

## **MHM707 Health Management Foundations II Fall 2021 Course Outline**

### **COURSE OBJECTIVE/PROFILE**

The goal of this course is to introduce students to the fundamental concepts and practical issues related to accounting and finance and their uses in planning, decision making and control in health care management.

Course content includes:

- Basics of managerial finance, financial accounting and managerial accounting
- Basics of pricing, costing, planning, budgeting, and forecasting
- Time value analysis
- An introduction to capital structure and the cost of capital
- Basics of capital budgeting

### **COURSE DESCRIPTION**

Through this course, students will learn about the fundamental concepts and practical issues related to accounting and finance and their uses in planning, decision making and control in the management of health care organizations. Skills in the basics of financial management, financial accounting and managerial accounting, budgeting and forecasting, including statistical applications, will be developed through online discussion, case studies and course assignments.

### **LEARNING OUTCOMES/OBJECTIVES**

Upon completion of this course, students will be able to:

- Understand and correctly use basic financial accounting, managerial accounting and finance terms
- Perform basic financial planning, decision-making and control analyses
- Understand financial risk and return concepts and perform basic time value analysis; analyze investment opportunities, identifying those that will create stakeholder value
- Define the different types of costs, including direct costs, indirect costs, variable costs, fixed costs, product costs and period costs
- Conduct detailed variance analysis in evaluating the performance of a business unit in an organization; use relevant cost information in making product/service decisions including pricing, outsourcing, operations planning and capital investments
- Evaluate financial management issues in health care; use those evaluations to make recommendations, and communicate conclusions through discussion and written reports

## INSTRUCTOR AND CONTACT INFORMATION

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Course Instructor / Course Coordinator

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## MODES OF STUDY

This course is delivered in an online format using Avenue to Learn as the principal mode of learning. Topics are explored through readings, problem assignments, case studies and online discussions. Students are expected to read the assigned course material, analyze information, and share their new knowledge and understanding with their classmates so that they learn from each other as well as from the instructors. Instead of face-to-face small group discussions, students will interact online with other students and the course instructors. Typically, discussions will occur asynchronously (not in real time) as this enables students from different time zones to participate more easily and to organize their learning activities around work, family and personal demands. Live chat rooms and video links may also be used as needed. The instructors and students will also maintain regular contact by email. Please contact the instructors directly at [chambert@mcmaster.ca](mailto:chambert@mcmaster.ca) or [fortij@mcmaster.ca](mailto:fortij@mcmaster.ca) and NOT at their Avenue to Learn e-mail addresses.

## USE OF A2L - STUDENT AND INSTRUCTOR EXPECTATIONS

Students are expected to share ideas and experiences related to the topics presented during online discussions. They are expected to post at least one main response to the weekly question(s) and to participate in the overall discussion by commenting on other students' responses (at least 2 times per week; i.e. a total of at least 3 posts per week). Postings should be reflective, concise and respectful. Make sure you are adding value and not simply repeating what others have already said (refer to the Online Discussion Grading Scale posted in the content section of the A2L site). The course instructors and teaching assistant will limit their online participation so as not to overly influence the direction of the discussion. To facilitate discussion, students in each course section will be divided into groups. The groups to which students have been assigned appear at the end of the course outline.

A general discussion area on the A2L site is where students may interact with each other. Instructors and TAs will not be monitoring this area so if you have an important questions please email them directly.

**Confidentiality Statement:** To protect the learning environment, all MHM Program participants (e.g. students, teaching assistants, faculty) agree to honour individual and corporate confidentiality. Please regard all information as private, confidential, and/or proprietary and only disclose such information with the prior written consent of the author. Lapses in confidentiality are considered academic misconduct and could result in a change to your status in the MHM Program.

## TECHNICAL REQUIREMENTS

Students require access to a computer that meets the MHM Program technical requirements and access to the internet on a regular basis. Learners must have an active McMaster email account and web browser. The course will be delivered through McMaster University's A2L platform. Students should become familiar with the A2L site, obtain required/suggested textbooks, and complete the first week's required readings as early as possible.

