

**Health Services  
Administration**

**PHCY 5442:  
Financial Planning for Health  
Institution Leaders  
Spring 2021  
January 19 – February 22**



College of Health Sciences  
School of Pharmacy

# PHCY 5442: Financial Planning for Health Institution Leaders

Financial Planning for Health Institution Leaders is a two-semester hour course designed to provide development of the financial skills of the health institution leader through exploration of financial principles incorporating the unique environment of the health institution. The mix of services (inpatient, outpatient, nursing facilities, urgent/emergency care and components) will be studied through extensive use of case studies and models.

**Prerequisites:** Admission to the Master of Science in Health Services Administration program or permission of instructor. Application of credit from this course to the Master's program may not be applicable for those taking the course by permission. Review and formal attestation of this syllabus is **REQUIRED** to continue in this class. This attestation must be completed prior to any other postings for class activities. This will be completed on the class website.



LEARNING GOALS: At the end of the course, students will be able to--	
<ul style="list-style-type: none"> <li>Use financial metrics and reports including use of information technology</li> </ul>	
	FOUNDATION: Demonstrate knowledge of the standard metrics and reports
	APPLICATION: Apply information from reports to cases
	HUMAN: Reflect on the impact of these financial aspects on the organization and team.
	INTEGRATION: Prepare effective solutions given a case and basic instructions
	CARING: Incorporate in discussion and examination answers the effect of changes in financial status on interpersonal relationships
	LEARNING: Employ appropriate consideration of limitations to successful decisions
<ul style="list-style-type: none"> <li>Design budgets and manage assets including capital budgets</li> </ul>	
	FOUNDATION: Explain the concept of budgets
	APPLICATION: Design a budget given reports from a case study
	HUMAN: Provide the best recommendations despite limitations
	INTEGRATION: Select an appropriate solution incorporating sensitivity analysis
	CARING: Incorporate emotional and cultural intelligence into budgeting decisions
	LEARNING: Appraise the similarities and differences between the different types
<ul style="list-style-type: none"> <li>Analyze pharmacy payment and reimbursement models</li> </ul>	
	FOUNDATION: Identify concepts of reimbursement models
	APPLICATION: Apply models to case studies
	HUMAN: Recognize the effects of reimbursement models on individual workload
	INTEGRATION: Apply a mix of multiple models into the process
	CARING: Incorporate values and needs of the organization and individuals into models
	LEARNING: Balance the internal and external factors affecting strategic initiatives
<ul style="list-style-type: none"> <li>Develop long-term financial plans using financial analysis and investments</li> </ul>	
	FOUNDATION: Develop skills in the components of financial analysis and investment
	APPLICATION: Apply long-term design and process skills to leadership situations
	HUMAN: Reflect on the value of these plans on the organization and community
	INTEGRATION: Devise a leadership style that incorporates these skills
	CARING: Consider the competing organizational needs when constructing recommendations
	LEARNING: Demonstrate the ability to apply concepts and process
<ul style="list-style-type: none"> <li>Apply the concepts from the class to case studies</li> </ul>	
	FOUNDATION: Demonstrate ability to apply concepts to new situations
	APPLICATION: Identify the limitations of any technique or theory
	HUMAN: Reflect on the value of developing skills for future practice
	INTEGRATION: Appraise the value of multiple aspects of the course to future practice
	CARING: Describe the relationship of applying financial skills to quality provision of healthcare
	LEARNING: Incorporate aspects from the class into the comprehensive case successfully

**REQUIRED TEXT:**

Carroll, NV. Financial Management for Pharmacists: A Decision-Making Approach, 4<sup>th</sup> Edition. December, 2016. Paperback Version available at Amazon.com

Wolfe A, Hess L, Et Al. Strategy for Pharmacy Data Management. AJHP 2017; 74: 79-85

Zelman, William N., et al. Financial Management of Health Care Organizations: An Introduction to Fundamental Tools, Concepts, and Applications. John Wiley and Sons, Incorporated, 2013.

