Your competence will be assessed as you complete the HMC1 oral exam for this course of study. This course of study represents 6 competency units and may take up to 10 weeks to complete.

Introduction

Introduction
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Tuesday, 12:00pm - 4:00pm
Wednesday, 12:00pm - 4:00pm
Thursday, 11:00am - 3:00pm
Central Time

Overview
Welcome to advanced healthcare management! Healthcare management covers a broad range of topics that include knowledge of U.S. healthcare systems, healthcare issues, strategic healthcare management, healthcare economics, healthcare financial management, healthcare professionals, information technology, risk management, quality improvement, and regulatory compliance. These topics will help you become an effective healthcare professional.

Since healthcare management covers a vast amount of material, this course of study will focus on four main topics: knowledge of the healthcare environment and strategic management principles, healthcare economics and finance, healthcare information management, and risk management. These four topics are divided into a manageable set of concise activities. As you check your understanding of these topics, you will build on your knowledge.

Typically, people who are interested in healthcare have a natural curiosity about the healthcare environment. During this course of study, you will be learning more about this industry. You already have a base knowledge from your academic and professional experiences. While working through this course of study, connect your new knowledge with your base knowledge. Sometimes new knowledge will contradict your current understanding. Pay close attention when you encounter contradictions so you can appropriately update or reframe your understanding. Your goal is to become the most effective healthcare professional you can be. By improving your background in healthcare management, you can better serve your organization.

Outcomes and Evaluation
There are 12 competencies covered by this course of study; they are listed in the "Competencies for Advanced Healthcare Management (HMC1)" page.

You will complete the following assessments as you work through the course of study.

Oral Assessment
You will complete the following oral assessment:

- **HMC1**

### Preparing for Success

The information in this section is provided to help you become ready to complete this course of study. As you proceed, you will need to be organized in your studies, competent in the indicated areas, and ready to pass the final assessments.

### Your Learning Resources

Enroll in or order the learning resources for this course as early as possible so as to give them time to arrive and give you enough time to become familiar with them.

#### Automatically Enrolled Learning Resources

You will be automatically enrolled at the activity level for the following learning resources. Simply click on the links provided in the activities to access the learning materials.

#### VitalSource E-Text

The following textbooks are available to you as e-texts within this course of study. You will be directly linked to the specific readings required within the activities that follow.


*Note: These e-texts are available to you as part of your program tuition and fees, but you may purchase hard copies at your own expense through a retailer of your choice. If you choose to do so, please use the ISBN listed to ensure that you receive the correct edition.*

#### Purchase Learning Resources

Listed below are the learning resource materials you will need to obtain.


*Note: The WGU Bookstore has these books available for immediate purchase and delivery. You
may shop at other online bookstores, but be sure to order early and use the ISBN listed to get the correct edition.

Other Learning Resources

You will use the following learning resources for this course of study.

WGU Library E-Reserves
This course of study utilizes resources located in the WGU Library E-Reserves, with articles available for you to download. For instructions on how to access WGU Library E-Reserves, see the "Accessing WGU Library E-Reserves" page.

The following e-reserve materials will be used in this course of study:

- Joint Commission on Accreditation of Healthcare Organizations. Health care at the crossroads: Strategies for creating and sustaining community-wide emergency preparedness systems.
- JONA. Longitudinal analysis of nurse staffing and patient outcomes.
- JONA. The relationship between nurse staffing and patient outcomes.
- Record Retention Periods. HIPAAAdvisory.com.
- Witt, J. A. (1987). Building a better hospital board. Ann Arbor, MI: Health Administration Press. ISBN: 9780910701297. (This is also used in HMA1.)

Additional Preparation
There are many different learning tools available to you within your course of study in addition to the learning resources discussed above. Take the time to familiarize yourself with them and determine how best to fit them into your learning process.

Message Boards, Learning Communities, Study Notes, FAQs
Message boards, learning communities, study notes, and FAQs are available in every course of study.

Use the "Additional Learning Tools" page to review these tools.

Course Mentor Assistance

Course mentors are available to help you. Their job is to aid understanding in areas where you need to improve and to guide you to learning resources. Request their help as needed when preparing for assessments.

Course mentors cannot provide reviews of entire assessments. If you fail assessment attempts, review the provided feedback first, then ask the course mentor specific questions about what you can do to meet the competency standard. Request course mentor assistance as necessary in preparing for second attempts at objective assessments or performance task revisions. Mentors cannot guarantee you pass as they do not evaluate assessments; however, they can provide the assistance and advice necessary to help you succeed.

Obtain HMC1 Oral Assessment Scenarios and Rubrics From Mentor

E-mail your course mentor to obtain the scenarios and the rubrics for the oral assessment.


It is important to have an understanding of the U.S. healthcare environment. In your role as a healthcare professional, the topics in this section are key to your success.

You will learn about healthcare governance, healthcare delivery models, and healthcare delivery. The U.S. healthcare system is complex. Various trends are emerging throughout the healthcare system that are critical to the success of healthcare.