## TEXTBOOKS AND READINGS

- Avenue registration for course content, assigned reading, problems and case assignments, <http://avenue.mcmaster.ca>
- Kristen L. Reiter and Paula H. Song. Gapenski's Healthcare Finance: An Introduction to Accounting and Financial Management, Seventh Edition. Chicago: Health Administration Press, 2021
- George H. Pink and Paula H. Song, Gapenski's Cases in Healthcare Finance, Sixth Edition. Chicago: Health Administration Press, 2019.

## SPREADSHEET APPLICATIONS

Students will probably find that many of the assigned problems and cases lend themselves to spreadsheet-based solutions. For those who have had no experience in using spreadsheets for problem-solving, an introductory level on-line course can be found at

<http://www.baycongroup.com/el0.htm>

Working through this course takes about an hour. For additional assistance please contact Sophia Perrelli, the course teaching assistant.

## METHOD OF EVALUATION

The final course grade will be calculated as follows:

### ***Components and Weights***

Completion of weekly problem sets	20%
Completion of case write-ups	20%
Online contributions and participation	30%
Completion of a project suited to a health management setting	30%
<b>Total</b>	<b>100%</b>

### ***Notes:***

- I. **Problem assignments:** There are twelve problem assignments (one per week for twelve weeks), of which the ‘best’ ten will be used to compute your grade. (20 marks; 2 marks each).
- II. **Case Write-ups:** The members of each group assigned to lead the discussion of the cases will also submit a ‘team report’ on that case. Initial posts to start the discussion should be made no later than Tuesday of the week in which the case is to be discussed. The written report will be due on Monday morning at 9:00 am of the following week. Each case team will lead the discussion of two cases and submit the write-ups of those cases. (10 marks each).
- III. **Participation:** All students are expected to participate in the online discussion of the cases over the course of the term. The class will be divided into groups; the composition of which will rotate on a week-to-week basis. One team from each group will be assigned to lead the group discussion beginning no later than Tuesday at 9:00 am of the week to which the case is assigned and ending no later than Saturday at 12:00 pm (noon) of that week (team leaders may set an earlier ending time). Comments and replies should be constructive and respectful. The participation component of the course evaluation will be based on the quality of your

contribution. Please post your comments and replies on your group's "Discussions" section of the course's Avenue to Learn site. Case assignments are included in this course outline.

- IV. **Term project:** Students will identify a real financial management "problem" that has challenged a health care organization (perhaps your own!). You should describe how the problem arose, including a review of relevant decisions, policies and practices. Discuss the organization's response to the management problem and the results of that response. Was the problem successfully resolved? What was the impact of the problem and its resolution on the organization (including the share price if the organization is a publicly traded company)? What is your opinion of the financial condition of the organization now?

The project write-up should be on the order of 3,750 words (fifteen pages double-spaced), with supporting figures, tables and appendices as you deem necessary. The problem identified should be reasonably current – within, shall we say, the last two years; an ongoing problem would be interesting too! Though not required, we suggest that students discuss their project with one of the course instructors before proceeding. Please submit your project no later than Monday, December 13, 2021 at 5:00 pm. (30 marks).

### ***Conversion of Percentage to Letter Grades***

At the end of the course your overall percentage grade will be converted to your letter grade in accordance with the following conversion scheme.

LETTER GRADE	PERCENT
A+	90 - 100
A	85 - 89
A-	80 - 84
B+	77 - 79
B	73 - 76
B-	70 - 72
F	00 - 69

### **REFERENCING**

All submitted assignments should use formal APA (American Psychological Association) referencing format, 7th edition. Links to summary APA style guides can be found on the A2L course site as well as on the McMaster Library website. Referencing within online posts may be less formal (students need to provide sufficient information so that the material referenced may be easily found).