**SUGGESTED TEXTS (content also achieved through research of Key Terms):**

Datar SM and Rajan MV. Horngren's Cost Accounting: A Managerial Emphasis, 16<sup>th</sup> Edition. Pearson Press, Upper Saddle River, NJ

Wagner JA and Hollenbeck JR. Organizational Behavior: Securing Competitive Advantage. Routledge Press. New York, NY

**INSTRUCTOR AVAILABILITY:**

*Please note that instructor UWYO email addresses will not be used for class communication!*

Office hours will be conducted virtually by Dr. Shirley. Dr. Shirley can be reached Mondays from 9am-11am ET or by appointment. Call or text during office hours at 614-325-4376. E-mail at [shirleyt@bronsonhg.org](mailto:shirleyt@bronsonhg.org) to schedule time outside of regularly-posted hours. Electronic mail will be answered within 24 hours during regular school days (that is, if received at 10am ET on Friday, it will be answered by 10am ET on Monday). Texts must include your first and last name as the initial line.

**CLASS WEBSITE:**

The WyoCourses site is accessible from the University website via WyoWeb. Class lectures and slides will be posted on this site. Assignments will also be posted there (both by the instructor and the student). The student is expected to utilize the site and accept changes from this syllabus as amended on the site.

**AUDIENCE:**

This course is required for students in the Master of Science in Health Services Administration in the Health Institution Leadership track. Other track students may take the course as an elective. Enrollment in or completion of a degree in the health sciences is strongly recommended.

**COURSE PROCEDURES:**

The course instructors are Drs. Shaun Phillips and Troy Shirley. Dr. Shirley will serve as course coordinator. Dr. Shirley lives in the Midwest and times are conducted based on Eastern Time Zone. The course meets via asynchronous methods, meaning the activities are done at the student's selected times, within specified time periods. Lectures will occur on Sunday afternoons at 3pm-6pm ET.

A class session is the time from opening of the unit until the beginning of the next session. The number and timing of class sessions, as appropriate for a 2 semester hour course, will be determined at the time the class is scheduled for a particular semester.

Opening and closing times for on-line discussion, quizzes, or other activities will be posted immediately after lecture times and close by Friday of the that week. All submissions must be made in that period, and failure to post will result in forfeiture of all points possible. Outside of technical failures of the WyoWeb or by the faculty, this process will be strictly enforced.

Instructional procedures consist of lecture, discussion, participation exercises plus assigned readings and projects. The distance education model of this course is requires some adaptation by the students and instructor from the traditional classroom setting.

Different people have different learning styles. Lecture where the instructor talks and students listen is passive on the part of the student. Discussion requires active participation on the part of the learner. In this class (as should be for all graduate-level courses), only a few topics are appropriate for lecture. The vast majority of time is meant for discussion. Your lecturers facilitate and evaluate, but we all are students and teachers together. In order for a discussion or dialogue to be successful, students must have read the assigned readings **before** joining class.

Whether a lecture or discussion, students should feel free to ask questions either to the entire class or directly to the instructor. If you ask a question to the entire class, it may help other students who may have the same question or provide you with multiple responses.

#### **COURSE PREREQUISITES, CO-REQUISITES, ENROLLMENT RESTRICTIONS:**

This course is required for students in the Master of Science in Health Services Administration program. Please check the catalog for listing of any prerequisites for the course. This course can be used for a core component of a track or as an elective for other tracks.

#### **GENERAL REQUIREMENTS AND EXPECTATIONS:**

Students should obtain the required textbook and complete assigned readings prior to the live online date listed in the course calendar. Students are encouraged to participate in live class sessions; active participation will also count towards your discussion board grade (see last page of syllabus for Guideline for Evaluating Participation).

In order for a discussion or dialogue to be successful, students must have read the assigned readings, watched any video recording and have completed some assignments **before** joining class. Assignments will be clearly indicated whether due before or after the live session.

Whether a lecture or discussion, students should feel free to ask questions during class or on-line. If you have a question, other students may have the same question.

#### **ATTENDANCE AND ABSENCE POLICIES:**

Students should regularly attend online classes and productively participate in class. Since some of the projects may be started in the live sessions, missing class can make projects much more difficult. Because of the multiple available times for posting assignments as well as for taking any quizzes or examinations, the need for an excused absence would be a rare event. Only rationale accepted by the University of Wyoming as an excused absence will be accepted. Any anticipated absence from the live sessions should be discussed in advance with the instructor.

