



**COWLEY COLLEGE
& Area Vocational Technical School**

COURSE PROCEDURE FOR

**Health Care Finance
ALH1676 3 Credit Hours**

Student Level:

This course is open to students on the college level in either the freshman or sophomore year.

Catalog Description:

ALH1676 - HEALTH CARE FINANCE (3 hrs)

This course is designed to provide students with a clear and practical knowledge of basic financial management and an overview of health care finance. Upon completion of the course, the student will be able to perform basic budgeting, financial forecasting, and everyday financial management responsibilities in a health care setting.

Prerequisites:

None.

Controlling Purpose:

This course is designed to provide students with a clear and practical knowledge of basic financial management and an overview of health care finance.

Learner Outcomes:

Upon completion of the course, the student will be able to perform basic budgeting, financial forecasting, and everyday financial management responsibilities in a health care setting.

Units Outcomes and Criterion Based Evaluation Key for Core Content:

The following defines the minimum core content not including the final examination period. Instructors may add other content as time allows.

Evaluation Key:

- A = All major and minor goals have been achieved and the achievement level is considerably above the minimum required for doing more advanced work in the same field.
- B = All major goals have been achieved, but the student has failed to achieve some of the less important goals. However, the student has progressed to the point where the goals of work at the next level can be easily achieved.
- C = All major goals have been achieved, but many of the minor goals have not been

achieved. In this grade range, the minimum level of proficiency represents a person who has achieved the major goals to the minimum amount of preparation necessary for taking more advanced work in the same field, but without any major handicap of inadequacy in his background.

- D = A few of the major goals have been achieved, but the student's achievement is so limited that he is not well prepared to work at a more advanced level in the same field.
- F = Failing, will be computed in GPA and hours attempted.
- N = No instruction or training in this area.

UNIT 1: HEALTH CARE FINANCE OVERVIEW

Outcomes: At the completion of this unit, the student will gain an understanding of the basics of health care finance.

A	B	C	D	F	N	Specific Competencies
						Demonstrate the ability to:
						Discuss the three viewpoints of managers in organizations.
						Identify the four elements of financial management.
						Understand the differences between the two types of accounting.
						Identify the types of organizations.
						Define the composition and purpose of an organization.
						Understand that four segments make a financial management system work.
						Follow an information flow.
						Recognize the basic health care finance system elements.
						Describe the annual management cycle.

UNIT 2: RECORD FINANCIAL OPERATIONS

Outcomes: At the completion of this unit, the student will gain an understanding of the basics of recording financial operations.

A	B	C	D	F	N	Specific Competencies
						Demonstrate the ability to:
						Recite typical assets.
						Recall typical liabilities.
						Explain net worth terminology.
						Outline how assets, liabilities and net worth fit together.
						Discuss how receiving revenue for services is a revenue stream.
						Recite contractual allowances and discounts and their impact on revenue.

						Explain the differences in sources of health care revenue.
						See how to group revenue for planning and control.
						Differentiate between expense and cost.
						Describe how disbursements for services represent an expense stream (outflow).
						Summarize how expenses are grouped in different ways for planning and control.
						Evaluate why cost reports have influenced expense reports.
						Differentiate between direct and indirect costs.
						Describe why the difference between direct and indirect costs is important to management.
						Recall the composition and purpose of responsibility centers.
						Compare the differences between product and period costs.

UNIT 3: TOOLS TO ANALYZE FINANCIAL OPERATIONS

Outcomes: At the completion of this unit, the student will gain an understanding of the tools used to analyze financial operations.

A	B	C	D	F	N	Specific Competencies
						Demonstrate the ability to:
						Describe the distinction between fixed, variable, and semi-variable costs.
						Analyze mixed costs by two methods.
						Demonstrate the computation of a contribution margin.
						Compute the cost-volume-profit (CVP) ratio.
						Compute the profit-volume (PV) ratio.
						Describe the difference between productive and nonproductive time.
						Compute full-time equivalents to fill a scheduled position.
						Demonstrate the relationship between staffing and cost.

