUBLIC AND ENVIRONMENTAL AFFAIRS  
H526 HEALTHCARE FINANCE

### GENERAL INFORMATION

**Instructor:** Christopher Jackson, JD, MPA, Adjunct Instructor

**Course Dates:** October 21<sup>st</sup> through December 20<sup>th</sup>

**Optional Class Sessions:** 7:30-8:30 PM Wednesday on Zoom at <https://iu.zoom.us/my/chljackson>.

**Office Hours:** 8:30-9:00 PM on Wednesdays via Zoom at <https://iu.zoom.us/my/chljackson>. If these times do not work for you, I welcome appointments for other times.

### OFFICIAL COURSE DESCRIPTION

This course focuses on important accounting and financial management principles and concepts relevant to health services and organizations. Through this class, you will learn to:

- a) Apply basic financial management and accounting principles in healthcare and public health.
- b) Use statistical and analytical tools to measure and improve organizational performance.

### LEARNING OUTCOMES

Upon completion of this course, you can expect to:

- Apply basic financial management and accounting principles in a healthcare and public health context.
- Explain the format and contents of a business's financial statement.
- Perform time value and basic capital investment analyses.
- Describe various care delivery, insurance, and payer models found in the US healthcare system.

### EXPECTATIONS FOR TIME COMMITMENT OUTSIDE CLASS

General information is included below regarding course readings, student participation, lecture recordings, and grades. IU expects that students should be spending 2 hours or more outside of class per credit hour per week, thus **students should expect a *minimum* of 6 hours per week for this class.**

## COURSE REQUIREMENTS

General information is included below regarding course readings, student participation, lecture recordings, and grades. Given the accelerated delivery of this course, I recognize that it will require a significant investment of time and effort by the class to effectively understand the course materials and engage in class assignments and discussions.

## TEXTBOOK AND OTHER READINGS

This class has one required textbook: [Gapenski's Fundamentals of Healthcare Finance \(ISBN 9781567939750\)](#). All other course readings or videos that students are expected to have reviewed ahead of class are available electronically through Canvas. **Completing the readings before class is an essential part of ensuring high quality understanding of the topics.** In the spirit of encouraging active learning, a short set of online questions are to be answered after each assigned reading to ensure that students achieve sufficient understanding of the topics. The reading for the first week of class is an exception to this rule since we have not yet laid out this expectation, instead you will be required to post in the introduction discussion thread.

## CLASS SLIDES AND RECORDINGS

The Canvas site will contain lecture slides and recordings for the semester, each of which will be posted the Saturday night before the assigned lecture should be completed.

## MAKE-UP FINAL EXAM

Please discuss during the first week of class any conflicts with the Final Exam due date, otherwise the score for the Final Exam will be 0 if missed or late and no prior arrangements being made, with final accommodations made at the instructor's discretion.

## LATE WITHDRAWAL

NOTE: The auto-W deadline is NO LONGER THE LAST DAY OF CLASS (as it was during and post-Covid). After the auto-W deadline, withdrawal will be significantly limited and you will need permission to withdraw and must meet requirements established by O'Neill.

## GRADING SCHEME

The following table provides the breakdown of how grades are calculated in this course (using the Canvas grading scale).

Assignment	Percentage of Grade
Post-Reading Online Questions	20%
Quiz #1	15%
Quiz #2	15%
Group Project and In-Class Presentation	20%
Peer Feedback Evaluation	10%
Final Exam	20%
<b>Total</b>	<b>100%</b>

## COURSE ASSIGNMENTS

See the **Course Outline and Reading List** section below for the optional class discussion meeting dates, the readings for each topic, and days on which assignments are due and quizzes/exams are given, all of which are programmed into Canvas.

**Note:** The schedule found in **Course Outline and Reading List** is subject to limited change as the semester progresses. However, if changes occur, they are done in an equitable manner so all students receive the same due dates and same grading criteria--this is a must for ensuring equity across students. I have often taken into account circumstances when the class requests (by majority vote) an extension to an assignment, but the extension is then the same for all students and has to be done within a class meeting.