#### **CLASSROOM BEHAVIOR POLICY:**

At all times, treat your presence in the classroom and your enrollment in this course as you would any professional activity. Act professionally, arrive on time, pay attention, complete your work in a timely and professional manner, and treat all deadlines seriously. All of us will be respectful of each other. Spirited debate and disagreement are to be expected in any graduate level course and all views will be heard fully, but at all times we will behave civilly and with respect towards one another. Personal attacks, offensive language, name-calling, and dismissive gestures are not warranted in a learning atmosphere. This is a safe environment and as the instructor, I have the right to dismiss anyone from the classroom, study sessions, electronic forums, and other areas where disruptive behavior occurs – there is zero tolerance on this issue.

#### **CLASSROOM STATEMENT ON DIVERSITY:**

**The University of Wyoming values an educational environment that is diverse, equitable, and inclusive. The diversity that students and faculty bring to class, including age, country of origin, culture, disability, economic class, ethnicity, gender identity, immigration status, linguistic, political affiliation, race, religion, sexual orientation, veteran status, worldview, and other social and cultural diversity is valued, respected, and considered a resource for learning. Diversity helps**

**all of use gain a better understanding and perspective of the subjects we will be covering in the course.**

### **DISABILITY SUPPORT:**

The University of Wyoming is committed to providing equitable access to learning opportunities for all students. If you have a disability, including but not limited to physical, learning, sensory or psychological disabilities, and would like to request accommodations in this course due to your disability, please register with and provide documentation of your disability as soon as possible to Disability Support Services (DSS), Room 128 Knight Hall. You may also contact DSS at (307) 766-3073 or [udss@uwyo.edu](mailto:udss@uwyo.edu). It is in the student's best interest to request accommodations within the first week of classes, understanding that accommodations are not retroactive. Visit the DSS website for more information at: [www.uwyo.edu/udss](http://www.uwyo.edu/udss)

### **ACADEMIC DISHONESTY POLICIES:**

Academic dishonesty, discrimination, and harassment will not be tolerated in this class! Cases of academic dishonesty will be treated in accordance with UW Regulation 2-114. The penalties for academic dishonesty can include, at my discretion, an "F" on an exam, an "F" on the class component exercise, and/or an "F" in the entire course. Academic dishonesty includes plagiarism, which means anything that represents someone else's ideas as your own without attribution. It is intellectual theft – stealing - and includes (but is not limited to) unapproved assistance on examinations, plagiarism (use of any amount of another person's writings, blog posts, publications, and other materials without attributing that material to that person with citations), or fabrication of referenced information. Facilitation of another person's academic dishonesty is also considered academic dishonesty and will be treated identically.

Such conduct is described within and will result in sanctions pursuant to the following School of Pharmacy and University policy and regulations:

University of Wyoming Code of Conduct

<http://www.uwyo.edu/dos/conduct/>

University of Wyoming Regulations

[http://www.uwyo.edu/generalcounsel/\\_files/docs/UW%20Reg%20Updates%202016/UW%20Reg%206-802.pdf](http://www.uwyo.edu/generalcounsel/_files/docs/UW%20Reg%20Updates%202016/UW%20Reg%206-802.pdf)

### **DUTY TO REPORT:**

While this is a safe environment and I want you all to feel comfortable coming to me with issues you may be struggling with or concerns you may be having, please be aware that I have some reporting obligations that are part of my faculty requirements at UW.

For example, if you inform me of an issue of sexual harassment, sexual assault, or discrimination I will keep the information as private as I can, but I am required to bring it to the attention of the institution's Title IX Coordinator. If you would like to talk to those offices directly, you can contact Equal Opportunity Report and Response (Bureau of Mines Room 319, 766-5200, [report-it@uwyo.edu](mailto:report-it@uwyo.edu), [www.uwyo.edu/reportit](http://www.uwyo.edu/reportit)). Additionally, you can also report incidents or complaints to the UW Police Department. You can also get support at the STOP Violence program ([stopviolence@uwyo.edu](mailto:stopviolence@uwyo.edu), [www.uwyo.edu/stop](http://www.uwyo.edu/stop), 766-3296) (or SAFE Project ([www.safeproject.org](http://www.safeproject.org), [campus@safeproject.org](mailto:campus@safeproject.org), 766-3434, 24-Hour hotline: 745-3556).