Healthcare Governance

Healthcare governance can be described as a dynamic community of board members, executives, and leaders who advocate and support excellence, innovation, and accountability throughout the field of healthcare. You will understand the importance of governance and management in healthcare organizations.

You will learn about healthcare governance, healthcare delivery models, and healthcare delivery. The U.S. healthcare system is complex. Various trends are emerging throughout the healthcare system that are critical to the success of healthcare.

Leaders in Healthcare Organizations

Read chapter 1 ("Who Leads and Who Follows?") in the Witt reading in the e-reserves to gain an understanding of the responsibilities of governance and management in a healthcare organization.

As you read the chapter, take notes on the following concepts:
functions of a healthcare organization's board of directors
role of chief executive officer (CEO) and board of directors in healthcare organizations

What Is Your Perspective on Governance?

Visit the Healthcare Management Community. Look for and read the discussion thread labeled "U.S. Healthcare Systems: Governance." How does the chief executive officer (CEO) interact with the board of directors? Add your comments to the discussion thread by describing what you feel would be the ideal relationship between a CEO and a board of directors.

Healthcare Delivery Models

There is no perfect healthcare delivery system. Some models seem to work better than others, but each system has its own advantages and drawbacks. You will better understand the characteristics of various healthcare delivery models.

After completing the activities in this section, you should be able to:

- better understand the characteristics of various healthcare delivery models

Perspectives on Healthcare Delivery

Read chapter 3 ("Organization Design and Coordination") and chapter 10 ("Strategic Thinking and Achieving Competitive Advantage") in Health Care Management: Organization Design and Behavior for an overview of perspectives on the management of health services organizations.

As you read the chapter, take notes on the following concepts:

- major forces affecting the delivery of health services
- management's role in healthcare delivery systems

What Is Your Perspective on Healthcare Delivery?

Visit the Healthcare Management Community. Look for the discussion thread labeled "U.S. Healthcare Systems: Health Delivery Models." Add your comments to the discussion thread by identifying one healthcare delivery model and discussing its main goal.

Healthcare Delivery Challenges

Over the last few decades, delivery of healthcare has increasingly occurred at hospitals rather than at physician offices. With emerging consumer-driven healthcare models and advanced surgical techniques, there is a gradual shift toward newer models of healthcare delivery. You will better understand the challenges and trends in healthcare delivery.

After completing the activities in this section, you should be able to:

- understand the challenges and trends in healthcare delivery

Current and Future Challenges

Read chapter 15 ("Globalization and Health: The World is Flattening") in Health Care Management: Organization Design and Behavior to gain an understanding of the current and
future challenges in the delivery of healthcare.

As you read the chapter, take notes on the following concepts:

- major trends likely to affect the delivery of healthcare
- changing role of management and healthcare professionals

What Is Your Perspective on Challenges in Healthcare Delivery?

Visit the Healthcare Management Community. Look for the discussion thread labeled "U.S. Healthcare Systems: Healthcare Delivery Trends." Add your comments to the discussion thread by identifying one trend that has a major effect on the delivery of healthcare. Why did you select this trend?

Knowledge of the U.S. Healthcare Environment and Strategic Management Principles, Part II

Healthcare systems are designed to meet the healthcare needs of target populations. The U.S. healthcare system continues to evolve to maintain the delivery of quality healthcare services. There are myriad personnel that are responsible for the patients that enter a healthcare facility in the United States. It is crucial to understand not only who is involved in the delivery of quality healthcare but how these professionals impact service.

Remember to write about these concepts in your notebook.

The healthcare industry combines medical technology and human touch to administer care around the clock, responding to the needs of millions of people of all ages, ethnicities, religions, and gender. As a result, you need to understand the various issues that affect the healthcare system.

Healthcare Professionals

Healthcare professionals work hard to help patients understand the importance of good management regarding their health and to provide the care and help to make lifestyle changes that make good management possible. You will gain a greater understanding of common roles and responsibilities of various healthcare professionals.

After completing the activities in this section, you will be able to discuss:

- the roles and responsibilities of various healthcare professionals

Nursing Services

Read chapter 3 ("Nursing/Patient Care Services") in the Sloane, Sloane, and Harder reading in the e-reserves to gain an understanding of the importance of nursing professionals in the delivery of quality care.

As you read the chapter, take notes on the following concepts:
• expanding role of nurses
• various nursing organizational relationships

**Diagnostic and Therapeutic Services**

Read chapter 4 ("Diagnostic and Therapeutic Medical Services") in the Sloane, Sloane, and Harder reading in the e-reserves to gain an understanding of the functions, procedures, and goals of diagnostic and therapeutic services.

As you read the chapter, take notes on the following concepts:

• requirements for technical staff
• group relationships with other departments within the healthcare organization

**Ancillary Services**

Read chapter 5 ("Clinical and Support Services") in the Sloane, Sloane, and Harder reading in the e-reserves to gain an understanding of the importance of ancillary units to quality healthcare.

