

Metropolitan College of New York School for Business

Healthcare Systems
Management
Purpose 8 Handbook

Creating a Business
Plan for Healthcare
Services

*Metropolitan College of New York - School for
Healthcare Management Purpose 8 Handbook*

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Overview of the Purpose:

Creating a Business Plan for Healthcare Services

Having completed purposes 1 through 7, you are now introduced to the last Purpose of your course of study: *Creating a Business Plan for Healthcare Services*. This purpose focuses on:

1. Planning, administration, management, and evaluation of health programs;
2. Ethical principles and quality standards in healthcare;
3. Project management fundamentals;
4. PERT, Gantt charts, earned value systems, project management software project management software;
5. Technological innovations and their role in quality healthcare;
6. Innovative products that are utilized by physicians, hospitals and health care providers/organizations.

The Constructive Action

This course introduces the student to the “Purpose-Centered Education” philosophy of the College. It develops an understanding of the linkage between the classroom and the workplace in our healthcare delivery system. In this Purpose 8 Constructive Action: *Creating a Business Plan for Healthcare Services*, students will examine issues critical to the development of effective healthcare through effective planning and management. Additionally, students will use this Constructive Action to build on previous work and identify areas of potential inquiry for future examination in this area.

The Constructive Action for this purpose requires the students to plan, design and implement a healthcare project.

The students working in groups (teams) will conceive, plan and implement a hypothetical healthcare project by using standard project management tools and techniques.

Relevance of Courses to CA

The Values and Ethics Dimension - The course explores the roles of agencies and personnel involved in the planning, administration, management and evaluation activities of health programs, with a focus on public health. It also addresses the ethical principles and quality standards that public health leaders must consider in their practice. It enables the student to develop a systems oriented framework for analyzing and critiquing the current quality of provision of health services to the population.

In **The Self and Others Dimension** - This course covers physiological, social, psychological and economic aspects of aging and explores strategies aimed at enhancing the quality of life by providing adequate information and services for the elderly. It employs a multidisciplinary approach and develops paradigms and awareness of the process of human aging by providing understanding of scientific, cultural, social and economic aspects of aging.

The Systems Dimension - This course will introduce students to project management fundamentals and to the role and function of the project manager. Course topics include: project life cycles, organization and charters, work breakdown structures, responsibility matrixes; the planning, budgeting and scheduling of systems. PERT, Gantt charts, earned value systems, project management software are also introduced.

The Skills Dimension – This course highlights concept of innovation and how health care organization can use innovative practices to provide access and quality of care. The material covered in this course includes an examination of concepts of healthcare technologies and their development, the impact of technology in the health care industry and the relationships that develop as a result of these advancements. Students examine the innovative products utilized by physicians, hospitals and health care providers/organization.

Purpose Competencies:

This purpose will help students develop following competencies:

- Appreciate the ethical issues and quality standards in healthcare;
- Understand physiological, social, psychological and economic aspects of aging ;
- Explores strategies aimed at enhancing the quality of life by providing adequate information and services for the elderly;
- Plan, implement and evaluate a healthcare project;

- Understand the concept of innovation and its role in healthcare. The material covered in this course includes an examination of healthcare technologies, their development and impact on the healthcare industry.

Assessment of Competencies:

At the completion of this purpose the students should be able to demonstrate the ability to:

- Make successful use of accounting principles in managing financial and economic resources of healthcare organizations;
- Utilize various financial tools to access financial information for drawing financial conclusions about healthcare organizations;
- Use financial indicators in for gauging the financial health of healthcare organizations;
- Use electronic spreadsheet software for financial analysis and making pertinent business decision;
- Process medical insurance claims for reimbursement of medical expenses;
- Use of Electronic Health Record for creating, storing, updating, purging, and securing medical information of patients;
- Master use of ICD-9 and CPT codes for coding diagnoses and medical procedures for reimbursement.

The Purpose Dimension

In this 8th and last semester of study, the performance area or focus of study is *Creating a Business Plan for Healthcare Services*

In healthcare organization, like any business organization, planning, implementing, monitoring business plans is critical. This requires knowledge of project management, quality standards, and skills to implement and monitor the project progress and evaluate its success.