Another common example is if you are struggling with an issue that may be traumatic or unusual stress. I will likely inform the Dean of Students Office or Counseling Center. If you would like to reach out directly to them for assistance, you can contact them using the info below or going to [www.uwyo.edu/dos/uwyocares](http://www.uwyo.edu/dos/uwyocares).

Finally, know that if, for some reason, our interaction involves a disruptive behavior or potential violation of policy, I must inform the Dean of Students, even when you and I may have reached an informal resolution to the incident. The purpose of this is to keep the Dean apprised of any behaviors (by students or faculty) and what was done to resolve them.

#### SUBSTANTIVE CHANGES TO THE SYLLABUS:

All deadlines, requirements, and course structure are subject to change if deemed necessary by the instructor. Students will be notified verbally in class or on our WyoCourses announcement page and/or via email of these changes.

#### STUDENT RESOURCES:

- DISABILITY SUPPORT SERVICES: [udss@uwyo.edu](mailto:udss@uwyo.edu), 766-3073, 128 Knight Hall, [www.uwyo.edu/udss](http://www.uwyo.edu/udss)
- COUNSELING CENTER: [uccstaff@uwyo.edu](mailto:uccstaff@uwyo.edu), 766-2187, 766-8989, 341 Knight Hall, [www.uwyo.edu/ucc](http://www.uwyo.edu/ucc)
- ACADEMIC AFFAIRS: 766-4286, 312 Old Main, [www.uwyo.edu/acadaffairs](http://www.uwyo.edu/acadaffairs)
- DEAN OF STUDENTS OFFICE: [dos@uwyo.edu](mailto:dos@uwyo.edu), 766-3296, 128 Knight Hall, [www.uwyo.edu/dos](http://www.uwyo.edu/dos) UW
- POLICE DEPARTMENT: [uwpd@uwyo.edu](mailto:uwpd@uwyo.edu), 766-5179, 1426 E Flint St, [www.uwyo.edu/uwpd](http://www.uwyo.edu/uwpd)
- STUDENT CODE OF CONDUCT WEBSITE: [www.uwyo.edu/dos/conduct](http://www.uwyo.edu/dos/conduct)

"If you have a physical, learning, sensory or psychological disability and require accommodations, please let me know as soon as possible. You will need to register with, and possibly provide documentation of your disability to Disability Support Services (DSS), room 109 Knight Hall. You may also contact DSS at (307) 766-3073 or [udss@uwyo.edu](mailto:udss@uwyo.edu). Visit their website for more information: [www.uwyo.edu/udss](http://www.uwyo.edu/udss)."

**COVID-19 Policies** – during this pandemic, you must abide by all UW policies and public health rules put forward by the City of Laramie (or by Natrona County if at UW-Casper), the University of Wyoming and the State of Wyoming to promote the health and well-being of fellow students and your own personal self-care. The current policy is provided for review at: <https://www.uwyo.edu/alerts/campus-return/index.html>

As with other disruptive behaviors, we have the right to dismiss you from the classroom (Zoom and physical), or other class activities if you fail to abide by these COVID-19 policies. These behaviors will be referred to the Dean of Students Office using the UWYO Cares Reporting Form for Student Code of Conduct processes ([https://cm.maxient.com/reportingform.php?UnivofWyoming&layout\\_id=5](https://cm.maxient.com/reportingform.php?UnivofWyoming&layout_id=5)).

**Syllabus Changes:** I will alert you to any possible course format changes in response to UW decisions about community safety during the semester.

**HyFlex, Zoom, and WyoCourses expectations:**

As with all UW coursework, this course will be educational and useful to you. I will respond to questions, concerns, and feedback in a timely manner.

Your responsibilities:

- Give and receive feedback from me and your classmates respectfully and constructively in all interactions. This includes in Zoom chats, on WyoCourses boards, and within physical classroom spaces.
- Actively engage in civil discourse in a respectful manner. Use professional language in all course related forums.
- Communicate professionally. Whenever you send class-related email or messages, please include a clear, specific subject line and use the body of the email or message to explain the purpose for the email and any attached materials. Conduct yourself professionally.
- Meet assignment deadlines. We expect that you're interacting with course material multiple times during the week.
- Ask for help when you need it. For academic assistance for this course please contact me for available resources. For Dean of Students assistance please see: <https://www.uwyo.edu/dos/student-resources/covid-19-student-resources.html>
- Please let us know if you notice another student who needs help in our (anonymous) WyoCares referral option (<https://www.uwyo.edu/dos/students-concern/index.html>).

