A. **Overview**

**Course Description**

A skills-building class designed to provide students with tools for financial management responsibilities in the healthcare sector. It offers a practical approach for identifying, analyzing and making recommendations regarding the fiscal viability of decisions facing healthcare organizations.

Using techniques and methodologies discussed in class, students will determine the financial impact, feasibility and sustainability of vexing issues. The course will include several guest lecturers to discuss case studies and application of concepts.

This 4-credit course introduces the principles, methods and concepts of financial management. Topics include revenue capture and cost classifications, break-even analysis under diverse payer scenarios, financial statement analytics, operational and capital budgeting, variance analysis, forecasting and pro forma, sensitivity analysis, staffing (FTE) models, utilization of financial dashboards.

**Prerequisites**

HPM 234, HPM 403 are the course prerequisites. The course is open to graduate students in the Fielding School of Public Health and to qualified graduate students by permission of the instructor. It is recommended that students have completed at least one course in graduate level accounting or economics prior to enrolling.

**Instructor**

Julie A. Elginer, Dr.PH, MBA
Adjunct Assistant Professor
Department of Health Policy and Management
Department of Community Health Sciences
UCLA Fielding School of Public Health (FSPH)
Office: 36-081
Phone: (818) 523.5990 (c) – Do not disseminate
Email: jaelginer@ucla.edu

**Class Days, Times, Location**

Wednesday, plus online modules posted to CCLE completed asynchronously
1:00 PM – 3:50 PM
Community Health Science Bldg (CHS), Room 43-105A.

**Office Hours**

Wednesday from 12:00 PM – 1:00 PM
Also available outside via appointment. Please schedule in advance.
CHS 36-081

**Course Texts**

One online module available through JB Learning that students will complete as a group.

Case studies are available for purchase at: [HPM 436 Course Pack from HBP](#) The price for the required cases course pack is $8.00 with two additional articles listed as optional. Other course materials will be posted on the CCLE course site, distributed in class or electronically.

### Required Readings

All materials, articles and case and discussion notes are posted in advance. It is expected that students will have thoroughly read the materials and are fully prepared to discuss at each class session.

### Course Format

The course format will consist of a blended learning approach. The course meets once weekly for three hours plus has several online modules that that student access and complete asynchronously. Students are expected to complete the readings before class and come to each class prepared to discuss the texts. The hybrid course **REQUIRES** reading, case work, accessing online modules, posting responses and active participation in discussions. You are expected to attend all lecture sessions.

Note: your homework, exam submission and final project will require you to produce “client ready” deliverables in Microsoft Office or Google suite applications. This means they are professionally created, free of errors and are of sufficient quality that they could be distributed to an external client for review. This is an important component of the course and students cite this standard as one of the most significant in terms of their professional development.

If you need to be absent from a single course session, please inform me well in advance of the session. Be present and engaged: more you invest in this course, the more you will learn and the more others will learn from you.

### Classroom Contributions

Students learn from each other as well as from the instructor. The diversity of settings and experiences of the students contributes to class learning. Therefore, **class contribution and attendance are required.** Class contribution grades will reflect your attendance and quality of participation in class discussions and your timely submission of intermediate deliverables.

### Course Website

[HPM 436 Winter 2020](#)

### UCLA ADA Policy

Students needing academic accommodations based on a disability should contact the Center for Accessible Education (CAE) at (310) 825-1501 or in person at Murphy Hall A255. When possible, students should contact the CAE within the first two weeks of the term as reasonable notice is needed to coordinate accommodations. For more information visit [www.cae.ucla.edu](http://www.cae.ucla.edu).