Unless otherwise stated, all assignments are individual assignments. **All assignments that must be submitted electronically should be done so through Canvas, not via email.**

Students with documented learning disabilities or conflicts due to religious holidays should contact me during the first week of class for alternate arrangements.

The number of points associated with each assignment is listed above in the grade distribution. When late penalties are mentioned, they are out of those points (e.g., 5 points for an end of week quiz; a late penalty of 1 point would result in 4 points being the new maximum).

## READINGS AND POST-READING ONLINE QUESTIONS

Completing the readings is an important part of ensuring high quality understanding of the course materials, thus a short set of online questions are provided to evaluate understanding of the materials. The questions become live a week before they are due (so it's not possible to answer them all in one evening!)

**Grading of late work:** After the submission deadline, the questions will no longer be available for answering and students not submitting answers will receive 0 points.

## QUIZZES AND FINAL EXAM

There will be two (2) quizzes throughout the semester and a Final Exam. These quizzes will cover the topics found in the assigned readings and course lectures from the preceding lectures. **These quizzes are open book.**

The Final Exam will cover material discussed in assigned readings and course lectures. The Final Exam will be open book.

**Grading of late work:** Late quizzes lose 10%. Quizzes late more than 48 hours receive no credit. Late Final Exams lose 10% percent for the 1st day late (anything not turned in by the due time counts as a day late), and 20% percent if more than one day late. If more than 2 days late, there is no credit for the Final Exam.

## GROUP CASE STUDY AND IN-CLASS PRESENTATION

A set of case studies will be assigned amongst predetermined groups of students during the first week of November. Each group will be required to answer several questions regarding their assigned case study and will develop a PowerPoint deck to present the case study to the class. The in-class presentations are required to include the following components:

- 1) Overview of the case study facts,

- 2) Description of any relevant course concepts applicable to the case study (i.e. - cost allocation concepts, breakeven analysis, etc.),
- 3) Potential solutions identified by the group and the pros and cons of each,
- 4) Rationale for the selected solution,
- 5) Answers to all other questions included within the case study assigned.

**Grading of late work:** There is no late-grading policy here and no credit will be provided if the group does not complete their presentation.

## PEER FEEDBACK EVALUATION

Following completion of the group case studies and in-class presentations, each student will be evaluated by their peers on their participation in the completion of case study analysis and presentation. These evaluations will provide the instructor with insights on students' willingness to participate, measure overall contributions, and ensure that all students are able to work effectively in a group environment (something which is vital in your professional career).

**Grading of late work:** Students will not be penalized if their group peers fail to complete their evaluation. Students who fail to complete their assigned evaluations on time will forfeit 50% of their own peer feedback evaluation score.

## ACADEMIC INTEGRITY

Students are expected to adhere to the highest ethical standards in all their course work and research. Individuals violating that code of conduct are subject to disciplinary action; such breaches could lead to expulsion of the student from Indiana University or to rescission of a degree already granted. To acquaint students more fully with the range of issues relating to academic integrity, the University Graduate School has prepared a document entitled Integrity in Graduate Study which can be obtained by calling the office at 812-855-8853. Students also can refer to Indiana University's Code of Student Rights, Responsibilities, and Conduct (<https://studentcode.iu.edu/>). Academic misconduct is any activity that tends to undermine the academic integrity of the institution...it may include, but is not limited to human, hard-copy, or electronic resources, cheating, fabrication, plagiarism, interference, violation of course rules, and facilitating academic misconduct.

Material turned in for this class may be run through plagiarism detection software at any time. It is the student's responsibility to understand the difference between acceptable and unacceptable ways of using the work of others.

I aim to ensure that no student disrupts other students' ability to engage in class learning, and that all participants can derive as positive an educational experience as possible from the class.

## USE OF AI (SUCH AS CHATGPT) IN THIS CLASS

Using AI (such as ChatGPT) to assist in completing assignments in this class is prohibited. If you do use AI, you will be committing plagiarism\* and will be subject to penalties in this class and sanctions by Indiana University.