**Information Technology (IT):** If you have any IT related challenges, please contact the UWIT Service Center: <https://uwyo.teamdynamix.com/TDClient/1940/Portal/Requests/ServiceDet?ID=8890>

**GRADES**

The numbers assigned to the grades shall be A=90 and above, B=80 to <90; C=70 to <80; D=60 to <70; F=below 60. The +/- system is not used by the School of Pharmacy. Graduate students, including those enrolled in the Master of Science in Health Services Administration, must maintain a 3.00 GPA (B or better).

Lecture Quizzes (5 in total; each 10% of final grade)-----50%  
 Discussion Board and Case Studies (5 in total; each 5% of final grade)-----25%  
 Comprehensive Final Exam (Case Study and Content Questions)-----25%

Quizzes may include objective (multiple choice and true-false), short essay, and problem-solving questions. They will all be time-limited. Do not begin a quiz until you have reviewed materials thoroughly!

To participate in the discussion board, each student is expected to initiate an original thread and at least one responsive thread that follow the original thread posted by another student for each class session. All threads, whether original or responsive, must relate to and involve reflective thinking directly applicable to the course material for that lecture. Simple, short contributions meeting the minimum will not be awarded full points. To earn any credit, original thread and one response must be posted no later than midnight on the Saturday following the related lecture; however, discussion boards will remain open for further student and instructor use and additional credit may be earned for additional contributions. Points will be awarded based on objective thread activity, subjective quality of posts, and use of reference materials that demonstrate breadth of contributions.

The Final Exam will be posted immediately after close of the last discussion board. It will be available until Sunday at 1159PM ET. This will also be time-limited. Do not begin the final exam until you have reviewed materials thoroughly!

Quiz and exam scoring will be through objective and subjective means. All objective questions for quizzes and essays will be reviewed for statistical performance. For questions where over half the students answer incorrectly, the instructors will review and consider prorating points if the question is deemed misleading or otherwise incorrect. Subjective portions, including essays, will be reviewed for objective answer to question posed, subjective quality of writing, and use of reference materials that demonstrate breadth of contributions. Problem-solving questions will be graded with full credit for correct answer; however, points may be earned based on demonstrating theoretical and mathematical reasoning. In other words, show your work!

<b>PHCY 5442: FINANCIAL PLANNING FOR HEALTH INSTITUTION LEADERS COURSE SCHEDULE</b>		
(Schedule is tentative and topic dates are subject to change; <b>additional readings</b> will be assigned as appropriate)		
	<b>DATES</b>	<b>TOPIC AND ASSIGNMENTS</b>
Lecture 1 (Shirley and Phillips)	Sunday, January 24 <sup>th</sup> at 3PM ET	<b>Course Introduction, Importance of Finance to the Pharmacy Leader, and Inventory Management</b>
Lecture 2 (Phillips)	Sunday, January 31 <sup>st</sup> at 3PM ET	<b>Finance Department Organizational Structures, Types of Cash Flows, and Intro to Financial Statements</b>
Lecture 3 (Phillips)	Sunday, February 7 <sup>th</sup> at 3PM ET	<b>Capital Planning, IT Systems, and Future Trends</b>
Lecture 4 (Shirley)	Sunday, February 14 <sup>th</sup> at 3PM ET	<b>Accounting Principles, Financial Statement Analysis, Responsibility Reporting/Profit &amp; Loss</b>
Lecture 5 (Shirley)	Sunday, February 21 <sup>st</sup> at 3PM ET	<b>Operational Budgeting, Pro Formas, and Strategic Planning</b>
Final Exam	Opens Wednesday, February 24 <sup>th</sup> at 12noon and closes on Friday, February 26 <sup>th</sup> at 12midnight ET.	<b>Comprehensive test that includes case studies over all course material!</b>