UNIT 4: REPORT AND MEASURE FINANCIAL RESULTS

Outcomes: At the completion of this unit, the student will gain an understanding of reporting and measuring financial results.

A	B	C	D	F	N	Specific Competencies
						Demonstrate the ability to:
						Review a balance sheet and describe its components.

						Review a statement of revenue and expense and describe its components.
						Summarize the basic concept of cash flows.
						Describe the components of a subsidiary report.
						Recall the four types of liquidity ratios.
						Utilize two types of solvency ratios.
						Utilize two types of profitability ratios.
						Compute an unadjusted rate of return.
						Utilize a present-value table.
						Compute an internal rate of return.
						Describe the payback period theory.

UNIT 5: PLAN, MONITOR, AND CONTROL FINANCIAL OPERATIONS

Outcomes: At the completion of this unit, the student will gain an understanding of strategies to plan, monitor and control financial operations.

A	B	C	D	F	N	Specific Competencies
						Demonstrate the ability to:
						Describe and utilize common sizing.
						Define and utilize trend analysis.
						Summarize the concept of financial benchmarking.
						Describe the use of the Pareto rule.
						Compute quartiles for measurement purposes.
						Differentiate between static and flexible budgets.
						Review a budget.
						Build a budget.
						Utilize budget variance analysis.
						Recall the reason that a capital expenditure budget is necessary.
						Describe the cash flow and startup cost concepts.
						Differentiate between the different cash flow reporting methods.
						Describe types of capital expenditure budget proposals.
						Evaluate capital expenditure proposals.

UNIT 6: ALLOCATE RESOURCES AND ACQUIRE FUNDS

Outcomes: At the completion of this unit, the student will gain an understanding of strategies to allocate resources and acquire funds.

A	B	C	D	F	N	Specific Competencies
						Demonstrate the ability to:
						Define capital structure.
						State four sources of capital.
						Explain an amortization schedule.
						Describe loan costs.
						Explain the equipment purchasing process.
						Explain the equipment leasing process.
						Describe a for-profit organization.
						Describe a not-for-profit organization.
						Construct a business plan.
						Explain the organization segment of a business plan.
						Explain the marketing segment of a business plan.
						Explain the financial segment of a business plan.

Projects Required:

Projects vary and are assigned by the instructor. Refer to the course syllabus.

Textbook:

Contact Bookstore for current textbook.

Materials/Equipment Required:

A financial calculator (TI BA II Plus or similar) or Microsoft Excel (or similar software) is required.

Attendance Policy:

Students should adhere to the attendance policy outlined by the instructor in the course syllabus.

Grading Policy:

The grading policy will be outlined by the instructor in the course syllabus.

Maximum class size:

Based on classroom occupancy

Course Time Frame:

The U.S. Department of Education, Higher Learning Commission and the Kansas Board of Regents define credit hour and have specific regulations that the college must follow when developing, teaching and assessing the educational aspects of the college. A credit hour is an amount of work represented in intended learning outcomes and verified by evidence of student achievement that is an institutionally-established equivalency that reasonably approximates not less than one hour of classroom or direct faculty instruction and a minimum of two hours of out-of-class student work for approximately fifteen weeks for one semester hour of credit or

Rev. 6/03/2016

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an equivalent amount of work over a different amount of time. The number of semester hours of credit allowed for each distance education or blended hybrid courses shall be assigned by the college based on the amount of time needed to achieve the same course outcomes in a purely face-to-face format.

Refer to the following policies:

[402.00 Academic Code of Conduct](#)

[263.00 Student Appeal of Course Grades](#)

[403.00 Student Code of Conduct](#)

Disability Services Program:

Cowley College, in recognition of state and federal laws, will accommodate a student with a documented disability. If a student has a disability which may impact work in this class which requires accommodations, contact the Disability Services Coordinator.