

**HPAM-GP 2845**

**Advanced Healthcare Payment Systems**

**Spring 2024**

**Instructor Information**

• Jeff Englander

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• Office Address:

• Office Hours: by appointment.

**Course Description:**

This course is intended for Wagner students who are interested in understanding the interconnection between healthcare providers (ex: hospitals, hospital systems and clinicians) and payers and how those relationships influence the cost and quality of care as well as public policy.

Advanced Health Care Payment Systems is designed to familiarize students with how health and health care is defined, the role of payers (both public and private) in financing care as well as the role providers play in delivering and charging for care. In addition, the course will look at the factors that led to the passage of the Affordable Care Act (ACA) and the current transformation in health care payments from the traditional fee-for-service (FFS) model to one based on value-based care (VBC).

We will discuss the role of politics in health care and the role that both the Federal and state governments play in the delivery of care through both Medicare and Medicaid. In doing so the course will incorporate the role and elements of an effective compliance program to identify and prevent fraud and abuse. The course will also touch briefly on the increasing role of other financial players such as venture capital and private equity in the creation and financing of healthcare ventures.

**Course Objectives:**

At the end of the course, students will have acquired the knowledge base and skill set to:

● Critically evaluate clinical, financial and strategic performance in acute and chronic care delivery systems.

● Understand how health care organizations assess and adapt to change, and evaluate health care strategy and marketing plans.

● Apply ethical principles to clinical and administrative decision-making in health care organizations.

● Understand politics in health care and the extent of the role the Federal government plays in determining health care reimbursement.

● Learn about Medicare's prospective payment systems and how hospital and other provider types are reimbursed.

● Understand the factors driving health care insurers pricing strategies and the dynamics of the provider-health insurer relationship.

● Learn the difference between clinical coding and health insurance claims and what data can be gleaned from each.

● The course will also cover the need to establish a compliance program to identify and prevent fraud and abuse and elements of that program. ● Understand the basics of venture capital and private equity and their increasing influence/role in the financing of the delivery of healthcare.

**Key Competencies Addressed in the Course**

Assignments and participation in class will be used to assess progress against the competencies listed below. No student will receive a B or higher without demonstrating satisfactory progress toward mastery of each competency. The level of competency expected to be achieved is denoted in brackets according to the following key:

● [1] = Basic: Foundational understanding of knowledge/skill/competency ● [2] = Intermediate: Student demonstrates greater depth of understanding of this knowledge/skill/competency and can use this ability to analyze a problem

● [3] = Advanced: Student demonstrates expertise in this

knowledge/skill/competency and can use this ability to evaluate, judge, and synthesize information

**Learning Assessment Table [for HPAM Courses]**

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| **Program Competency** | **Corresponding Course**  **Learning**  **Objective** | **Corresponding**  **Assignment Title** | **Level of**  **Competency**  **Expected to**  **Achieve via the Assignment** |
| The ability to draw implications and conclusions to develop an evolving vision that leads to organizational viability | #1, #3, #4 | Discussions, mid-term and final | 1 |
| The ability to use information systems and evidence-based management principles for problem-solving,  strategic planning and decision-making, and measuring change | #1, #2, #3 #9 | All assignments,  discussions, mid-term and final | 1 |
| The ability to present convincingly to individuals and groups the evidence to support a point of view, position or recommendation | #1, #2 | All assignments,  discussions, mid-term and final | 2 |
| The ability to understand and apply legal and ethical principles to  managerial and leadership decisions affecting healthcare organizations | #9 | All assignments,  discussions, mid-term and final | 2 |
| The ability to align human resource capacity and practices and processes with strategic organizational goals | #2, #3 | All assignments,  discussions, mid-term and final | 2 |
| The ability to assess population and community health needs from a public service perspective | #2, #4, #6 | All assignments,  discussions, mid-term and final | 1 |
| The ability to communicate and interact productively in a diverse and changing industry, workforce and citizenry | #1, #2, #3, #4 | All assignments,  discussions, mid-term and final | 3 |

**Required Readings**

● **Healthcare Finance and The Mechanics of Insurance and**

**Reimbursement**, Second Edition, Harrington, M.

Additional readings found under the “Additional/Supplemental Readings” tab on Brightspace, including:

● **Analyzing Form, Function and Financing of the U.S. Health Care System**, Duston, P.