As you read the chapter, take notes on the following concepts:

• roles of the support services
• interdepartmental function, relationship, and importance to healthcare delivery

**What Is Your Perspective on Professional Roles?**

Visit the [Healthcare Management Community](#). Look for the discussion thread labeled "U.S. Healthcare Systems: Healthcare Professionals." Add your comments to the discussion thread by identifying a clinical support professional. State why that individual's role is important in the delivery of quality healthcare.

**Healthcare Disparity**

Access to healthcare is a prerequisite to obtaining quality care. However, dimensions of access vary in predicting an individual's likelihood of receiving care that has been shown to improve health outcomes. You will understand how social and cultural inequities impact treatment in the healthcare environment.

After completing the activities in this section, you should be able to:

• understand how social and cultural inequities impact treatment in the healthcare environment.

**Racial and Ethnic Disparities**

Read part II ("Social Factors and Inequality: The Meanings of Race in the New Genomics: Implications for Health Disparities Research") in the reading by Henderson et al. in the e-reserves to gain an understanding of what healthcare providers need to know about racial and ethnic disparities in healthcare and about the unequal treatment individuals receive.
As you read the chapter, take notes on the following concepts:

- social inequities in healthcare
- cultural inequities in healthcare

**What Is Your Perspective on Healthcare Access?**

Visit the Healthcare Management Community. Look for the discussion thread labeled "U.S. Healthcare Systems: Inequities." Add your comments to the discussion thread by explaining the roles culture and socioeconomic factors have on health and illness. Discuss your position.


It is important to consider basic concepts of strategic management and managerial problems in the management of healthcare organizations. Your attention is directed to the healthcare environment, characteristics of health administration, and hospital performance measures. As a healthcare manager, you will be responsible for directing strategic priorities for the entire institution to ensure that your organization is sustainable.

Strategic management emphasizes the achievement of objectives as the major aim of an organization. You need to understand strategic management principles in the healthcare system. If an organization does not have a strategic plan in place, it will not be able to survive the turbulence and constant change that impact institutions on a daily basis.

**Strategic Planning**

A sound strategic plan helps hospitals and other healthcare systems cope with the variety of contingencies that arise in the dynamic healthcare environment. You will understand how various factors impact strategic planning.

After completing the activities in this subject, you will be able to:

- identify differences in the healthcare environment and general environment
- perform a strengths, weaknesses, opportunities, and threats (SWOT) analysis
- discuss competitive advantages
- explain strategic plan alternatives
- apply organizational strategies into action plans

**Healthcare Environment**

Read chapter 2 ("Understanding and Analyzing the General Environment and the Healthcare Environment") in Strategic Management of Health Care Organizations to gain an understanding of the differences in the general environment and the healthcare environment.

As you read the chapter, take notes on the following concepts:

- external environment's impact on healthcare organizations
- key sources of environmental information
- limitations of environmental analysis

**What Is Your Perspective on Competitive Advantage?**

Visit the Healthcare Management Community. Look for the discussion thread labeled "U.S. Healthcare Systems: Strategic Planning: External." Add your comments to the discussion thread by describing a significant external factor that would assist a healthcare organization in securing the competitive advantage. Discuss your position.

**SWOT Analysis**

Read chapter 3 ("Service Area Competitor Analysis") in Strategic Management of Health Care Organizations to gain an understanding of the process of assessing category or service area issues and determining strengths and weaknesses of competitors to help identify a competitive advantage.

As you read the chapter, take notes on the following concepts:

- elements of service competitor analysis and competitor strategies
- relationship between general and healthcare environmental issue identification and analysis and service area competitor analysis

**Competitive Advantage**

Read chapter 4 ("Internal Environmental Analysis and Competitive Advantage") in Strategic Management of Health Care Organizations to gain an understanding of how internal organizational environments impact the competitive advantage.

As you read the chapter, take notes on the following concepts:

- organizational value chain and the components of the service delivery and support activities
- organizational strengths and weaknesses
- role of the internal environmental analysis

**What Is Your Perspective on Crucial Factors in Strategic Planning?**

Visit the Healthcare Management Community. Look for the discussion thread labeled "U.S. Healthcare Systems: Strategic Planning: Internal." Add your comments to the discussion thread by describing the internal factors that are crucial in the strategic planning process. Discuss your position.

**Strategic Plans**

Read chapter 6 ("Developing Strategic Alternatives") in Strategic Management of Health Care Organizations to gain an understanding of the various categories of strategic plan alternatives.

As you read the chapter, take notes on the following concepts:

- strategies and strategic decisions required in strategic planning
Action Plans

Read chapter 10 ("Communicating the Strategy and Developing Action Plans") in *Strategic Management of Health Care Organizations* to gain an understanding of how to translate organizational strategies into action plans.

As you read the chapter, take notes on the following concepts:

- need for contingency planning and when contingency plans should be undertaken
- why strategies become difficult to implement in healthcare organizations

What Is Your Perspective on Strategic Planning?

Visit the Healthcare Management Community. Look for the discussion thread labeled "U.S. Healthcare Systems: Strategic Planning." Add your comments to the discussion thread by describing the importance of strategic planning in a healthcare organization. How does strategic planning for healthcare organizations differ from other types of organizations?