In this Purpose class, you will learn to apply the knowledge and skills to carry out a “Constructive Action”. The Constructive Action demonstrates your progress relative to the performance area—in this case, a personal plan of action. Its implementation furthers your development as healthcare professional and assists you in formulating appropriate career plans as healthcare management professional.

The Purpose classes provide a weekly workshop in which the Constructive Action is planned, implemented, and evaluated, and through which you begin to apply the theories, concepts, and experiences of the classroom to actual job situations. This leads to increased self-confidence and effectiveness at work. The Constructive Action is both a planning tool and a problem-solving method.

Constructive Action Assessment

Students will be assessed based on their use of the Objectives in a well-planned and executed Constructive Action to achieve the Purpose. Special attention will be given to the following:

1. The integration of theory in the Constructive Action.
2. The quality of the written document.
3. Timely submission of work to permit monitoring and supervision.
4. Class attendance.

Overview of the purpose

The CA for Purpose 8 focuses on Creating a Business Plan for Healthcare Services.

Emphasis in this Purpose is on developing understanding of basic principles of planning and management in the healthcare field. For their Constructive Action, students are required to illustrate a situation involving an aspect of healthcare project planning, implementation and evaluation and documenting the entire process.

The weekly seminar serves as the work group for the Constructive Action. Classes and individual sessions with students enter around discussions of the processes and materials necessary to accomplish the project for the purpose.

A. Planning phase:

How can I define and study different aspects of planning and management?

How can I define project planning and management related problems of diverse healthcare systems?

How can I establish an appropriate strategy for improving healthcare planning, implementation and management?

B. Choose the best goal

Based on the needs analysis, identify goals for this CA – Developing a healthcare business plan.

Taking into consideration possible outcomes, time frame, resources, risks, constraints, and my own learning and career needs, which of the possibilities I have reviewed provides the best opportunity for a Constructive Action?

What short-term and long-term goals am I working towards healthcare business planning.

What further information do I need in order to enact my plan of action?

What theories do I intend to use to support my plan and actions?

Maintain a critical log, or record of all strategic processes with an evaluation of each recorded event to facilitate revision of the plan if necessary. Explain how your newly acquired knowledge is being used to achieve the purpose.

C. Agree on a Plan

Based on your study of effective management, develop a plan to meet your goals, which includes objectives, realistic strategies and an evaluation scheme.

1. Objectives: Break down your short-term goal into specific measurable objectives. It may be helpful to write objectives for each Dimension, depending on your goals.
2. Strategies/Actions: List the actions you will take to reach your objectives for the purpose. There should be at least one strategy for each objective. These actions should be as concrete and practical as possible. You may also suggest alternative strategies or multiple strategies for any one objective. Analyze resources and constraints relevant to the accomplishment of each strategy.
3. Evaluation Plan: Describe the criteria or benchmarks to be used to monitor progress toward achieving the CA goal and objectives. Exactly how will you know whether or not your strategies have helped you to meet your objectives? Describe the methods to be used for determining whether these criteria have been met. There should be at least one measure for each objective and each strategy. Measures should be both quantitative and qualitative. Evaluation criteria may be altered during the implementation phase.

Implementation Phase

d. Carry out the plan. Monitor progress and use of knowledge. Change plan as needed. Maintain a record of your activities. Evaluate developments. Change plan as required. Explain how your newly acquired knowledge is being used to achieve the purpose.

Assessment phase:

e. Assess results and plan next steps. Review and evaluate your accomplishments regarding your management initiative within the health care workplace.

Questions to be answered in this section include

1. Did you achieve your objective? If not, how far did you progress?
2. What objectives were realistic? Were some abandoned or redefined?
3. What strategies worked? Would you use them again? Which did not work?

4. By enacting your management initiative, what did you learn about yourself?

Background Research

Students will conduct a Literature Review, in which they will summarize and critically evaluate a substantial number of sources, i.e., books and journal articles, which explicitly deal with the Purpose theme: Creating a Business Plan for Healthcare Services. Students will show evidence of effective research skills, providing relevant bibliographical information as well as proper citation methodology.