### ADA Contact

Nickey Woods
Center for Accessible Education
Inclusivity

UCLA’s Office for Equity, Diversity, and Inclusion provides resources, events, and information about current initiatives at UCLA to support equality for all members of the UCLA community. I hope that you will communicate with me or your TA if you experience anything in this course that does not support an inclusive environment, and you can also report any incidents you may witness or experience on campus to the Office of Equity, Diversity, and Inclusion on their website (https://equity.ucla.edu/).
B. Learning Objectives:

Competencies addressed in this course, learning objectives mapped to these competencies, and assignments that assess these competencies are listed below. More information about CEPH Knowledge Areas & Competencies can be found here: https://ceph.org/constituents/students/faqs/

<table>
<thead>
<tr>
<th>Learning Objectives</th>
<th>CEPH Learning Experiences &amp; Competencies</th>
<th>Assignments</th>
</tr>
</thead>
</table>
| Using the tools and concepts discussed in class, identify and apply common analytical techniques to healthcare financial management. | HPM – M1: Provide financial solutions to business challenges faced by healthcare organizations. C10: Explain basic principles and tools of budget and resource management. | Students will complete four (4) individual homework assignments on cost classifications, breakeven analysis, financial statement analytics and operating budgets. *(Due Weeks 3,4,7,9)*  
Assessment: homework grade (30%)

In assigned groups, teams will develop and complete a financial dashboard that will be used in their final presentation. *(Week 5).*

Assessment: course participation *(10%)* |
| Read and analyze interactive online module and case studies, demonstrating a practical application of course concepts. | HPM:1 Understand and evaluate private and government roles in the financing, regulation, and delivery of healthcare, and in safeguarding the public’s health. HPM:3 Apply problem-solving skills to improve functioning of organizations and agencies in public health and healthcare systems | In their assigned teams, students will complete one online module and two Harvard Business Publishing case studies prior to select class sessions. We will discuss their findings and recommendations, comparing insights among teams. *(Due Weeks 2, 6, 9).* |
# Course HPM 436: Healthcare Financial Management

**Term:** Winter 2020  
**Credits:** 4

<table>
<thead>
<tr>
<th>Learning Objectives</th>
<th>CEPH Learning Experiences &amp; Competencies</th>
<th>Assignments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Identify and discuss current and future business challenges facing healthcare organizations plus provide recommendations to address vexing issues.</td>
<td>C19: Communicate audience-appropriate public health content, both in writing and through oral presentation.</td>
<td>Assessment: course participation (10%)</td>
</tr>
<tr>
<td>Work in diverse teams to effectively communicate, both orally and in writing, the fiscal health of a healthcare organization.</td>
<td>C21: Perform effectively on interprofessional teams.</td>
<td>In their team of 4-5, students will select one healthcare foundation, conduct a thorough fiscal analysis applying tools from the course, develop and present a 20-minute presentation. It is expected final deliverable will be “client ready” as described throughout the course.</td>
</tr>
</tbody>
</table>

Assessment: group project (20%)  
Students will evaluate one another and provide peer-to-peer feedback regarding performance (Due Week 10)  
Assessment: team member feedback (5%)
C. Course Assignments

Grading:

<table>
<thead>
<tr>
<th>Item</th>
<th>Deliverable</th>
<th>Team or Individual</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Homework Assignments</td>
<td>Four (4) Excel or Sheets, skills-based deliverables reinforcing concepts covered in class</td>
<td>Individual</td>
<td>30%</td>
</tr>
<tr>
<td>Exam 1</td>
<td>Midterm</td>
<td>Individual</td>
<td>15%</td>
</tr>
<tr>
<td>Exam 2</td>
<td>Final</td>
<td>Individual</td>
<td>20%</td>
</tr>
<tr>
<td>Group Project</td>
<td>Presentation and slide deck describing the fiscal health of one assigned healthcare foundation.</td>
<td>Team</td>
<td>20%</td>
</tr>
<tr>
<td>Team Member Performance Evaluation</td>
<td>Assessment of each member of your team through peer evaluation.</td>
<td>Individual</td>
<td>5%</td>
</tr>
<tr>
<td>Attendance and Participation</td>
<td>10 class sessions, online module access and responses to questions</td>
<td>Individual</td>
<td>10%</td>
</tr>
</tbody>
</table>

Grading Scale: The grading scale for the course is shown below.

