

Certified Healthcare Financial Professional

Module I The Business of Health Care

Course 1: The Big Picture

David Williams, CPA, MPH, FHFMA

Partner, HORNE LLP



hfma
healthcare financial management association

Learning Objectives

YOU will be able to:

- Describe the structure of the US healthcare industry
- Understand the impact of healthcare reform on the industry
- Explain the payments systems
- Explain the role of financial management in healthcare



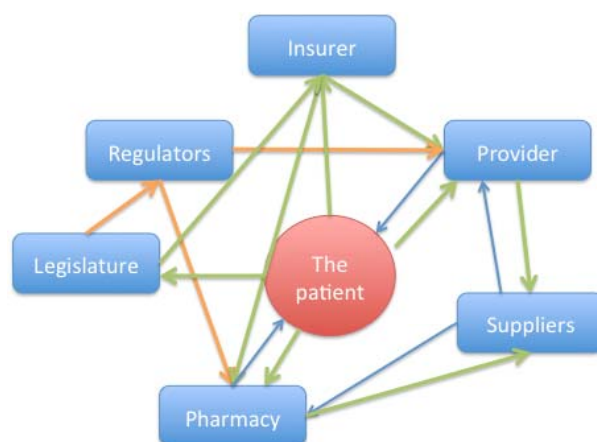
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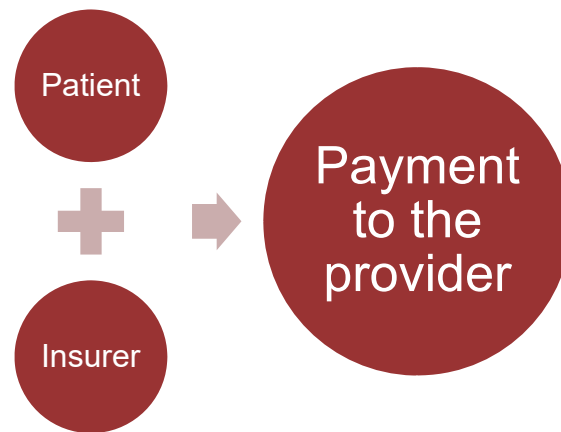
Purpose of this Chapter Learning Program

- Highlight key knowledge for strong job performance
- Provide an overview of important concepts. The in-depth presentation is in the online course.

The Big Picture

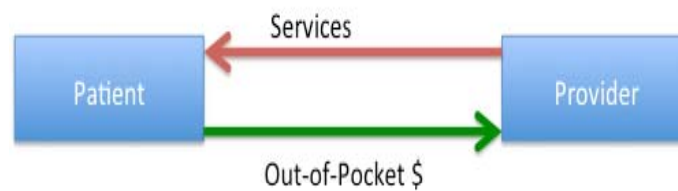


Financing the Healthcare System



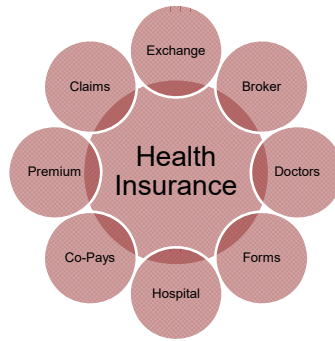
Financing the Healthcare System

The fundamental funding transaction



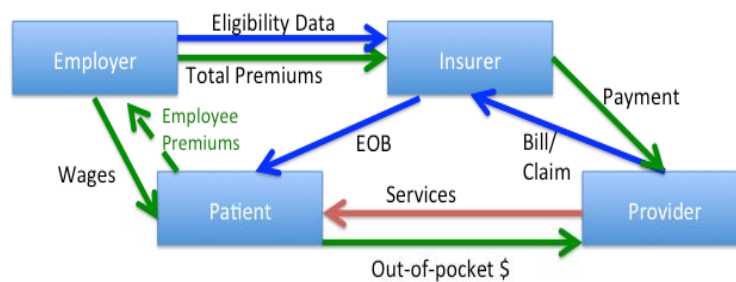
Financing the Healthcare System

PPACA and Healthcare Insurance



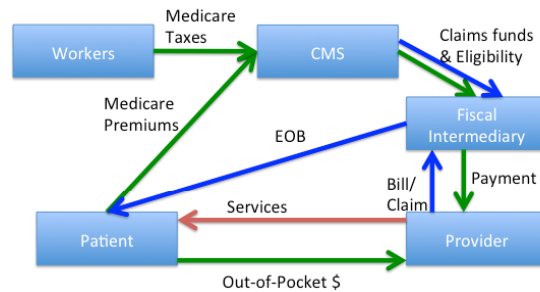
Financing the Healthcare System

Flow of Money and Services for a Patient with Employer Provided Insurance



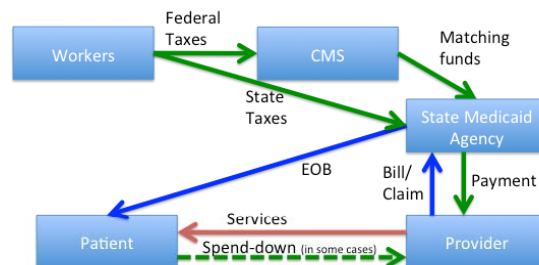
Financing the Healthcare System

Flow of Money and Services for a Patient with Medicare Parts A or B



Financing the Healthcare System

Flow of Money and Services for a Patient with Medicaid



The Big Picture

Changes Intended to Reform the
US Health Care System



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Health Care Reform



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Key Provisions of the ACA

- Medical –Loss Ratio
- The Individual Mandate
- Insurance Exchanges
- The Employer Mandate
- Accountable Care Organization (ACO)
- Population Health
- Bundled Payments



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The “Triple Aim”

Health Care reform is intended to meet the triple aim

Of:

1. Quality outcomes
2. Reduced cost
3. Increased Patient safety and satisfaction with treatment



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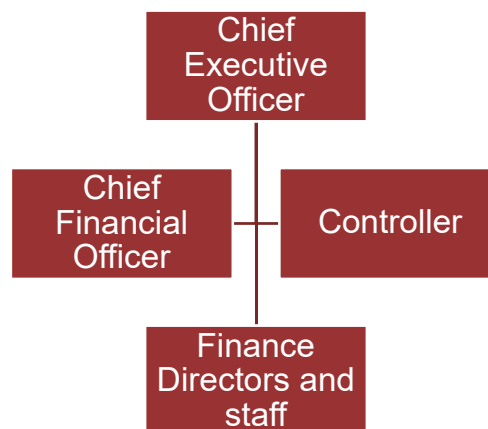
The Big Picture

The Role of Financial Management in Health Care Organizations



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The Finance Function



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Financial Management Activities

- Accounting/bookkeeping
- Treasury
- Inventorying
- Budgeting
- Payroll
- Accounts Payable
- Financial Analysis and the Revenue Cycle
- Insurers Add: Claims Processing and Contract Management



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Finance as a Strategic Function

Access to cost data + Access to clinical data through financial systems



Finance can discern trends, patterns and business activity “themes” in the data, providing useful business information to decision makers



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Current Pressing Issues

- Value Based Purchasing (VBP)
- Quality measurement
- The shift from volume to value
- Healthcare Technology
- Access to Capital
- Risk Contracting