Assessment of CA

The purpose 8 CA will be assessed based on:

- Overall success of the team in implementing the project successfully;
- Contribution of each member to the project;
- Degree of collaboration and coordination as team member;
- Quality of project report; and
- Final Presentation

Purpose Dimensions

The Value and Ethics Dimension:

Regulatory Aspects of Healthcare

Overview

This course acquaints students with a number of ethical issues specifically relevant to the healthcare industry. These include definitions of health, disease, life and death, controversies surrounding disclosure, autonomy and informed consent, and current developments in biomedical research. The course elaborates issues surrounding rights and obligations of patients and healthcare providers, how to decide between competing rights claims, allocation of resources, managed care and the profit motive. These contemporary moral issues will consistently be analyzed in light of a number of classical ethical theories.

Objectives:

At the end of this course, the student should be able to demonstrate the ability to:

- Explain the organization, financing and delivery of health services in the U.S.
- Discuss the impact of a lack of access to health care.
- Specify the role of public health and other governmental agencies in providing access to care for the U.S. population.
- Explore strategic questions regarding financing and delivery of care.
- Evaluate the application of administrative and management principles to organizational and community initiatives, with a focus on the urban setting.
- Discuss past and current ethical issues in public health administration.

Relationship to CA

The development of a business plan squarely rests on the existing market and business processes and policies in the organization or the system. This course provides an insight into the US healthcare system which any future planning might take into consideration. The course thus informs the CA that aims at creating a business plan for a healthcare organization.

The Self and Others Dimension:

Introduction to Gerontology

Overview

The course covers the physiological, social, psychological and economic aspects of aging and explores strategies aimed at enhancing the quality of life by providing adequate information and services for elderly. It employs a multidisciplinary approach and develops paradigms and awareness of the process of human aging. The scientific, cultural, social and economic aspects of aging are emphasized.

Objectives

At the end of this course, the student should be able to demonstrate the ability to:

1. Understand the process of human aging.
2. Understand issues of demography, cultural diversity and familial care for the elderly.
3. Learn disabilities resulting from aging process and physiological disorders.
4. Realize role of exercise in maintaining physical and mental health on aging.
5. Appreciate contribution of balanced nutrition and dietary supplements.
6. Be familiar with government policies for the elderly.
7. Learn psychological and cognitive changes on aging and how to retard them.
8. Relate retirement and financial factors to aging.
9. Assess socio-economic aspects of aging and social life in old age: and
10. Explain biological basis of aging and future scientific endeavors in this direction.

Relevance to CA

The course creates awareness of students about the physiological, financial and social problems faced by the elderly people in diverse cultural and social settings. It also makes them aware of the US healthcare systems for senior citizens and planning for the future in light of increasing baby boomers retirements. The course thus relates to the Purpose 8 CA of planning.

The Systems Dimension:

Principles of Project Management

Overview

An effective project manager must organize resources, work under tight deadlines, control project change and generate maximum team performance. This course introduces students to project management fundamentals. Concepts covered are: project definition, project team, role and function of the project manager and project management tools. Other topics covered include: project life cycles, organization and charters, work breakdown structures, responsibility matrixes; the planning, budgeting and scheduling of systems. PERT, Gantt charts, earned value systems, project management software.

Objectives

At the end of this course, the student should be able to demonstrate the ability to:

1. Define a project and its attributes.
2. Explain elements involved in establishing a project plan, assessing risks, and developing steps in the project control process;
3. Define the project objective by developing a work breakdown structure and network diagram.
4. Develop a project team; identify characteristics of an effective project team and barriers to team effectiveness
5. Apply ethical behavior and value team diversity to resolve problem.

Relevance to CA

This course explores the overall concept of project management, especially with respect to planning which is central theme of the Purpose 8 CA – creating a business plan.

The Skills Dimension:

Technology and Innovation in Healthcare

Overview

The course acquaints the students with the concept of innovation and how health care organization can use innovative practices to provide access to quality of care. Students are encouraged to think creatively about the current health care issues in our nation and how best to address them using technology. The material covered in this course includes an examination of concepts of healthcare technologies and their development, the impact of technology in the healthcare industry and the relationships that develop as a result of these advancements. They also examine some innovative products that are utilized by physicians, hospitals and healthcare providers/organizations.