## **PENALTY FOR LATE SUBMISSION**

Deadlines for assignments are set. All work must be submitted to the A2L Dropbox on the due date/time as stated in the course outline. Do not submit work by email. Late assignments will be penalized 10% for every 24 hours, or part thereof, they are submitted past their due date and time. If you anticipate being unable to complete an assignment on the due date, please contact the course coordinator prior to the due date. Requests for extensions will not be considered within 48 hours of the deadline except under extenuating circumstances.

## **ACADEMIC INTEGRITY**

It is the student's responsibility to understand what constitutes academic integrity. Please refer to the University Senate Academic Integrity Policy. This policy describes the responsibilities, procedures, and guidelines for students and faculty should a case of academic integrity arise. A breach of academic integrity is defined as to knowingly act or fail to act in a way that results, or could result, in unearned academic credit or advantage. Please refer to the policy for a list of examples. The policy also provides faculty with procedures to follow as well as general guidelines for penalties. All work that students submit must be own work (original) and include proper citations when work is copied or paraphrased.

### **Turnitin**

A web-based service (Turnitin) to reveal originality may be used. Students are expected to submit their work electronically to the A2L Dropbox. Students who do not wish to have their work assessed through Turnitin must advise the course coordinator in writing at the beginning of the term. This student will submit their assignment as well as all rough drafts as an appendix to the course coordinator using a mutually agreed to process. No penalty will be assigned to a student who does not wish to have their work assessed through Turnitin. All submitted work is subject to normal verification that standards of academic integrity have been upheld (e.g., online search, etc.).

For further information related to the Academic Integrity Policy or the use of Turnitin, please refer to the Office of Academic Integrity at: [www.mcmaster.ca/academicintegrity](http://www.mcmaster.ca/academicintegrity).

### **Recycling Assignments**

If a student has conducted a project or assignment for another course on a similar topic to the once proposed for this course, they are required to obtain permission from the course coordinator in advance of proceeding with the topic. This is to ensure that projects or assignments are sufficiently different from one another. If in doubt, please contact the course coordinator.

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## **STUDENT ACCOMMODATION**

Individuals who may require reasonable accommodation (an individualized adaptation or adjustment made to provide a person with a disability with equitable and non-discriminatory opportunities for participation) are encouraged to contact Student Accessibility Services (SAS). In collaboration with SAS, the student creates an accommodation plan. Prior to the beginning of each course, the student will provide the course coordinator with the SAS approved accommodation letter. Together we will discuss how each accommodation will be provided.

You will be required to follow the policies and procedures of McMaster University, Faculty of Business, and Faculty of Health Sciences: [www.sas.mcmaster.ca](http://www.sas.mcmaster.ca).

## **POTENTIAL MODIFICATIONS TO COURSE**

The instructors and University reserve the right to modify elements of the course during the term. The University may change the dates and deadlines for any or all courses in extreme circumstances. If either type of modification becomes necessary, reasonable notice and communication with the students will be given with explanation and the opportunity to comment on changes. It is the responsibility of the student to check their McMaster email and A2L course site frequently during the term.

## **ACKNOWLEDGEMENT OF COURSE POLICIES**

Your registration and continuous participation (e.g., on A2L) in the various learning activities of this course will be considered to be an implicit acknowledgement of the course policies outlined above, or of any other that may be announced on A2L. It is your responsibility to read this course outline, to familiarize yourself with the course policies, and to act accordingly.

Lack of awareness of the course policies cannot be invoked at any point during this course for failure to meet them. It is your responsibility to ask for clarification on any policies that you do not understand.

## TEAM CASE ASSIGNMENTS

The class has been divided into five groups (four in week 13) comprising five to seven teams each for case discussion purposes. The composition of the groups (but not the teams) will change from week to week so that everyone will have an opportunity to interact with everyone else over the course of the term. The first team listed in each group (bold print) will be responsible for leading the group discussion and writing up the case report for their group in the week indicated.