Healthcare Economics and Finance, Part I

Healthcare economics and finance deal with the problems of financing a healthcare system and the impact that financing has on healthcare performance. This section examines why people choose alternative economic arrangements, either in markets or through the political process. In addition, it demonstrates the link between financing healthcare and methods of payment for healthcare and, in turn, the link between payment and the supply decisions of healthcare providers.

This branch of economics deals with the concerns and issues regarding the scarcity of resources in the allocation of healthcare. As a healthcare professional, you will need to understand the basic concepts of finance and economics in the healthcare environment.

Healthcare Economics

The interest in healthcare economics has blossomed over the past several decades as spending on healthcare has continued to escalate. Many healthcare economic principles focus on how people make decisions related to expenditures for their healthcare given competing alternatives (e.g., food, clothing, housing, hobbies, travel, education). You will learn about factors that impact the cost of healthcare delivery.

After completing the activities in this section, you will be able to:

- identify how economics impacts medical care
- delineate differences in not-for-profit and for-profit facilities
- explain supply and demand in the healthcare environment

Economic Components

Read chapter 1 ("An Introduction to the Economics of Medical Care") in *Health Care Economics* to gain an understanding of how the components of economics impact medical care
and its delivery.

As you read the chapter, take notes on the following concepts:

- basic tools of economics
- different choices on how much is spent on medical care and the best method for producing and distributing medical services

**Characteristics of Hospitals**

Read chapter 11 ("The Market for Hospital Services") in *Health Care Economics* to gain an understanding of the characteristics and behavior of hospitals, which are the largest institutional settings for healthcare.

As you read the chapter, take notes on the following concepts:

- different theories of why most hospitals are not-for-profit
- cost shifting in a price-competitive market

**Utilization of Medical Services**

Read chapter 5 ("The Demand for Medical Care") in *Health Care Economics* to learn about factors that affect the utilization of medical services.

As you read the chapter, take notes on the following concepts:

- difference between need and demand
- importance of prices, incomes, and time costs as factors that affect demand for medical services

**What Is Your Perspective on Resource Planning?**

Visit the [Healthcare Management Community](#). Look for the discussion thread labeled "Healthcare Economics: Economics." Add your comments to the discussion thread by determining if it is sufficient to plan resources based solely on medical need. Why or why not?

**Healthcare Economics and Finance, Part II**

Healthcare economics and finance is an integral component of the healthcare industry. Its language is diverse and broad-based, covering disciplines that include accounting, insurance, mathematics and statistics, public health, and provider recruitment and retention. As a healthcare manager, attaining basic financial management knowledge is a required part of your work.

Financial management is a vital part of organizational effectiveness. It is essential that you understand financial management and can decipher the financial reports that contribute to sound decisions for your organization.

**Financial Management**

Financial management is a discipline with a long and respected history. Financial management
helps balance the inflows and outflows that are part of the healthcare business. You will gain understanding of both accounting and finance and how they impact the everyday life of most healthcare executives.

After completing the activities in this subject, you will be able to:

- identify accounting and finance principles
- delineate the purpose of financial statements
- discuss concepts of capital formation
- identify elements of cash budget

Financial Complexity of Healthcare

Read the following in Essentials of Health Care Finance:

- chapter 3 ("Financial Environment of Healthcare Organizations")

Focus on gaining an understanding of the financial complexity of healthcare organizations.

As you read the chapter, take notes on the following concepts:

- factors that influence the financial viability of a healthcare organization
- financial environment of the largest segments of the healthcare industry

Financial Statements

Read the following in Essentials of Health Care Finance:

- chapter 8 ("Financial Statements")

Focus on gaining an understanding of the four general purposes of financial statements.

As you read the chapter, take notes on the following concepts:

- components of a statement of revenue and expenses
- allowances that affect healthcare organizations

Capital Formation

Read the following in Essentials of Health Care Finance:

- chapter 20 ("Capital Formation")

Focus on gaining an understanding of the concepts and principles of capital formation in the healthcare industry.

As you read the chapter, take notes on the following concepts:

- difference between debt and equity financing, and the sources of each
- factors that influence the desirability of alternative sources of financing

**Cash Budgets**

Read the following in *Essentials of Health Care Finance*:

- chapter 22 ("Developing the Cash Budget")

Focus on gaining an understanding of cash budgets, which contain critical information that financial executives in all healthcare firms need to prepare and monitor closely.

As you read the chapter, take notes on the following concepts:

- importance of a cash budget
- how an organization generates cash and where an organization uses its cash

**What Is Your Perspective on Budgeting and Forecasting?**

Visit the Healthcare Management Community. Look for the discussion thread labeled "Healthcare Finance: Finance." Add your comments to the discussion thread by describing the importance of forecasting and budgeting in the healthcare environment. How does this impact the organization?

**Healthcare Economics and Finance, Part III**

The rising cost of services is a central concern in contemporary healthcare systems along with a growing realization that resources are more limited. The focus of healthcare economics and finance is on the general economics of personal health services as well as the specifics of program and organizational finance. You will see an emphasis on issues of fair and effective distribution of resources, both public and private. In the financial sector, you will examine issues of efficiency and productivity in delivery units and targeted programs. Healthcare services and activities are critical and competitive, and healthcare providers play an integral role in the finance and economics of an organization.