\*Plagiarism: Plagiarism is defined as presenting someone else's work, including the work of other students, as one's own. Any ideas or materials taken from another source for either written or oral use must be fully acknowledged, unless the information is common knowledge. What is considered "common knowledge" may differ from course to course. See <https://studentcode.iu.edu/responsibilities/academic-misconduct.html> for more information.

## NOTE SELLING

Several commercial services have approached students regarding selling class notes/study guides to their classmates. Selling the instructor's notes/study guides in this course is not permitted. Violations of this policy will be reported to the Dean of Students as academic misconduct (violation of course rules). Sanctions for academic misconduct may include a failing grade on the assignment for which the notes/study guides are being sold, a reduction in your final course grade, or a failing grade in the course, among other possibilities. Additionally, you should know that selling a faculty member's notes/study guides individually or on behalf of one of these services using IU email, or via Canvas may also constitute a violation of IU information technology and IU intellectual property policies; additional consequences may result.

## ONLINE COURSE MATERIALS

The faculty member teaching this course holds the exclusive right to distribute, modify, post, and reproduce course materials, including all written materials, study guides, lectures, assignments, exercises, and exams. While you are permitted to take notes on the online materials and lectures posted for this course for your personal use, you are not permitted to re-post in another forum, distribute, or reproduce content from this course without the express written permission of the faculty member. Any violation of this course rule will be reported to the appropriate university offices and officials, including to the Dean of Students as academic misconduct.

## ADDITIONAL INFORMATION FOR STUDENTS

### O'NEILL SCHOOL EXPECTATIONS OF CIVILITY AND PROFESSIONAL CONDUCT<sup>1</sup>

The O'Neill School takes matters of honesty and integrity seriously because O'Neill is the training ground for future leaders in government, civic organizations, health organizations, and other institutions charged with providing resources for the public, and for members of society who are vulnerable and who are lacking in power and status. Precisely because O'Neill graduates tend to rise to positions of power and responsibility, it is critical that the lessons of honesty and integrity are learned early.

O'Neill requires that all members of its community – students, faculty, and staff – treat others with an attitude of mutual respect both in the classroom and during all academic and nonacademic activities outside the classroom. A student is expected to show respect through behavior that promotes conditions in which all students can learn without interruption or distraction. These behaviors foster an appropriate atmosphere inside and outside the classroom:

- Students are expected to attend class regularly and to be prepared for class.
- Students must be punctual in their arrival to class and be present and attentive for the duration of the class. Eating, sleeping, reading the newspaper, doing work for another class, wandering in and out of the classroom, and packing up or leaving class early are not civil or professional behaviors.
- Students must abide by the course policy regarding use of electronic devices in the classroom.
- Students must responsibly participate in class activities and during team meetings.
- Students must address faculty members, other students, and others appropriately and with respect, whether in person, in writing, or in electronic communications.
- Students must show tolerance and respect for diverse nationalities, religions, races, sexual orientations, and physical abilities.

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<sup>1</sup> These expectations are excerpted from the O'Neill School Honor Code which can be found under Student Ethics and Policies: <https://oneill.indiana.edu/undergraduate/course-advising/advising/resources.html>.

- Students must not destroy or deface classroom property nor leave litter in the classroom.

## COUNSELING AND PSYCHOLOGICAL SERVICES

For information about services offered to students by CAPS: <http://healthcenter.indiana.edu/counseling/index.shtml>.

## TIMELYCARE

Indiana students have free, 24/7 access to virtual mental health care services with TimelyCare. Students do not need insurance to access TimelyCare services: <https://www.iu.edu/mental-health/find-resources/timely-care.html#0>

## TUTORING

A new website that provides a central location for all of the tutoring resources available at Indiana University, Bloomington can be found at: <https://tutoring.indiana.edu/>

## RELIGIOUS OBSERVATION

In accordance with the Office of the Dean of Faculties, any student who wishes to receive an excused absence from class must submit a request form available from the Dean of Faculties for each day to be absent. This form must be presented to the course instructor by the end of the second week of this semester. A separate form must be submitted for each day. The instructor will fill in the bottom section of the form and then return the original to the student. Information about the policy on religious observation can be found at the following website: <http://vpfaa.indiana.edu/policies/bloomington/instructional-responsibilities/religious-observances.shtml>.