WEEK	GROUP A	GROUP B	GROUP C	GROUP D	GROUP E
3	<b>1</b> , 6-9	<b>2</b> , 10-13	<b>3</b> , 14-18	<b>4</b> , 19-22	<b>5</b> , 23-27
4	<b>6</b> , 11-14	<b>7</b> , 15-19	<b>8</b> , 20-23	<b>9</b> , 1, 24-27	<b>10</b> , 2-5
5	<b>11</b> , 16-20	<b>12</b> , 21-24	<b>13</b> , 1, 2, 25-27	<b>14</b> , 3-6	<b>15</b> , 7-10
6	<b>16</b> , 21-25	<b>17</b> , 1, 2, 26, 27	<b>18</b> , 3-6	<b>19</b> , 7-10	<b>20</b> , 11-15
7	<b>21</b> , 1, 2, 26, 27	<b>22</b> , 3-7	<b>23</b> , 8-11	<b>24</b> , 12-15	<b>25</b> , 16-20
8	<b>26</b> , 4-8	<b>27</b> , 9-12	<b>1</b> , 13-16	<b>2</b> , 17-20	<b>3</b> , 21-25
9	<b>4</b> , 9-13	<b>5</b> , 14-17	<b>6</b> , 18-21	<b>7</b> , 22-26	<b>8</b> , 1-3, 27
10	<b>9</b> , 3-7	<b>10</b> , 8, 14-16	<b>11</b> , 17-20	<b>12</b> , 21-24	<b>13</b> , 1, 2, 25-27
11	<b>14</b> , 19-22	<b>15</b> , 23-26	<b>16</b> , 1-3, 27	<b>17</b> , 4-8	<b>18</b> , 9-13
12	<b>19</b> , 24-27	<b>20</b> , 1-4	<b>21</b> , 5-8	<b>22</b> , 9-13	<b>23</b> , 14-18
13	<b>24</b> , 1-6	<b>25</b> , 7-12	<b>26</b> , 13-17	<b>27</b> , 18-23	



*Case Teams*

Last Name	First Name	Group
Cashen	Daniel	1
Whitehead	Ethan	1
Prabhakar	Vikram	1
Chan	Rebecca	2
Penbaga	Maybelle	2
Seth	Riddhi	3
Shaffrey	David	3
Tobin	Carla	4
Adesanya	Opeoluwa	4
Arifeen	Sheema	5
Arjune	Cassandra	5
Babooram	Karissa	6
Belanger	Kandace	6
Bitondo	Breanna	7
Booth	Stacie	7
Burr	Tania	8
Cameron	Shelley	8
Casas	Rey	9
Chinikar	Madjid	9
Cizmeci	Elif	10
Cox	Conor	10
Crockett	Katherine	11
Czaplinski	David	11
Duckworth	Lindsay	12
Genzel	Julie	12
Gibson	Jason	13
Gill	Navtej	13
Grimes	Samantha	14
Hamilton	Brooke	14

Last Name	First Name	Group
Haydt	Sylvia	15
Huang	Ling	15
Ivanova	Nelli	16
Kermer	Katrina (Katie)	16
Lee	Jennie	17
Lee	Nicole	17
McCall	Jennifer	18
McDonald	Kristy	18
Ng	Alvina	19
Obhrai	Shefali	19
Parks	Karen	20
Patel	Jinesh	20
Romanos	Elie	21
Sant	Stephanie	21
Scofich	Rosemary	22
Shafer	Kyle	22
Sheldrick	Chelsey	23
Shih	Yo Yu (Joy)	23
Siddiqui	Rabiah	24
Tabiatpoor	Fatemeh	24
Taylor-Weir	Dayna	25
Towes	Kimberley	25
Umair	Ayesha	26
Villegas Molero	Guillermo	26
Zaffino	Entela	27
Boloten	Janna	27