There are a variety of models that allow for the financial and economic implications of health professionals on the healthcare organization.

**Professional Services**

It is important to examine how health plan payment, group ownership, compensation methods, and other management tools affect financial incentives toward increasing or decreasing patient services. You will gain an understanding of the economic and financial implications of various reimbursement models for professional services.

After you complete the activities in this subject, you will be able to:

- understand the delivery systems for paying healthcare providers, especially physicians

**Mechanisms for Physician Payments**

Read the article by Robinson in the e-reserves to gain an understanding of the ramifications of
various mechanisms for paying physicians.

As you read the material, take notes on the following concepts:

- agency theory and payment incentives
- limits of payment incentives
- organizational structure of physician models

**What Is Your Perspective on Payment Methods and Quality Care?**

Visit the [Healthcare Management Community](#). Look for the discussion thread labeled "Healthcare Finance: Professional Services." Add your comments to the discussion thread by determining if the quality of work that a physician provides coincides with method of payment. Discuss your thoughts.

**Healthcare Information Management**

Quality information is essential to all aspects of today's healthcare system. Healthcare information management is the body of knowledge and practice that ensures the availability of health information to facilitate real-time healthcare delivery and critical health-related decision making for multiple purposes across diverse organizations, settings, and disciplines. After working through this section, you will be able to describe the importance of healthcare information management.

Healthcare information management allows for comprehensive management of medical information and its secure exchange between healthcare consumers and providers. As a healthcare executive, you will need to understand the technological needs in your healthcare organization.

**Information Technology (IT)**

Information technology (IT) allows healthcare providers to electronically collect, store, retrieve, and transfer information. Before you can enjoy the benefits of IT, you must understand the importance of the actual machinery and the steps necessary to secure appropriate software licensing for your healthcare organization.

After completing the activities in this section, you will be able to:

- identify hardware and software options on a computer
- consider licensing options
- implement necessary steps for licensing software
- discuss coding systems
- identify technological applications
- delineate the benefit of electronic medical records
- identify workstation components and design
- evaluate information technology (IT) systems
- use IT systems in various departments in healthcare settings
- make considerations for improving quality of care through technology

**Computer Technology**
Read chapter 5 ("Data Access and Retention") in *Health Information: Management of a Strategic Resource* to gain an understanding of all aspects of data access and retention from paper to computer technology to optical imaging.

As you read the chapter, take notes in your notebook identifying hardware options available in designing an automated data access and retention program and a storage and retrieval system for a hospital environment. In your notebook, explain why you selected the system.

**Networks for Healthcare Environments**

Read chapter 16 ("Technology, Applications, and Security") in *Health Information: Management of a Strategic Resource* to gain an understanding of the current health information environment, technology, key clinical applications, and available data management tools.

As you read the chapter, take notes on the following concepts:

- network protocols used in the Internet
- various network component options

**Computer Software Licensing**

Read the article from the GenereauxLaw website ("Computer Software Licensing-Checklist") in the e-reserves to gain an understanding of the various considerations for making a software licensing agreement.

After you read the article, research current software or the development of software on the Internet and write down your findings. Explain how software can help healthcare organizations in the future. Place your research and notes in your notebook.

**Software Licensing Options**

Read the article by Microsoft, "About Licensing: How Volume Licensing Works" to gain an understanding of the various licensing options available to meet the needs of your environment.

**What Is Your Perspective on IT?**

Visit the Healthcare Management Community. Look for the discussion thread labeled "Health Information Management: Information Technology." Add your comments to the discussion thread by describing the most important contribution that information technology has provided to the healthcare environment. How has IT affected your organization?

**Information Technology Applications**

Further research is needed to better understand what types of IT applications are most useful for improving care in different settings and what circumstances are necessary to ensure successful implementation.

After completing the activities in this section, you should be able to:

- unravel the marvels of technology that have revolutionized healthcare
Read chapter 6 ("Coding, Classification, and Reimbursement Systems") in Health Information: Management of a Strategic Resource to gain an understanding of the importance of transforming quality healthcare statistical data into meaningful healthcare information to improve patient care.

As you read the chapter, take notes on the following concepts:

- relating facility coding systems to the setting or purpose for which they are most frequently used
- relationship between coded data and reimbursement for healthcare services

**Healthcare Applications**

Read chapter 16 ("Technology, Applications, and Security") in Health Information: Management of a Strategic Resource to examine the current HIS environment, the technology used, the key clinical applications, and the data management tools available.

As you read the chapter, take notes on the following concepts:

- administrative and clinical applications

**Electronic Health Records**

Read chapter 17 ("Electronic Health Records: A Unifying Principle") in Health Information: Management of a Strategic Resource to identify strategies to ensure the quality and accessibility of patient data in a changing environment.