<table>
<thead>
<tr>
<th>Grade Point:</th>
<th>4.0</th>
<th>4.0</th>
<th>3.67</th>
<th>3.33</th>
<th>3.0</th>
<th>2.67</th>
<th>2.33</th>
<th>2.0</th>
<th>1.67</th>
<th>1.33</th>
<th>1.0</th>
<th>0.67</th>
<th>0</th>
</tr>
</thead>
<tbody>
<tr>
<td>Final Percentage:</td>
<td>100-98</td>
<td>97-93</td>
<td>92-90</td>
<td>89-88</td>
<td>87-83</td>
<td>82-80</td>
<td>79-78</td>
<td>77-73</td>
<td>72-70</td>
<td>69-68</td>
<td>67-63</td>
<td>62-60</td>
<td>&lt;60</td>
</tr>
<tr>
<td>Letter Grade:</td>
<td>A+</td>
<td>A-</td>
<td>B+</td>
<td>B</td>
<td>B-</td>
<td>C+</td>
<td>C</td>
<td>C-</td>
<td>D+</td>
<td>D</td>
<td>D-</td>
<td>F</td>
<td></td>
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</tbody>
</table>

Late Submissions:
Deliverables are due on dates posted. If students are unable to meet the required dates, approval must be given by the faculty at least 48 hours in advance. Assignments that are overdue for which an extension has not been granted will be reduced by one letter grade for each day it is late. For group exercises, each member of the group will be held to the aforementioned standard.

[Click here to return to the top]
Use of Laptops, Tablets or Phones in Class: In our efforts to provide an environment that fosters and supports learning and the exchange of ideas and to maximize our time together, the faculty requests that laptops are used ONLY for course content and cell phones silenced during class. Using an electronic device for activities unrelated to the learning experience coordinated by the course instructor distracts the student using the device, his/her neighbors, and the professor. Additionally, this usage is viewed as disrespectful of all others (students and instructor) engaged in the teaching/learning process. The quality of the learning experience suffers when these discourteous distractions occur. If a student is in violation of this request, it will be addressed by the faculty. Repeated violations will result in the faculty requesting the student leave class.

Message about Academic Integrity to all UCLA Students from UCLA Dean of Students: UCLA is a community of scholars. In this community, all members including faculty, staff and students alike are responsible for maintaining standards of academic honesty. As a student and member of the University community, you are here to get an education and are, therefore, expected to demonstrate integrity in your academic endeavors. You are evaluated on your own merits. Cheating, plagiarism, collaborative work, multiple submissions without the permission of the professor, or other kinds of academic dishonesty are considered unacceptable behavior and will result in formal disciplinary proceedings usually resulting in suspension or dismissal.

Forms of Academic Dishonesty: As specified in the UCLA Student Conduct Code, violations or attempted violations of academic dishonesty include, but are not limited to, cheating, fabrication, plagiarism, multiple submissions or facilitating academic dishonesty:

Cheating: Unauthorized acquiring of knowledge of an examination or part of an examination

- Allowing another person to take a quiz, exam, or similar evaluation for you
- Using unauthorized material, information, or study aids in any academic exercise or examination – textbook, notes, formula list, calculator, etc.
- Unauthorized collaboration in providing or requesting assistance, such as sharing information
- Unauthorized use of someone else’s data in completing a computer exercise
- Altering a graded exam or assignment and requesting that it be regraded

Plagiarism: Presenting another’s words or ideas as if they were one’s own

- Submitting as your own through purchase or otherwise, part of or an entire work produced verbatim by someone else
- Paraphrasing ideas, data or writing without properly acknowledging the source
- Unauthorized transfer and use of someone else’s computer file as your own
- Unauthorized use of someone else’s data in completing a computer exercise

Multiple Submissions: Submitting the same work (with exact or similar content) in more than one class without permission from the instructor to do so. This includes courses you are currently taking, as well as courses you might take in another quarter