● **Principles of Coding and Reimbursement for Surgeons, Savarise, M., and Senkowski, C., Eds.**

**Assessment Assignments and Evaluation**

**Grading:**

25% Class participation and bi-weekly homework assignment

Class participation will be graded on both attendance, participation. Discussions will typically be of that week’s reading and its relevance to current topics. In

addition, short written projects on topics relevant to class are expected bi-weekly (see Standing Homework Assignment below)

**Standing Homework Assignment**

Every other week, students will be required to bring with them a summary of a healthcare current event article relevant to that week’s discussion in the course. The article should be sourced from major industry/policy publications (MobiHealthNews, HealthcareIT News, Becker's HealthIT & CIO Report, Healthcare Dive) as well as major newspapers, such as The New York Times or Wall Street Journal.

Students should be prepared to summarize the article for class, why it’s relevant and give a point of view on how it could impact a part of the healthcare ecosystem). Students should circulate the article(s) before class.

**20% Healthcare System Performance Case Project**

Analysis of Hospital System Financial Performance

The class will be assigned a healthcare system case for study and examination. We will discuss the case in class and the students will be permitted to discuss the case as a group in class but each student will be responsible for answering the case questions on their own.

Questions will revolve around:

* Financial health of the organization
* Broad interpretation of financial ratios as well as their interpretation with regard to system performance
* Comparing the organization against itself and across organizations
* Identifying operational and strategic opportunities and challenges for the organization

**Guidelines**

1. Three to five single-spaced pages, plus APA style references
2. One-inch margins
3. Arial or Times New Roman 12-point font
4. Due as of date on the syllabus by class meeting time

Grading

● 30% Writing ability

● 20% Organization

● 50% Content

**30% Value-Based Care Project**

Analysis of a value-based care (VBC) organization and its strategic positioning in the U.S. healthcare system

The class will be assigned a case revolving around the strategic positioning and operational history of a value-based healthcare organization for study and examination. We will discuss the case in class and the students will be permitted to discuss the case as a group in class but each student will be responsible for answering the case questions on their own.

Questions will revolve around:

* Definition and explanation of (VBC) vs. fee-for-service (FFS)
* Organization and delivery of care in a VBC system
* Incentive alignment and incentives for patients, providers and payers
* Factors driving the move and pace of VBC in the U.S. healthcare system
* Regulatory trends impacting VBC
* Strategic considerations and positioning for those adopting VBC

**Guidelines**

1. Three to five single-spaced pages, plus APA style references
2. One-inch margins
3. Arial or Times New Roman 12-point font
4. Due as of date on the syllabus by class meeting time

Grading

● 30% Writing ability

● 20% Organization

● 50% Content

**20% Value-Based Care Presentation**

Students will each give a **maximum 10-minute presentation** summarizing their paper and conclusions for the value-based care project.

Student’s presentations should focus on and address how they dealt with questions in the case around:

* Definition and explanation of (VBC) vs. fee-for-service (FFS)
* Organization and delivery of care in a VBC system
* Incentive alignment and incentives for patients, providers and payers
* Factors driving the move and pace of VBC in the U.S. healthcare system
* Regulatory trends impacting VBC
* Strategic considerations and positioning for those adopting VBC

Grading

• 10% Presentation ability

• 40% Organization

• 50% Content

**Guidelines**

1. Approximately 8-12 presentation slides (including title page)
2. All data and charts sourced in APA style on each individual chart
3. **To be presented in class on 5/11**
4. Target length of presentation 15 mins, 20 mins max with questions.