As you read the chapter, take notes on the following concepts:

- data and information concepts for health information systems and electronic health records
- functional requirements and expectations for electronic health records

**What Is Your Perspective on Electronic Records?**

Visit the Healthcare Management Community. Look for the discussion thread labeled "Health Information Management: Information Technology Applications." Add your comments to the discussion thread by describing the value that electronic medical records have in an organization. Does the benefit outweigh the cost of implementation and maintenance?

**Information Technology Systems**

The cost and the complexity of IT implementation, including necessary organizational and workflow redesign, pose considerable barriers to healthcare organizations that are striving for effective patient services, as does uncertainty regarding the stability of the rapidly changing IT industry.

After completing the activities in this section, you should be able to:

- gain an understanding of the basic technological applications and assessments of IT
systems in the healthcare environment

**IT System Design**

Read chapter 13 ("Operational Management") in *Health Information: Management of a Strategic Resource* to gain an understanding of the importance of effective use of health information and the systems that create, analyze, disseminate, and utilize that information.

As you read the chapter, take notes on the following concepts:

- components of a workstation
- system analysis and design

**IT System Evaluation**

Read chapter 18 ("Information Systems Life Cycle") in *Health Information: Management of a Strategic Resource* to gain an understanding of a structured approach to analyzing, designing, and implementing automated systems for patient-related and clinical data management.

As you read the chapter, take notes on the following concepts:

- techniques used to evaluate information systems
- information systems from an efficiency perspective

**IT System Applications**

Read chapter 13 ("Information Systems Applications") in the reading by Sloane, Sloane, and Harder in the e-reserves to gain an understanding of the various components (e.g., business services, pharmacy, medical records) that are continually being analyzed for improvements in information systems.

As you read the chapter, take notes on the following concepts:

- information system applications in various departments of a healthcare organization

**Quality of Care**

Read chapter 14 ("The Role of Automation in the Future of Healthcare Delivery") in the reading by Sloane, Sloane, and Harder in the e-reserves to gain an understanding of the automated systems and information technologies that are used in healthcare organizations.

As you read the chapter, research technologies that are important to the quality of care. What technology would work best to provide seamless integration between two different departments in an organization (e.g., billing and outpatient registration)? Write down your conclusions from your research and place your notes in your notebook, paying particular attention to technologies important to quality of care.

**What Is Your Perspective on Evaluating IT Systems?**

Visit the [Healthcare Management Community](#). Look for the discussion thread labeled "Health Information Management: Information Technology Systems." Add your comments to the
discussion thread by describing a technique your organization utilizes for evaluating information systems. Has the system proven to be beneficial? Discuss why or why not in your post.

**Risk Management, Part I**

A risk is an exposure to the chance of injury or financial loss. In quality control, the major emphasis has been on the management of patient injuries. These injuries result in financial losses when the patient brings a claim for compensation against the hospital. The claims may be based on physical or psychological injuries. A comprehensive quality control program should also include the management of risks to hospital employees and other members of the healthcare provider team. Risk management for healthcare institutions involves the protection of the assets of the organizations, agencies, and individual providers from liability.

When human error combines with new technologies, the probability of risk increases. Healthcare managers need to identify steps in the risk management process, red flags, tools, activities, and functions as well as understand the importance of communication with consumers.

**Risk Management and Disaster Preparedness**

Healthcare experts agree that in today's litigious society, hospitals can no longer survive without a risk management program. It is the responsibility of management to ensure protection is in place to minimize legal and financial exposure in the healthcare environment.

After completing these activities, you will be able to:

- identify risks
- discuss regulatory compliance issues
- examine the credentialing process
- delineate liabilities
- focus on safety issues and prevention methods
- understand key disaster preparedness components
- address issues related to workers compensation

**Risk Identification**

Read chapter 6 ("Early Warning Signs for the Identification of Organizational Risks") in Risk Management Handbook for Health Care Organizations to gain an understanding of potential claims, losses, and opportunities for improvement for healthcare organizations.

As you read the chapter, take notes on the following concepts:

- formal risk identification systems

**Regulatory**

Read chapter 18 ("Occupational Safety, Health, and Environmental Impairment") in Risk Management Handbook for Health Care Organizations to gain an understanding of the myriad regulations that affect how healthcare services can be delivered.
As you read the chapter, take notes on the following concepts:

- Joint Commission on Accreditation of Healthcare Organizations (JCAHO) issues
- environmental issues in acquisitions

**Healthcare Liabilities**

Read chapter 4 ("Health Care Legal Concepts") in Risk Management Handbook for Health Care Organizations to gain an understanding of the medical professional and general liability exposures in healthcare settings.

As you read the chapter, take notes on the following concepts:

- managed care organizations and health maintenance organizations (MCO and HMO)
- hospitals and medical centers
- types of legal concepts and insurance coverage

**Safety and Security Programs**

Read chapter 1 ("Development of a Risk Management Program") in Risk Management Handbook for Health Care Organizations to gain an understanding of the safety and security issues in the traditional acute care setting.