Facilitating Academic Dishonesty: Participating in any action that compromises the integrity if the academic standards of the University; assisting another to commit an act of academic dishonesty

- Taking a quiz, exam, or similar evaluation in place of another person

(Continued)
• Allowing another student to copy from you
• Providing material or other information to another student with knowledge that such assistance could be used in any of the violations stated above (e.g., giving test information to students in other discussion sections of the same course)

**Fabrication:** Falsification or invention of any information in an academic exercise

• Altering data to support research
• Presenting results from research that was not performed
• Crediting source material that was not used for research

While you are here at UCLA, if you are unsure whether what you are considering doing is cheating, **don't take chances,** ask your professor. In addition, avoid placing yourself in situations which might lead your professor to **suspect you of cheating.**

**Alternatives to Academic Dishonesty**

• **Seek out help** – Meet with your professor, ask for assistance as needed.
• **Ask for an extension** – if you explain your situation to your professor, she/he might be able to grant you an extended deadline for an upcoming assignment.
• **See a counselor** at Student Psychological Services, and/or your school, college or department – UCLA has many resources for students who are feeling the stresses of academic and personal pressures.

If you would like more information, please come see us at the Dean of Students’ Office in 1206 Murphy Hall, call us at (310) 825-3871 or visit their website at [www.deanofstudents.ucla.edu](http://www.deanofstudents.ucla.edu).
E. Course Outline

This schedule may change as the semester progresses, according to student enrollment and needs. Changes will be announced in class and communicated via email / CCLE. If a student is absent, s/he is responsible for obtaining information regarding any schedule changes.

<table>
<thead>
<tr>
<th>Class</th>
<th>Date</th>
<th>Topics and Readings</th>
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<tbody>
<tr>
<td>1</td>
<td>1/8</td>
<td><strong>I. INTRODUCTION</strong></td>
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<tr>
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<td></td>
<td><strong>Introduction to Financial Management</strong></td>
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<td>This session will introduce the major topics that are central to healthcare financial management. It will build on the interconnected nature of financial accounting and will begin to help students understand the primary aspects involved with financial management in healthcare entities.</td>
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<td></td>
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<td>Topics will include elements of financial management, types of organizations, management cycles and control verses planning functions, as well as assets, liability and net worth. In addition, students should leave this session with a solid understanding of what is expected of them throughout the quarter and overall course content. In the ten-week quarter, students will focus on the following concepts:</td>
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<tr>
<td></td>
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<td><strong>First Half</strong></td>
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<td>Revenues / expenses</td>
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<td></td>
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<td>Responsibility, profit and cost centers</td>
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<td></td>
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<td>Cost classifications: direct, indirect, variable, fixed, semi-variable</td>
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<tr>
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<td>Contribution margin and breakeven analysis</td>
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<td>Financial statements</td>
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<td>Ratio analysis (liquidity, solvency, etc)</td>
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<td><strong>Second Half</strong></td>
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<td>Trend analysis: horizontal and vertical</td>
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<td>Forecasting and assumptions</td>
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<td>Budgeting: top down, zero-based, incremental</td>
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<td>Variance analysis</td>
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<td>FTE calculations</td>
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<td>Sensitivity analysis and scenario planning</td>
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<td>Financial management and strategic planning</td>
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<td></td>
<td></td>
<td><strong>Readings</strong></td>
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<tr>
<td></td>
<td></td>
<td>Baker and Baker: Chapters 1-3 (pages 3-29)</td>
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<td><strong>Online Forum:</strong></td>
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<td></td>
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<td>3 questions pertaining to your competency development and 2 questions pertaining to working with reports. Teaching Assistant will post questions to CCLE.</td>
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</table>
II. FINANCIAL OPERATIONS

<table>
<thead>
<tr>
<th>Course</th>
<th>HPM 436: Healthcare Financial Management</th>
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</thead>
<tbody>
<tr>
<td>Term</td>
<td>Winter 2020</td>
</tr>
<tr>
<td>Credits</td>
<td>4</td>
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### Building Blocks: Revenues and Expenses