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| Week | Date | Reading |
| 1 | 1/25/2024 | **Capturing Medical Conditions and Illness: Billing & Coding** |
|  |  | Billing & Coding for Healthcare Services-Essentials of Healthcare Finance Ch. 2 |
|  |  | Medical Coding in the United States: Introduction and Historical Overview; ICD-10 |
|  |  | Savarise & Senkowski, Chs.1 & 2 |
|  |  | -Coding for the Non-Health Information Professional, Harrington, Ch. 9 |
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| 2 | 2/1/2024 | **Defining Health, Healthcare & Wellness** |
|  |  | Defining Health, Determinants of Health, Health Status Indicators, Cultural Definitions and Roles in Healthcare |
|  |  | Duston, Ch's 1-4 |
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| 3 | 2/8/2024 | **Financing Healthcare: The Role of Insurance** |
|  |  | -Healthcare Financing: Health Insurance, Duston, Ch. 13; |
|  |  | -Health Insurance: Two Conceptual Models, Duston Ch. 14 |
|  |  | -Introduction to Claims Processing, Harrington, Ch. 3 |
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| 4 | 2/15/2024 | **Paying for Healthcare: The Reimbursement Function** |
|  |  | -Health Economics 101: Do Health Care Goods/Services Follow Standard Economic Rules, Duston, Ch. 11 |
|  |  | --The Payment Function: Money Moving Through the System, Duston, Ch. 15 |
|  |  | -Government Payer Types, Harrington, Ch. 4 |
|  |  | -Managed Care Organizations, Harrington, Ch. 6 |
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| 5 | 2/22/2024 | **Analyzing A Hospital/Hospital System and Financial Performance** |
|  |  | -A Primer on Interpreting Hospital Margins, North Carolina Rural Health Research and Policy Analysis Center, July 2003 |
|  |  | S&P Industry Survey, Healthcare Facilities, May 2010, Englander, Excerpts |
|  |  | -Revenue Cycle vs. Reimbursement Cycle, Abbey, Ch 4 |
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| 6 | 2/29/2024 | **Medicare: Implementing Policy Amid Budget Constraints** |
|  |  | -Medicare Prospective Payment System, Harrington, Ch. 7 |
|  |  | -Hospital Outpatient Prospective Payment System, Harrington, Ch. 8 |
|  |  | -Medicare Part A and DRG's, Savarise & Senkowski, Ch. 7 |
|  |  | -Taking Care of the Elderly: Medicare, Duston, Ch 18 |
|  |  | **-****Healthcare System Performance Project Due (2/29/24)** |