## ACCESSIBLE EDUCATIONAL SERVICES

Securing accommodations for a student with disabilities is a responsibility shared by the student, the instructor and the DSS Office. For information about support services or accommodations available to students with disabilities, and for the procedures to be followed by students and instructors: <http://studentaffairs.iub.edu/dss/>.

## SEXUAL HARASSMENT

As your instructor, one of my responsibilities is to help create a safe learning environment on our campus. Title IX and our own Sexual Misconduct policy prohibit sexual misconduct. If you have experienced sexual misconduct, or know someone who has, the University can help.

If you are seeking help and would like to talk to someone confidentially, you can make an appointment with:

1. The Sexual Assault Crisis Service (SACS) at 812-855-8900
2. Counseling and Psychological Services (CAPS) at 812-855-5711
3. Confidential Victim Advocates (CVA) at 812-856-2469
4. IU Health Center at 812-855-4011

For more information about available resources: <http://stopsexualviolence.iu.edu/help/index.html>. It is also important to know that federal regulations and University policy require me to promptly convey any information about potential sexual misconduct known to me to our campus' Deputy Title IX Coordinator or IU's Title IX Coordinator. In that event, they will work with a small number of others on campus to ensure that appropriate measures are taken and resources are made available to the student who may have been harmed. Protecting a student's privacy is of utmost concern, and all involved

will only share information with those that need to know to ensure the University can respond and assist. I encourage you to visit <http://stopsexualviolence.iu.edu/help/index.html> to learn more.

## COMMITMENT TO DIVERSITY: FIND YOUR HOME AND COMMUNITY AT IU

### **Asian Culture Center**

Address: 807 E. 10<sup>th</sup> St., Bloomington, IN 47408

Phone: 812-856-5361

Email: [acc@indiana.edu](mailto:acc@indiana.edu)

Website: <https://asianresource.indiana.edu/index.html>

### **First Nations Educational & Cultural Center**

Address: 712 E. 8<sup>th</sup> St., Bloomington, IN 47408

Phone: 812-855-4814

Email: [fnecc@indiana.edu](mailto:fnecc@indiana.edu)

Website: <https://firstnations.indiana.edu/contact/index.html>

### **Jewish Culture Center**

Address: 730 E 3rd St., Bloomington, IN 47401

Phone: 812-336-3824

Website: <https://iuhillel.org/iu-jewish-culture-center>

### **LGBTQ+ Culture Center**

Address: 705 E. 7<sup>th</sup> St., Bloomington, IN 47408

Phone: 812-855-4252

Email: [glbtserve@indiana.edu](mailto:glbtserve@indiana.edu)

Website: <https://lgbtq.indiana.edu/contact/index.html>

### **La Casa Latino Culture Center**

Address: 715 E. 7<sup>th</sup> St., Bloomington IN, 47408

Phone: 812-855-0174

Email: [lacasa@indiana.edu](mailto:lacasa@indiana.edu)

Website: <https://lacasa.indiana.edu/>

### **Neal Marshall Black Culture Center**

Address: 275 N. Jordan Ave., Bloomington, IN 47405

Phone: 812-855-9271

Email: [nmgrad@indiana.edu](mailto:nmgrad@indiana.edu)

Website: <https://blackculture.indiana.edu/index.html>

## COURSE OUTLINE AND READING LIST (SUBJECT TO UPDATES: PLEASE REVIEW CANVAS)

Each lecture's contents and preparation steps are explained below.