Regardless of the type of healthcare entity, managers must be cognizant of the revenue and expense components for their areas of responsibility. This session will be dedicated to developing an understanding of the sources of revenue, the challenges of recognizing revenue timing, contractual allowances, revenue centers, and revenue groupings. Additionally, students will learn expense management including the distinction between expenses and costs, the timing of disbursement for services, and grouping of expenses for planning and control (cost centers). Together, revenues and expenses form the backbone of financial management and managers must understand that they will likely be held accountable for managing both.

**Readings**

Baker and Baker: Chapters 4-6 (pages 31-54)

**Interactive Media to be completed as a team before 1/17/20 as this will be the basis for questions posted to CCLE:** Jones and Bartlett Landscape 1: Critical Case for Billing and Coding

**DUE:** BY 1/17/20, submit group member names and top three choices for healthcare foundation from pre-identified list. Teaching Assistant will allocate preferences on a first come, first served basis.

### Analytics and Interpretation

<table>
<thead>
<tr>
<th>Course</th>
<th>HPM 436: Healthcare Financial Management</th>
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</thead>
<tbody>
<tr>
<td>Term</td>
<td>Winter 2020</td>
</tr>
<tr>
<td>Credits</td>
<td>4</td>
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### Introductory Analytics: Cost Classification and Break-Even Analysis

The value of financial management becomes evident through the ability to conduct analysis to make informed managerial decisions. Students will review direct and indirect costs as well as fixed, variable and semi-variable costs. They will study how cost classifications roll up to responsibility centers. This is important, as most managers will be held accountable for several areas and students must understand how line items can be controlled. Using this insight, we will study techniques for conducting contribution margin and breakeven analysis. These skills are significant as students develop an appreciation for what role manager’s choices and decisions may play in the profitability of a healthcare organization.

Bring your textbook as we will be working through examples in class.

**Readings**

Baker and Baker: Chapters 7-8 (pages 55-79)

**Public Health Financial Management Tutorial: Estimating Costs and Margins (Gapenski)**

All students must read the PDF file uploaded to the Moodle site (pg 1-15, plus the key concepts on pages 20-21.) it is suggested that groups “divide” the questions and post to CCLE for studying purposes. Check the Moodle site for question allocation per group.

**Online Activity for Friday, January 24:**
### III. REPORTING AND MEASURING FINANCIAL RESULTS

**Wednesday January 29, 2020**

**Reporting as a Tool Rather Than a Requirement: Financial Statements**

Virtually all healthcare organizations use financial statements to communicate the fiscal health of their entity. Creditors, investors, governmental and community agencies require considerable information as they consider the financial performance of an organization. Managers must be conversant in the information contained on these statements and develop an understanding of how to read, interpret and analyze them. Students will review terminology and equations from financial accounting and will build on their knowledge to understand how the statements are interrelated. Students will also learn how to prepare them and conduct analysis. These skills help students develop the ability to analyze the fiscal health of a HCO from the outside. Bring your textbook – we will be working through examples in class.

Additionally, most managers will be faced with the need to justify staffing requirements. Generally, these are expressed as full-time equivalents (FTEs) and managers must understand how to calculate the number of FTEs required to fill a position. The costs are under the direct control of the manager and will impact overall fiscal performance. These skills help students perform internal analysis. If time allows, we will cover this concept during this session. If not, it will be moved to a future session.

**GUEST LECTURER:** Jeff Tran, MPH (‘15) – Senior Financial Analyst at Kaiser Permanente (INVITED but unable to attend) or Michelle Chen (‘17) – San Francisco Dept of Public Health

**Readings:**

Baker and Baker: Chapter 10 and Chapter 11 (pages 119-126)

**Online Forum:**

Groups will begin to conduct financial statement comparisons between their healthcare foundation and the baseline foundation. Refer to questions discussed at the end of class.