As you read the chapter, take notes on the following concepts:

- security program development and implementation

**What Is Your Perspective on Top Risk Issues?**

Visit the Healthcare Management Community. Look for the discussion thread labeled "Risk Management: Risk Management." Add your comments to the discussion thread by describing the top risk issues that healthcare organizations are facing. Is your organization prepared to remediate these issues? How?

**Disaster Preparedness**

Read the article from the Joint Commission on Accreditation of Healthcare Organizations (JCAHO), "Health Care at the Crossroads: Strategies for Creating and Sustaining Community-Wide Emergency Preparedness Systems," in the e-reserves to better understand the broad issues in emergency preparedness that can undermine the provision to patients of safe, high-quality healthcare.

As you read the material, take notes on the following concepts:

- preparedness priorities

**Disaster Recovery**

Read the Physician's News Digest article, "Disaster Recovery Planning for Business Continuity," in the e-reserves to gain an understanding of the importance of ensuring continuity of practice as well as how to successfully survive during and following a disaster.
As you read the material, take notes on the following concepts:

- facilities and equipment
- emergency communications
- paper-based records

**Paper Record Recovery**

Read chapter 5 ("Data Access and Retention") in *Health Information: Management of a Strategic Resource* to gain an understanding of all aspects of data access and retention, from paper to computer technology to optical imaging.

As you read the chapter, take notes on the following concepts:

- disaster recovery for paper-based records

**Healthcare Record Retention**

Read the HIPAAAdvisory.com article ("Record Retention Periods") in the e-reserves to gain an understanding of the regulations guiding the retention of healthcare records.

As you read the material, take notes on the following concepts:

- record retention regulations and policies per type of government agency

**What Is Your Perspective on Disaster Preparedness?**

Visit the Healthcare Management Community. Look for the discussion thread labeled "Risk Management: Disaster." Add your comments to the discussion thread by determining if your organization is prepared for a disaster. What mechanisms do you or your organization have in place? Are you or your organization following the Hospital Emergency Incident Command System (HEICS)?

**Risk Management, Part II**

Components of a risk management program and its implementation strategies coupled with components of a quality improvement program and its implementation strategies will lead to a safe, high-quality patient care environment.

The partnership between risk management and quality improvement in the healthcare environment is undeniable. To minimize the financial and legal exposure to a healthcare facility, you need to ensure that quality improvement techniques are in place to provide quality patient care.

**Quality Improvement**

In the United States, healthcare lags behind other industries with regard to ensuring safety for patients and staff. Statistically, hospitals that perform well on process measures have better outcomes. Because the safety of the U.S. healthcare system receives so much attention, frameworks for evaluating the quality of care have been widely instituted. You will gain an understanding of the need to improve the quality of healthcare in the nation and acquire the skill
set to affect change in your organization.

After the activities in this subject, you will be able to:

- identify quality improvement techniques and benefits
- understand the relationship between nursing, staffing, and patient outcomes
- discuss utilization review components

Outcomes Measurements

Read chapter 6 ("Fundamentals of Outcomes Measurement") in the Goldfarb and Nash text in the e-reserves to gain an understanding of the nature and complexities inherent in the field of outcomes measurement (OM).

As you read the chapter, take notes on the following concepts:

- purpose and aim of outcomes measurement

Quality Improvement Processes

Read chapter 7 ("Basic Tools for Quality Improvement") in the Goldfarb and Nash text in the e-reserves to gain an understanding of how people, information management, infrastructure, work processes, and culture can help improve performance in providing quality healthcare.

As you read the chapter, take notes on the following concepts:

- methods to improve quality
- characteristics of quality improvement processes

Statistics

Read chapter 8 ("Statistics") in Health Information: Management of a Strategic Resource to gain an understanding of basic and advanced healthcare statistics used in the healthcare field.

As you read the chapter, take notes on the following concepts:

- sampling and sample size

What Is Your Perspective on Quality Improvement?

Visit the Healthcare Management Community. Look for the discussion thread labeled "Risk Management: Quality Improvement-Outcome Measurements." Add your comments to the discussion thread by describing quality improvement tools that your organization utilizes. How have these tools improved your patient safety or clinical outcomes?

Quality Management

Read chapter 10 ("Quality Management and Clinical Outcomes") in Health Information: Management of a Strategic Resource to gain an understanding of the purpose and philosophy of quality management in the healthcare environment.
As you read the chapter, take notes on the following concepts:

- methodology and models of quality management

**Nurse Staffing**

Read the JONA article ("The Relationship Between Nurse Staffing and Patient Outcomes") in the e-reserves to examine hospital mortality and nurse staffing variables.

As you read the material, take notes on the following concepts:

- staffing and clinical outcomes

**Patient Outcomes**

Read the JONA article ("Longitudinal Analysis of Nurse Staffing and Patient Outcomes") in the e-reserves to determine the relationship between nurse staffing and patient outcomes.

As you read the material, take notes on the following concepts:

- correlation between scheduling and patient outcomes

**What Is Your Perspective on Staffing and Patient Care?**

Visit the Healthcare Management Community. Look for the discussion thread labeled "Risk Management: Quality Improvement-Staffing." Add to the discussion thread by describing the method of staffing your healthcare organization utilizes. How does this impact patient care at your institution?