Class	Topic	Required Readings	Class Content
Prior to Class 1	<b>Complete introductory discussion post on Canvas</b>		
<b>Week 1 – Begins October 21<sup>st</sup></b>	<b>Introduction to Healthcare Finance</b>	Chapter 1	This lesson will focus on acquainting students with trends and challenges in the health care labor market with a focus on strategies to counter pressing problems in the industry.
	<b>Healthcare Business Basics</b>	Chapter 2	This lesson provides an overview of healthcare business basics.
<b>Wednesday, October 23<sup>rd</sup> @ 7:30 PM</b>	<b>Optional Class Session</b>		
<b>Week 2 – Begins October 27<sup>th</sup></b>	<b>Paying for Health Services</b>	Chapter 3	This lesson will feature a deep dive into a variety of components of paying for health services including: 1. Key Drivers of Health Insurer Performance 2. Traditional Provider Reimbursement Methods 3. Healthcare Reform Efforts
	<b>Managing Financial Operations and Physician and Health System Alignment</b>	Chapter 7; "Six physician alignment strategies health systems can consider" on Canvas	This lesson elaborates on the revenue cycle for health care providers from initial diagnosis to follow-up visits, highlighting the procedure as well as interaction points with insurance companies. This lesson also explores the role of physicians in the healthcare system and the relationships between physicians, hospitals, and insurers.
<b>By 11:59 PM on November 3<sup>rd</sup></b>	<b>Complete Quiz #1</b>		
<b>Week 3 – Begins November 3<sup>rd</sup></b>	<b>Estimating Costs, Pricing Decisions, and Profit Analysis</b>	Chapters 4 and 5	This lesson highlights the different costing methods used to price healthcare products and services.  <b><u>Case studies and groups assigned.</u></b>
	<b>Planning and Budgeting</b>	Chapter 6	This lesson explores the processes organizations should utilize to plan for their future as well as how to effectively develop a budget.
<b>Week 4 – Begins November 10<sup>th</sup></b>	<b>Business Financing and the Cost of Capital</b>	Chapter 8	This lesson explores financing for capital including debt instruments, debt financing, and organization impacts.



	<b>Capital Investment Decision Basics, Project Cash Flow Estimation and Risk Analysis</b>	Chapters 9 and 10	This lesson explores how to evaluate and select projects for capital investments.
<b>Wednesday, November 13<sup>th</sup> @ 7:30 PM</b>	<b>Optional Class Session</b>		
<b>By 11:59 PM on November 17<sup>th</sup></b>	<b>Complete Quiz #2</b>		
<b>Week 5 – Begins November 17<sup>th</sup></b>	<b>Reporting Profits, Assets, Financing, and Cash Flows</b>	Chapters 11 and 12	This lesson focuses on financial reporting requirements and processes.
	<b>Assessing Financial Condition</b>	Chapter 13 and Online Appendix A	This lesson teaches students how to review financial statements and derive conclusions about performance of a company.
<b>Week 6 – Begins November 24<sup>th</sup></b>	<b>NO READINGS – Thanksgiving Week</b>		
<b>Week 7 – Begins December 1<sup>st</sup></b>	<b>The Financials of Pharmaceuticals, Medical Devices, Medical Supplies, and Biotech</b>  <b>Other Factors Impacting Healthcare Finance</b>	See Canvas for readings	This lesson delineates the business models used by the pharmaceutical, medical device, and biotech markets and how the government may influence these industries through laws related to production of generic drugs and other regulations. This lesson will also explore the impact on healthcare finances from advertising costs, medical malpractice, and other externalities.
<b>Wednesday, December 4<sup>th</sup> @ 7:30 PM</b>	<b>Optional Class Session</b>		
<b>Week 8 – Begins December 8<sup>th</sup></b>	<b>Long-Term Care and Nursing Homes</b>	See Canvas for readings	This lesson will provide an overview of the unique financing structure, quality metrics, and regulations surrounding the long-term care market.  This class session will include in-class group presentations on the assigned case studies.
<b>Monday, December 16<sup>th</sup> @ 7:30 PM</b>	<b>Class Session - Case Study In-Class Presentations</b>  <b>Final Exam Review</b>		
<b>By 11:59 PM on December 20<sup>th</sup></b>	<b>Complete Final Exam</b> Cumulative, open book Final Exam.		