**Homework #2 DUE:**

- Assignment Exercise 6-1 (pg 466) – Allocating Indirect Costs
- Assignment Exercise 7-2 (pg 469) – Calculating the contribution margin
- Assignment Exercise 7-3 (pg 469) – Creating a cost-volume-profit chart

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**Thursday February 5, 2020**

**Financial and Operating Ratios: What Statements May Reveal Regarding the Financial Condition**

**Hiring and Justifying Staff: Calculating FTEs plus Using Dashboards to Guide Decision Making**
While ratios do not tell the whole story, ratio analysis are widely accepted in financial management circles and provides important information to creditors or investors. It is also a comparative tool that allows individuals to see results over time and to determine how managerial decisions influence financial performance. Various types of ratios will be examined including liquidity, solvency and profitability. Students will learn to compute and interpret ratios. These skills help students analyze an entity from the outside. We will also discuss operating indicator analysis, which goes one step beyond financial statement analysis by examining the operating variables with the goal of explaining an entity’s financial condition.

GUEST LECTURER: Andrew Do, MPH ('16) – Kaiser Permanente, Assistant Department Administrator of Regional Cardiac Center (CONFIRMED)

Readings:
Baker and Baker: Chapter 12 (pages 121-134)

Supplemental Resource:

Online Forum: Complete the Dashboard exercise for your group project. The template has been provided to you. This will be a portion of your final deliverable.

DELIVERABLE DUE: Complete mid-quarter survey sent via link to Survey Monkey

IV. FINANCIAL MANAGEMENT FOR PLANNING AND CONTROL

Trend Analysis, Pro-Forma Financial Statements and Forecasting: Where Have We Been and Where Are We Headed?

Perhaps one of the most valuable skills that managers have is the ability to compare data over periods of time for the purposes of obtaining meaningful insights. Students will spend time learning how to engage in common size analysis, conducting trend analysis, and employing both horizontal and vertical analytics. After students have become comfortable analyzing past performance and identifying trends, we will introduce the use of prospective financial management through forecasting. Students will also be expected to understand the appropriate use of assumptions when forecasting, including how to document and justify such assumptions. Students will be expected to conduct forecast assumptions for revenue, staffing and capacity level assessments. These skills help students conduct internal analysis.
Volume, Operating and Capital Budgets:

We will discuss the Harvard Business School case and how your groups approached identification of the fourteen healthcare organizations.

Additionally, we will introduce budgeting and the significance that managers play in developing and executing budgets. The budgeting process is an extension of the planning process discussed previously. Budgets are particularly important as they are the instrument through which organizational activities are prioritized and quantified. Topics will include top down and bottom-up budgeting, incremental and zero-based budgeting, comprehensive and limited-scope budgets and discrete and continuous budgeting. We will include a discussion regarding the role that managing budgets plays into performance evaluation. We’ll conclude with an introduction to the most common types of budgets: volume based, operating and capital.

We will introduce the concept of Return on Investment (ROI), discuss its value to an organization and to managers as they build a business case for investing resources. We will build on the NPV discussion from Financial Accounting and demonstrate how three crucial factors play into ROI: financials, time and probability.

Finally, if we did not complete the FTE discussion earlier in the quarter, the second half of the lecture will be presented at this time.

Readings:

Baker and Baker Chapters 16-17 (177-205)


Online Engagement: Financial Management Competencies reassessment – individual
### HOMEWORK #3:
- Assignment Exercise 14-1 (Common sizing / vertical analysis for Metropolitan Health System)
- Assignment Exercise 14-2 (Trend / horizontal analysis for Metropolitan Health System)
- Based on your vertical and horizontal analysis, share meaningful conclusions. The Excel template provided includes expectations for the analysis.

