

PADM 612 Health Payment Systems (Online)

Fall 2021

Instructor : Young Joo Park

Course Meetings : Thursdays 11:59 PM

(The meeting time is not specified, but weekly course materials will be posted on Thursdays).

Office Hours : Friday 9:00 AM – 11:00 AM and by appointment via Zoom

We will discuss the purpose and methods of financial accounting, function and organization of the finance department, and special industry characteristics affecting financial management including third party payers, price or rate-setting and cost-shifting, taxation and healthcare incentives, and emerging healthcare organizations. In addition, we will evaluate multiple dimensions of health care cost and payment, with an emphasis on how payment systems influence provider organization, behavior and performance. The focus of this course is the US health care system. We will further review sources and uses of health care dollars, and examine how these have changed in recent years.

Texts

Finkler, S. A., Ward, D. M., & Calabrese, T. (2018). Accounting fundamentals for health care management. Jones & Bartlett Learning.

Reading materials include, but are not limited to, power point class presentations, other industry publications, and additional handouts distributed during the course.

Grading

Final Exam	150 points
Midterm Exam	150 points
Assignments	50 points * 4
Weekly Assignments	10 points * 10
Participation	50 points
Total	650 points

Excused Absences: I do appreciate that you may experience truly extenuating circumstances which would prevent attending class or preparing an assignment by the deadline. In these cases, speak with me as soon as possible, provide written documentation, and we will make alternate arrangements. **Out of fairness to the rest of the class, I cannot adjust individual students' deadlines without supporting documentation.**

Disability Statement: *Reasonable accommodations will be provided for students with documented physical, sensory, systemic, cognitive, learning and psychiatric disabilities. If you believe you have a disability requiring accommodation in this class, please notify the Accessibility Resource Center. That office will provide the course instructor with verification of your disability, and will recommend appropriate accommodations.*

Citizenship and/or Immigration Status: *All students are welcome in this class regardless of citizenship, residency, or immigration status. Your professor will respect your privacy if you choose to disclose your status. As for all students in the class, family emergency-related absences are normally excused with reasonable notice to the professor, as noted in the attendance guidelines above. UNM as an institution has made a core commitment to the success of all our students, including members of our undocumented community. The Administration's welcome is found on our website: <http://undocumented.unm.edu/>.*

Academic Integrity: **It is not permitted to copy and paste in somebody else's work directly.** It is permitted to work together (as per the policy on "collaboration" below), take notes from that meeting, and then create your own materials from scratch.

Schedule (Tentative)

Note: Homeworks are due on the day listed.

Aug 26: Introductions

Orientation to Course

- Review syllabus and textbook
- Revise course outline including requirements and policies

Introduction to Healthcare Accounting and Financial Management

Financial Environment of Healthcare

Chapter 1, 3

Sep 2: Accounting Concepts

Chapter 4

Sep 9: Introduction to Key Financial Statements

Chapter 5

- HW 1 due

Sep 16: Valuation of Assets and Equities

Chapter 6

Sep 23: Recording Financial Information

Chapter 7

- HW 2 due

Sep 30: No Class - Association for Budgeting & Financial Management Conference

Oct 7: Midterm

Oct 14: No Class - Fall Break

Oct 21: Reporting Financial Information

Chapter 8

Oct 28: Depreciation and Amortization

Chapter 10

Nov 4: Inventory and Cost Accounting

Chapter 11

Nov 11: Financial Statements and Footnotes

Chapter 12, 13

- HW 3 due

Nov 18: Ratio Analysis

Chapter 14

Nov 25: Thanksgiving Day

Dec 2:

Hospital price/charge setting will be reviewed. The interaction between charges, cost, ratio of costs to charges and third-party reimbursement will be discussed. Accounting versus reimbursement concepts of contractual allowances, bad debt, and charity care and other write offs will be reviewed. We will examine the Medicare program from the beneficiary perspective to set the ground rules for Medicare reimbursement for hospitals and other providers.

Dec 9:

Federal Medicare Program and the Prospective Payment Systems (PPS) payment methodologies will be discussed. Focus will be on Inpatient PPS which includes Medicare Severity (MS) Diagnostic Related Groups (DRGs), relative weights, cost outlier payments, and case mix index. Please read the publication: "Medicare and You." Find it on the CMS web site. www.cms.gov.

- HW 4 due

Dec 16: Final Exam