

Health Policy and Administration 741
Management Accounting for Healthcare Administrators
Spring 2008
RESIDENTIAL

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INTRODUCTION

HPAA 741 focuses on the application of key managerial accounting tools and concepts introduced in HPAA 740, Fundamentals of Healthcare Financial Management. It is assumed that participants have received a "P" or higher in HPAA 740 or its equivalent. Anyone not meeting this requirement must talk with the instructor during the first week of class.

PHILOSOPHY

My approach to designing this course is based on a set of teaching philosophies, including problem-based learning, case-based learning, and collaborative learning. As opposed to a more traditional "drill and grill" approach ["Is this gonna be on the test?"] used in many accounting courses, a case-based learning approach attempts to more closely simulate the problem-solving environment found in most workplaces, where neither the problem nor solution may be completely clear at the outset. ["I just wish he would tell me what he wants, and I'll give it to him!"]. In the end, I believe this approach results in a better ability to define problems, evaluate information, develop solutions, communicate, and work in teams than traditional learning. It relies more on self-direction than teacher direction. I believe it is more suitable for advanced courses.

OBJECTIVES

By the end of the course, students shall have increased their:

- A. Ability to define problems, evaluate information, develop solutions, communicate, and work in teams.
- B. Ability to understand and apply basic managerial accounting concepts and analytical tools to problems, and to communicate the process and results.
- C. Proficiency in using Excel and PowerPoint in solving problems.
- D. Proficiency in using Excel and PowerPoint in making, short, clear and understandable presentations.

REQUIRED TEXT

David W. Young, Management Accounting in Health Care Organizations. San Francisco, Jossey-Bass, 2003.

ASSIGNMENTS

Your text is case-based; there are no problems, just practice cases and cases! Each assignment is presented in a Topic Guide for that module. Due dates are listed in the course schedule. The

syllabus and course schedule may be updated during the semester to reflect the actual pace of the class, new materials/speakers and to meet students' preferences and learning needs.

EXAMS

There will be two exams in the course: Exam 1 and Exam 2. For each exam you will be responsible for all material in the topics covered, including lectures and discussions, recorded materials, readings, handouts, practice cases, and cases. Exam 2 will not be cumulative. However, I reserve the right to include one question covered on the midterm. The exams are to be done individually, with no help other than that from the TA or instructor.

CASES

The course will contain 8 cases: 2 individual and 6 group cases. You must turn in the individual cases and 4 of the 6 group cases (see Case Assignments chart below). In addition, there are practice cases at the end of each chapter, which you may work through, but are not required to turn in, unless assigned. Note: In completing your cases, please include a full and proper citation if you use any information from any source, including, but not limited to articles, interviews, web sites, etc.

Most cases are due at 11:59PM on the Friday before the Monday the case is to be presented. Please respect the TA's other obligations by asking questions as early in the case process as possible. There is no guarantee, and in fact maybe not very likely, that any emails or phone calls received on the day an assignment is due will be responded to. The TA will attempt to address all questions within 24 hours. You may also set up an appointment for assistance with course concepts or specific case questions.

EXCEL and POWERPOINT

All students completing an advanced healthcare financial management course are expected to be proficient in Excel. Beyond being an important tool for calculating, it can be an extremely useful tool for problem solving and an excellent communication tool. Yet in a course like this with many group assignments, there is a tendency to default to the group "expert" to create the spreadsheet. This may have the advantage of obtaining a higher grade, but a major disadvantage of the class members not learning an important skill, which, after all, should be one of the main reasons for your coming back to school. There are two ways to gain important Excel skills in this course (you may want to try them both).

1. The participatory approach. Establish and follow these two rules in your group:
 - Before the group gets together to solve the case, each member must first turn in their spreadsheet analysis to the group.
 - After the final group model is developed, the creator of that spreadsheet must walk all members through each of the "bells and whistles" so that the other members of the group can acquire those skills.
2. The individual approach. Use an individual tutorial:
 - Ask a classmate, a friend, or "Google" and find a tutorial that suits you. It is amazing how many books and tutorials there are. I can't keep up with them, so I'm really not of any help in this regard.
 - Use the UNC CBT tutorials. The UNC system has just contracted for a new vendor to provide free training in a number of programs for UNC faculty, staff and students. By going to <http://cbit.unc.edu/> you can register to take numerous Excel courses. You can take these courses at your own pace, and while you can take the whole course(s), you are also able to just focus on a particular skill you wish to learn.