**LECTURE 1:**

**Course Introduction, Importance of Finance to the Pharmacy Leader, and Inventory Management**

**REQUIRED READINGS:**

**Carroll, Chapter 1: Introduction to Financial Management,**

**Carroll, Chapter 13: Inventory Control**

**SUGGESTED READINGS:**

**Wagner, Chapter 8: Interdependence and Role Relationships**

**KEY TERMS:**

**Accounting**

**Finance**

**Leadership**

**Management**

**Mission**

**Cash**

**Revenue**

**Expenses**

**Costs**

**Profit**

**Workplace Interdependence**

**Pooled Interdependence**

**Sequential Interdependence**

**Reciprocal Interdependence**

**Comprehensive Interdependence**

**Distributive Justice**

**Procedural Justice**

**Interactive Justice**

**Inequity**

**LECTURE 2:**

**Finance Department Organizational Structures, Types of Cash Flows, and Intro to Financial Statements**

**REQUIRED READINGS:**

**Carroll, Chapter 2: Financial Statements**

**Carroll, Chapter 12: Improving Cash Flow**

**SUGGESTED READINGS:**

**Datar, Chapter 1: Accountant's Role in the Organization**

**Wagner, Chapters 11, 12: Politicking and Organizational Structure**

**KEY TERMS:**

**Organizational Chart**

**Chief Financial Officer**

**Controller**

**Director**

**Mutual Adjustment**

**Direct Supervision**

**Standardization**

**Functional Departmentation**

**Divisional Departmentation**

**Hierarchy**

**Bureaucracy**

**Matrix Reporting Structures**

**Operating Cash Flow**

**Investing Cash Flow**

**Financing Cash Flow**

**LECTURE 3:**  
**Capital Planning, IT Systems, and Future Trends**

**REQUIRED READINGS:**

**Carroll, Chapter 10: Capital Planning**

**Carroll, Chapter 7: Pricing Pharmacy Products and Services**

**Carroll, Chapter 8: Third Party Payment of Prescriptions**

**Carroll, Chapter 9: Reimbursement for Pharmacy Services**

**SUGGESTED READINGS:**

**Datar, Chapter 21: Capital Budgeting and Cost Analysis**

**Datar, Chapter 13: Pricing Decisions and Cost Management**

**Wagner, Chapter 12: Structuring the Organization (yes, again!)**

**KEY TERMS:**

**Net Present Value**

**Depreciation**

**Payback Period**

**Compound Interest**

**Mutual Adjustment**

**Matrix Structure**

**Pharmacy Data Management**

**AAC**

**AWP**

**WAC**

**EAC**

**MAC**

**AMP**

**Copay**

**Coinsurance**

**Medicare Part D**

**Medicare Part B**

**LECTURE 4:**

**Accounting Principles, Financial Statement Analysis, Responsibility Reporting / Profit & Loss**

**REQUIRED READINGS:**

**Carroll, Chapter 3: Financial Statement Analysis**

**Zelman, Chapter 3: Principles and Practices of Health Care Accounting**

**Zelman, Chapter 4: Financial Statement Analysis**

**Zelman, Chapter 11: Responsibility Accounting**

**SUGGESTED READINGS:**

**Zelman, Chapter 2: Health Care Financial Statements**

**KEY TERMS:**

**Cash Basis of Accounting**

**Accrual Basis of Accounting**

**Journal**

**Ledger**

**Horizontal Analysis**

**Vertical Analysis**

**Ratio Analysis**

**Liquidity Ratio**

**Operating Margin**

**Responsibility Accounting**

**Responsibility Center**

**Variance**

**LECTURE 5:  
Operational Budgeting, Pro formas, and Strategic Planning**

**REQUIRED READINGS:**

**Carroll, Chapter 4: Budgeting**

**Carroll, Chapter 15: Decision and Budget Impact Analysis**

**Zelman, Chapter 10: Budgeting**

**SUGGESTED READINGS:**

**Boyd AM, et al. Strategic Thinking. Am J Health-Syst Pharm. 2017.74: 1103-8.**

**ASHP Foundation Pharmacy Forecast 2018. Am J Health-Syst Pharm. 2017**

**KEY TERMS:**

**Strategic plan**

**Pro forma**

**Planning and control cycle**

**Tactics**

**Budgeting**

**Participatory budgeting**

**Incremental-decremental budgeting**

**Zero-base budgeting**

**Mission Statement**