**Medical Peer Review**

Read the article "State Medical Peer Review: High Cost but No Benefit-Is It Time for a Change?" from the American Journal of Law and Medicine found in the e-reserves to gain an understanding of how medical peer review encourages high-quality medical practice.

As you read the material, take notes on the following concepts:

- components of the medical peer review process

**Physician Peer Review**

Read chapter 10 ("Statutes, Standards, and Regulations") in Risk Management Handbook for Health Care Organizations to gain an understanding of the variety of laws and regulations that govern the healthcare profession.

As you read the chapter, write a description of the impact physician peer review might have on a medical malpractice case. Place your notes in your notebook.

**Utilization Review Program**

Read chapter 16 ("Quality Assurance and Utilization Review") in the Pena, Haffner, Rosen, and Light text in the e-reserves to gain an understanding of the importance of utilization review and
its impact on a healthcare environment.

As you read the chapter, take notes on the following concepts:

- characteristics of quality assurance and utilization review program

**What Is Your Perspective on Peer Review?**

Visit the Healthcare Management Community. Look for the discussion thread labeled "Risk Management: Quality Improvement-Peer Review." Add your comments to the discussion thread by discussing if there is value in peer review. Discuss your position in your post.

**Risk Management, Part III**

While risk management is only one aspect of an overall medical quality program, it has historically been treated as a separate process. For this reason, it is useful to review risk management as it has evolved in the healthcare environment. You will need to understand the traditional approaches to risk management before you can develop an integrated quality control management and quality assurance program. This section outlines the steps to comply with relevant laws and regulations in the healthcare environment.

Quality control and quality assurance systems and procedures must be in place to ensure compliance with the various local, state, and federal governing bodies that oversee healthcare organizations.

**Regulatory Compliance**

Regulatory compliance for healthcare entities is complex, with federal and state laws governing most aspects of business operations (e.g., organizational structure, relationships with referral sources, purchasing and vendor contracts, billing payers for items and services). You will gain an understanding of the major bodies that oversee both mandatory and voluntary activities associated with licensure, accreditation, certification, and compliance surveys.

After completing the activities in this section, you will be able to:

- describe various regulatory agencies
- identify patient safety components
- delineate the role of risk management

**Joint Commission on Accreditation of Healthcare Organizations (JCAHO)**

Go to the JCAHO website to gain an understanding of the national patient safety goals delineated by the JCAHO. Click on the links "Outline" and "Chapter" under "Hospital."

As you read the material, take notes on the following concepts:

- organizations that follow JCAHO standards

**Patient Safety**

Read chapter 9 ("Documentation and the Medical Record") in Risk Management Handbook
for Health Care Organizations to gain an understanding of the importance of protecting data to ensure patient privacy and to encourage active peer review and quality improvement.

As you read the chapter, take notes on the following concepts:

- confidentiality of business and other records
- healthcare integrity and protection data bank
- electronic records

Risk Management

Read chapter 16 ("Accreditation, Licensure, Certification, and Surveying Bodies") in Risk Management Handbook for Health Care Organizations to gain an understanding of the appropriate resources and information to meet the challenge of identifying and understanding the variety of organizations responsible for healthcare organizational licensure, accreditation, certification, and compliance surveys.

As you read the chapter, take notes on the following concepts:

- risk management responsibilities

What Is Your Perspective?

Visit the Healthcare Management Community. Look for the discussion thread labeled "Risk Management: Quality Improvement-Patient Privacy." Add your comments to the discussion thread by discussing if there is value in protecting the privacy of patients. Discuss your position in your post.

Final Steps

Congratulations on completing the activities in this course of study! This section will guide you through the assessment process.

Assessment Information

You now need to demonstrate your competence in Advanced Healthcare Management Concepts by passing the oral assessment. The four main areas that you studied throughout this course of study will assist you in completing the scenarios of change management, quality management, strategic priorities, and financial statement analysis.

Oral Assessment Instructions

Contact your course mentor and provide three available dates, times, your time zone, your preferred contact phone number, your student number, your WGU e-mail address, and your mentor's name. You will receive an Outlook appointment that reflects one of the three dates you requested. It is important that you provide at least two weeks' notice when you schedule your oral assessment.

Note: Within 48 hours of completing the assessment, you, your mentor, and the Assessment Department will receive the results with the completed rubric attached.
Feedback

WGU values your input! If you have comments, concerns, or suggestions for improvement of this course, please submit your feedback using the following form:

- Course Feedback

ADA Policy

Western Governors University recognizes and fulfills its obligations under the Americans with Disabilities Act of 1990 (ADA), the Rehabilitation Act of 1973 and similar state laws. Western Governors University is committed to provide reasonable accommodation(s) to qualified disabled learners in University programs and activities as is required by applicable law(s). ADA Support Services serves as the principal point of contact for students seeking accommodations and can be contacted at ADASupport@wgu.edu. Further information on WGU’s ADA policy and process can be viewed in the student handbook at the following link:

- Policies and Procedures for Students with Disabilities