Objectives

At the end of this course, the student should be able to demonstrate the ability to:

1. Describe the drivers for change, innovation, and transformation.
2. Demonstrate how organizations can improve their efficiency and value by implementing a process for innovation.
3. Demonstrate the importance of creativity in the innovation process.
4. Describe the major developments in the technological realm of health care administration and its impact on access and quality of care.
5. Define technological settings and goals
6. Produce and carry out goal-related tasks using technological tools
7. Maintain & evaluate a record of progress in the form of logs
8. Analyze the effectiveness of self-assessment based on other courses in the Purpose.

Relevance to CA

The course teaches the students use of electronic health record (HER) software and other health information technologies (HIT) to record, update, store, purge, backup and retrieve patient data. Hence it directly relates to this CA.

Career Websites

WWW.AHIMA.Org

WWW.HIMSS.Org

WWW.AMT.ORG

WWW.NHA.Org

WWW.CPHQ.Org

WWW.Healthitcertification.com

CA Guidelines

HSM 481 PCA: Creating and Innovative Business Plan for HealthCare

Healthcare Facility: Name of the selected facility for this CA

Acute care (hospitals), non-acute (physicians clinic), ambulatory surgery, long term care, nursing home (skilled and non-skilled), home healthcare, specialty services (urology, pulmonary, cardiology, podiatry, neurology, diabetes, etc.), insurance (commercial carriers, managed care organizations, government, etc)

Executive Summary- A summary highlighting the major aspects of your business plan.

Description of Healthcare Services Business:

Location, contact, services rendered- Company Name, Mission Statement, Objectives, Business Type, Trademarks, Copyrights, Regulatory Agencies, (i.e. Joint Commission, DOH, CMS), Products or Services to be provided, Leadership & Management Structure, Location and Geographical information, Development stages, Milestones to be accomplished, Financials.

Industry Analysis and Trends:

Size and growth rate of industry, Sensitivity to Economic Cycles, Seasonal factors, Technological factors, Health Care Regulation/ Certification, Supply and Distribution, Financial Characteristics, Anticipated Changes and Trends in the Healthcare Industry, Global Healthcare industry concerns.

Target Market:

Demographics/Geographic, Disease and Wellness patterns, Market size and trends, Niche vs. mass marketing

The Competition

Competition:

Competitive Position, Market Share Distribution, Global Competition, Future competition, Barriers to entry

Strategic Position and Risk Management:

Industry trends, Target Market, Competitive environment, Company strengths, Risk Assessment, Definition of Strategic Position

Marketing Plan and Sales Strategy:

Company Message, Marketing Strategy, Marketing Tactics, Strategic Partnerships, Online marketing tactics, Sales force and structure

Operations:

Health Care facility, Labor Requirements, Staffing, Quality Control, Equipment and Furniture, Inventory Management, Health Services fulfillment, customer service, Research and Development, Financial control, contingency planning, emergency preparedness, all other operational concerns.

Technology Plan

Technology goals and position, Internet goals and plans, Software needs, EMR needs, Hardware needs, Telecommunication needs, Technology personnel needs.

Management and Organization:

Key employees/Principals, Compensation and Incentives, Board of Directors/Community Advisory Board, Consultants/Specialists, Management to be added, Organizational Chart, Management Cycle, Health Care Culture

Social Responsibility and Sustainability:

Social Responsibility goals, Health Care facility policy, Ethics Statement, Community Involvement, Sustainability

Development, Milestones, and Exit Plan:

Long-term company goals, Growth strategy, Milestones, Risk Evaluation, Exit Plan

Financials:

Cash flow projections, Sources and use of funds, Plan assumptions, Break even analysis

Appendix**Project Write-up**

- **Project length:** 8-10 pages excluding title page and reference page
- **Font:** 12 point Time New Roman
- **Margins:** 1" all sides
- **Style:** APA (American Psychological Association). Booklet available in library and on the MCNY website.

Grading Criteria

- **Participation** 10%
- **Weekly logs** 10%
- **Minimum 5 drafts** 20%
- **Assignments** 20%
- **Project** 40%