As with Excel, PowerPoint is one of the main communication tools in use today. Similarly, each student is encouraged to take advantage of class presentations to develop their PowerPoint skills even further.

To aid in increasing your proficiency with Excel and PowerPoint, you will be provided with both an **Excel Guide** and a **PowerPoint Style Guide**, which are to be followed for all presentations in this class. Adherence to the styles and information within these guides is expected.

COMMUNICATION

Most questions can be answered by the TA, and that should be your first choice if possible. For email, use the addresses at the top of the syllabus. If it is not clear from the context, please indicate in the first sentence of your email whether it is being addressed to just me or the TA and me. For everything else course-related (announcements, posting of assignments, submitting assignments, discussion forums, group work, etc.) please use the course site on Edufolio. <https://sph-unc.edu/edufolio.com>

PARTICIPATION

Participation is an important part of any graduate course. The following are the activities that will be reviewed to decide your participation grade:

- A. Being prepared for class.
- B. Participation and contribution to in-class discussions.
- C. Participation in group cases.

ELECTRONIC DEVICES

Use of electronic devices in this class is encouraged for taking notes, or perhaps quick look-up of information relevant to the lecture or discussion. Use of electronic devices for multi-tasking, checking email, sending instant messages, etc. is inappropriate and oftentimes rude to the presenter, as well as inconsiderate to other class members. Please limit use of electronic devices only to class-relevant activities.

ACADEMIC CONTINUITY PLANNING

Disruptions of plans and schedules are inevitable; however, it is desirable to maintain “business as usual” to the fullest extent feasible and appropriate. On campus, both UNC Hospitals and HPAA’s Community Preparedness and Disaster Management (CPDM) Program are deeply involved in developing continuity plans. One aspect of HPAA’s departmental activities is focusing on academic continuity planning, and the design of some pilot activities to learn more about (1) notification methodologies in case of a disruption, and (2) alternative modes of academic interaction and instruction. There will likely be at least one unannounced test of the pilot “academic continuity plan” activities during the spring semester. More information will be forthcoming.

GRADING

Grades will be based on the following distribution:

		Non- Project Option	Project Option
Exams	2	50	30
Group Cases (Consultant)	2	30	30
Group Cases (Staff Reviewer)	2	10	10
Individual case and discretionary *Project		10	10
	Total	100*90%	100

The discretionary points will be made up of subjective factors such as participation in class, case reviewer questions, extra credit and unusually outstanding work. All assignments are due promptly when assigned. Late assignments will be penalized 10 points per day, unless arrangements have been made ahead of time with the instructor or teaching assistant. Of additional importance: in order to receive an "H" in this course, it is necessary to participate in a class project. Your grade on the project will be based on peer evaluations as well as on the deliverable the group produces.

The following scale will be used to convert points to class grade, unless in the unlikely event I feel it appropriate to move the scale downward.

Grade	Final Points*
H	>= 90
P	75 - 89
L	60 - 74
F	< 60

***Please note, that in order to receive at least a P in the course:** **1)** Grades on your individual work and discretionary points must average at least 75%. If they do not average 75%, then your grade will be an L or an F based on the above scale. **2)** Full participation in group work is so key to the course, that if your overall peer review scores do not average 75%, I reserve the right to give you an L or an F, regardless of your other scores. **3)** No questions regarding grades received will be addressed after ONE week of returning the assignment. **4) No more than 1 hour will be spent grading your Excel Spreadsheets, after that time, a grade will be issued on the work graded to that point.**

HONOR CODE

Fundamental to academic integrity is the concept that the work being judged is that and only that of the person(s) whose name(s) appear(s) on the document. Only in specific cases where the instructor has given you written or electronic permission can this dictate be violated. In addition, the student attests that he/she has neither used nor consulted the work of current or prior students to prepare cases, exams and class assignments. In cases where permission has been given, please list those persons from whom you received help along with some identifying information (relationship, title, etc.) If you have even the slightest question about whether or not certain actions you or your group is contemplating are in compliance with this honor code, ask the instructor. Breaches of this honor code are considered most serious and will be dealt with on a case-by-case basis.

To attest that you have abided by the UNC honor code [<http://honor.unc.edu/>], all documents turned in should have [each] student's name on the document. It will be assumed that your name on the document indicates you have abided by the honor code. This will also be assumed for group cases.