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| 7 | 3/7/2024 | **Medicaid, CHIP & Other Government Programs: Implementing Policy Amid Budget Constraints 2** |
|  |  | -Taking Care of the Poor, Medicaid, Duston, Ch. 19 |
|  |  | -Taking Care of Almost Everybody Else, Duston, Ch. 20 |
|  |  | -Medicaid: An Overview, Congressional Research Service, 02 22 21 |
|  |  |  |
| 8 | 3/14/2024 | **An Overview of U.S. Healthcare Spending & Catalysts of Healthcare Reform** |
|  |  | -History of Health Spending in the United States, 1960-2013, Caitlin, AC, CMS |
|  |  | -Health Reform in the United States, Essentials of Health Policy and Health Law, Wilensky, S., Teitelbaum, J., 2020 Ch. 10 (pages 544-580 only), **if not familiar with ACA read p. 581-669** |
|  |  | Why Does Medical Care Cost So Much and What Can We Do About It? Duston, Ch. 16 |
|  |  | Waste in the U.S. Health Care System, Shrank, et. al., JAMA 2019 |
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| 9 | 3/21/2024 | **Spring Break** |
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| 10 | 3/28/2024 | **The Transformation to Value-Based Care Part I** |
|  |  | -Acute Care Surgical Bundled Payment Models, Savarise & Senkowski, Ch. 8 |
|  |  | -Pay for Performance and Value-Based Care, Savarise & Senkowski, Ch. 10 |
|  |  |  |
| 11 | 4/4/2024 | **The Transformation to Value-Based Care Part II** |
|  |  | -Accountable Care Organizations, Savarise & Senkowski, Ch. 9 |
|  |  | -Government Incentive Programs, Harrington, Ch. 13 |
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| 12 | 4/11/24 | **Guest Lecturer TBD** |
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| 13 | 4/18/2024 | **Behavioral Economics in Healthcare-Using Non-Financial Incentives to Drive Change** |
|  |  | Readings TBD |
|  |  | **Value-Based Care Project - Due 4/18/24** |
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| 14 | 4/25/2024 | **Risk Adjustment and Hierarchical Condition Categories (HCC)** |
|  |  | -Introduction to the Mechanics Hierarchical Condition Categories for a CMS Perspective, Harrington, Ch. 15 |
|  |  | -Managing Populations, Chronic Conditions, and Episodes of Care, Optimizing widely reported hospital quality and safety grades: an Ochsner quality and value playbook |
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| 15 | 5/2/24 | **Individual Presentation-Value Based Care Project Due in Class 5/2/24** |
|  |  | Wrap up & brief comments- on the increasing role of PE and VC in healthcare |

**Brightspace**

All announcements, resources, and assignments will be delivered through the Brightspace site. I may modify assignments, due dates, and other aspects of the course as we go through the term with advance notice provided as soon as possible through the course website.

**Academic Integrity**

Academic integrity is a vital component of Wagner and NYU. All students enrolled in this class are required to read and abide by Wagner’s Academic Code. All Wagner students have already read and signed the Wagner Academic Oath. Plagiarism of any form will not be tolerated and students in this class are expected to report violations to me. If any student in this class is unsure about what is expected of you and how to abide by the academic code, you should consult with me.

**Late Submission of Work**

Late submissions of assignments are highly discouraged. Any late submissions of any materials due for class will have **10% deduction per day (24 hours) of lateness unless students have a prior extension approval given by the instructor due to extenuating circumstances**. Extenuating circumstances are defined as **illness (validated by a doctor’s note) or death/serious illness in the family.** In these cases, students are expected to notify the instructor as early as reasonably possible.

**Class Attendance**

In-person class attendance is expected at each class. If you cannot attend class notify the professor before class via email unless otherwise not possible. Video accommodations won’t be made for those who cannot attend and Zoom sessions for class will only be available if necessary to accommodate the professor’s travel or inclement weather. Students are expected to miss no more than 2 classes unless due to extenuating personal/family circumstances that the professor has discussed with the student.

**Henry and Lucy Moses Center for Student Accessibility**

Academic accommodations are available for students with disabilities. Please visit the [Moses Center for Student Accessibility (CSA) website](https://www.nyu.edu/about/leadership-university-administration/office-of-the-president/office-of-the-provost/university-life/office-of-studentaffairs/student-health-center/moses-center-for-student-accessibility.html) and click the “Get Started” button. You can also call or email CSD (212-998-4980 or mosescsd@nyu.edu) for information. Students who are requesting academic accommodations are strongly advised to reach out to the Moses Center as early as possible in the semester for assistance.

**NYU’s Calendar Policy on Religious Holidays**

NYU’s Calendar Policy on Religious Holidays states that members of any religious group may, without penalty, absent themselves from classes when required in compliance with their religious obligations. Please notify me in advance of religious holidays that might coincide with exams to schedule mutually acceptable alternatives.

**NYU’s Wellness Exchange**

NYU’s Wellness Exchange has extensive student health and mental health resources. A private hotline (212-443-9999) is available 24/7 that connects students with a professional who can help them address day-to-day challenges as well as other healthrelated concerns.