

PHCY 5442:  
Financial Planning for Health  
Institution Leaders  
Spring 2025



PHCY 5442: Financial Planning for Health Institution Leaders  
<2025>

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--

- Use financial metrics and reports including use of information technology

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

- Design budgets and manage assets including capital budgets

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

- Analyze pharmacy payment and reimbursement models

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

- Develop long-term financial plans using financial analysis and investments

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

- Apply the concepts from the class to case studies

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, 4th 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 (to be provided)

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. \*\*\*Note – Do Not Purchase\*\*\*\*

SUGGESTED TEXTS (Not required to be purchased. Content also achieved through research of Key Terms):

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

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

#### 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 (1 pm – 4 pm Mountain)

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.

#### EXCUSED ABSENCES:

No attendance will be taken for lecture activities or office hours. Students must regularly and productively participate in class and via the discussion board. Because of the multiple available times for posting discussions and assignments as well as for taking any quizzes or examinations, the need for an excused absence would be a rare event

only granted for legitimate long-term needs. Only rationale accepted by the University of Wyoming as an excused absence will be accepted.

#### 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.

Students who qualify or may qualify under the American Disabilities Act should contact the Student Educational Opportunity (SEO) office located at Knight Hall (Room 330), <http://www.uwyo.edu/udss/>, 307-766-6189, TTY: 307-766-3073 immediately to complete paperwork for any needed accommodations.

#### ACADEMIC DISHONESTY, DISCRIMINATION AND HARASSMENT WILL NOT BE TOLERATED!

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)

#### 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 of at least 350 words and citing at least two references (scholarly) if appropriate to the question type, and in essay format. After the initial post, answer any question

your instructor has about your initial post, and respond to at least two (2) of your classmates' initial posts. Each of your responses to your classmates should be at least 100 words in length and include at least one scholarly reference. You are encouraged to post your required replies early in the week to prompt more meaningful and interactive discourse in the discussion forum and to respond with robust dialogue to anyone that replies to your initial post. 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 time-limited and will be available during the times noted below. 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!

## PHCY 5442: FINANCIAL PLANNING FOR HEALTH INSTITUTION LEADERS COURSE SCHEDULE

(Schedule is tentative and topic dates are subject to change; additional readings will be assigned as appropriate)

### DATES TOPIC AND ASSIGNMENTS

#### Lecture 1

(Phillips) Sunday, January 26 at 3PM ET (1 PM MT) Course Introduction, Importance of Finance to the Pharmacy Leader, and Inventory Management

#### Lecture 2

(Phillips)

Sunday, February 2 at 3PM ET Finance Department Organizational Structures, Types of Cash Flows, and Intro to Financial Statements

#### Lecture 3

(Shirley) Sunday, February 9 at 3PM ET Accounting Principles, Financial Statement Analysis, Responsibility Reporting/Profit & Loss

#### Lecture 4

(Shirley) Sunday, February 16 at 3PM ET Operational Budgeting, Pro Formas, and Strategic Planning

#### Lecture 5

(Shirley)

Sunday, February 23 at 3PM ET Capital Planning, IT Systems, and Future Trends

Final Exam Opens Saturday, March 1 at 12noon ET and closes on FRIDAY, March 7 at 11:59 pm ET. Comprehensive test that includes case studies over all course material!

#### 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:**

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 4:

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

#### LECTURE 5:

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