HPAA 741 Class Schedule Spring 2008

Date	Topic	Reading or Application	Assignment Due
W Jan. 9	Syllabus Teaching Philosophy Module 0 Lectures	None	
M Jan 14	1.1 Introduction to Full Cost Accounting 1.2 Step-down with Homecare example	Chapter 1 (Full Cost Acct.)	Biography due
W Jan 16	2.1 Differential Cost Accounting 2.2 Using the formula ... -----Humana Example	Chapter 2 (Differential Cost Acct.)	
M Jan 21	MLK Jr. Day	No Class	
W Jan 23	Guest Speaker Turn in Mossy Bog case	Patty Moore-Boyette (VP UNCHCS) (Main Tools and Concepts: Stepdown)	Mossy Bog due
M Jan 28	Harbor City Presentations	(Main Tools and Concepts: Cost-finding and Rate Setting)	Harbor City due
W Jan 30	2.3 Multiproduct Breakeven	Chapter 2 (Differential Cost Acct.)	
M Feb 4	Discuss Abbington case	(Main Tools and Concepts: Multiproduct Breakeven)	Abbington due
W Feb 6	4.1 Background 4.2 Traditional Application Rate	Chapter 4 (Activity-Based Costing, pp 199-210 only)	Make sure to read pp 199- 210 before class.
M Feb 11	BUMCH Presentations	(Main Tools and Concepts: Multiproduct Breakeven and Global Rate Setting)	BUMCH due
W Feb 13	4.3 Activity-Based Costing	(Main Tools and Concepts: Activity- Based Costing)	
M Feb. 18	ABC Examples. In-class case	Chapter 4 (Activity-Based Costing, pp 199-210 only)	Read N'borhood Servings before class!
W Feb 20	5.0 Intro. to Responsibility Account. 5.1 Performance Measurement	Chapter 5 (Responsibility Accounting)	
M Feb. 25	Lakeside Case Presentations	(Main Tools and Concepts: Drop-Add)	Lakeside due
W Feb. 27	5.2 Measuring Return	Chapter 5 (Resp. Accounting)	
M Mar 3	5.3 Transfer Pricing	Chapter 5 (Resp. Accounting)	
W Mar 5	Exam I	Covers up through Transfer Pricing	Exam 1

M Mar 10	SPRING BREAK		ENJOY!
W Mar 12	SPRING BREAK		ENJOY!
M Mar 17	6.1 Capital Budgeting	Chapter 6 (Programming and Budgeting, pp 305-319). Review chapter 9 in your HPA 250 text	
W Mar 19	Capital Budgeting	Chapter 6 (Programming and Budgeting, pp 305-319). Review chapter 9 in your HPA 250 text	
M Mar 24	White Hills Presentations	(Main Tools and Concepts: Transfer Pricing)	White Hills due
W Mar 26	7.0 Variance Analysis	Chapter 7 (Measuring and Reporting)	
M Mar 31	Green Valley Presentations	(Main Tools and Concepts: Capital Budgeting)	Green Valley due
W Apr 2	Capacity Utilization	Guest Speaker: Fred Brown (May be readings in advance).	
M Apr 7	Hillside Case Preparation Capital Budgeting: Example from the Field	Make sure to read ahead for Hillside Case. Guest Speaker: TBD	
W Apr 9	Background Briefing: Budgeting Case	741 Budgeting Case Team (Review chapter 10 in 740 text)	
M Apr 14	Hillside Presentations	(Comprehensive Case Based on Responsibility Accounting)	Hillside due
W Apr 16	In-Class Budgeting Case	741 Budgeting Case Team	
M Apr 21	Ethical Frameworks	See Topic Guide	
W Apr 23	Exam 2	Covers Material Since MidTerm	Exam 2

Please note that the due date for each assignment is below!

Assignments

Assignment	Topic	Due Date	Group Number					
			1	2	3	4	5	6
Biography	You	Jan 14	<i>Only if you have not taken 740 in Fall of 2007</i>					
Mossy Bog	Cost-Allocation	Jan 23						
Harbor City	Cost-Allocation	Jan 28	X	X	Y	Y		
Abbington	Cost Behavior	Feb 4						
Boston University Medical Center	Multi-product BE	Feb 11			X	X	Y	Y
Lakeside	Cost-Allocation & Cost Behavior	Feb 25	Y	Y			X	X
Exam 1		Mar 5						
White Hills MC	Transfer Pricing	Mar 24	X	X	Y	Y		
Green Valley	Capital Budgeting	Mar 31			X	X	Y	Y
Hillside	Responsibility Accounting	Apr 14	Y	Y			X	X
Exam 2		Apr 23						

Abbreviations:

- X = Group Presenting
- Y = Non-presenting Group
- Blank = Free Day