<table>
<thead>
<tr>
<th>Date</th>
<th>Description</th>
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<tbody>
<tr>
<td>8</td>
<td><strong>Budget Development Process, Variance Analysis and Sensitivity Analysis</strong></td>
</tr>
<tr>
<td>2/26</td>
<td><strong>As managers, students will be largely responsibility for conducting budgeting activities relative to revenue, expenses, service volume. As such, the majority of time will be spent on these types of budgets. Students will develop practical skills by developing budgets by payer type, by revenue and expense, as well as by anticipated capital expenditures. Students will engage in a step-by-step approach to developing a budget including estimating volumes, converting volumes into projected revenues/expenses and adjusting revenues/expenses as necessary.</strong></td>
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<td><strong>The most common method of evaluating budget performance is variance analysis, which compares budgeted volumes, revenues and expenses to actual performance, typically on a monthly basis. Variance analysis ensures accountability to requiring managers to be able to explain why variances occurred and what actions are being taken to ensure favorable variances remain or negative variances do not recur. Generally, there are three types of variances: volume based, quantity (or use) based, price (or spending) based. Students will be expected to calculate line item variances and develop techniques for ascertaining how to rationalize the cause.</strong></td>
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<td><strong>Sensitivity analysis involves the ability to conduct “what if” scenarios. Students need to be able to project financial impact if assumptions change. It is quite common for volumes, revenues and expenses to vary; thus, students will develop best case, base case and worst-case deliverables.</strong></td>
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<tr>
<td></td>
<td><strong>Guest Discussions on Internships: Sarah Ulanicki and Marwin Yeung (MPH Candidates 2018)</strong></td>
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<td></td>
<td><strong>Readings:</strong></td>
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<tr>
<td></td>
<td>Baker and Baker Chapter 18 (pg 211-222),</td>
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<td></td>
<td>Public Health Financial Management Tutorial: Financial Planning and Budgeting (Gapenski)</td>
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<td><strong>Online Resource:</strong></td>
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<td>Webinar on Budget Development process. Link will be posted to CCLE.</td>
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<td></td>
<td><strong>Homework:</strong></td>
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</tbody>
</table>
|      | Begin reading the case entitled “The Whitney Clinic” from the Harvard Business School case pack. We will have roughly 1 hour of time in class on March 4 to conduct a mock Board meeting and debrief the case.
### Sensitivity Analysis and Strategic Planning

**Kellogg School of Management Case: The Whitney Clinic (in class exercise – 1 ½ hours)**

We will spend approximately one hour in class conducting a mock Board meeting based on the case entitled, “The Whitney Clinic.” Each student will assume a role of a member of the Board or participant. The Board meeting will be conducted in class and we will have some time for debrief.

Finally, students will be introduced to the role that financial management plays in strategic planning. We will discuss the basic elements included in a strategic plan, the process flows for creating goals, objectives and action plans, as well as the planning cycles over time. Students will be introduced to terminology, financial reports that inform the strategic plan, managerial responsibilities for planning. We’ll also discuss SWOT analysis and sensitivity analysis involved in strategic planning.

**Readings:**

- Chapter 24 and Chapter 24A Worksheets and Questions (pg 273-308)
- Kellogg School of Management, “The Whitney Clinic” 2010, Northwestern University.

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**HOMEWORK #4 DUE:** Departmental budget with ROI included (due by 3/6/20 at 5 PM)

### V. FINANCIAL ANALYTICS IN ACTION

#### 10  3/11

**Final Group Presentations (3 hours total, approximately 20 minutes per group plus Q&A)**

- Rockefeller Foundation
- California Healthcare Foundation
- California Wellness Foundation
- AIDS Healthcare Foundation
- Avon Foundation for Women
- Leukemia and Lymphoma Society Foundation

Panel reviewers:

- Jennifer Duryea, MPH – Research Scientist and Health Economist, Outcomes Insights (invited)
- David Reitzel, MBA – Partner, Grant Thorton, Chicago, IL practice

**Course Recap and Evaluations**

**FINAL EXAM: DUE 3/17/20 BY 5 PM – NO EXCEPTIONS**