



Transition Guide  
For  
***Introduction to the Financial Management of Healthcare Organizations,  
Seventh Edition***  
July 2017

Chapter No.	Chapter Title	Changes
1	Financial Management in Context	New accounting standard information in Appendix 1.1 and updated economic information in Appendix 1.2.
2	Organization of Financial Management	Updated information on CFO Profile, financial position compensation, and the formation of ACOs.
3	Financial Analysis and Management Reporting	This chapter was moved from the end of the 6 <sup>th</sup> edition to Chapter 3 in the 7 <sup>th</sup> edition based on feedback from instructors using the book. Updated GAAP on leases and net assets including proposed changes to revenue recognition; also includes the latest benchmarks on all financial ratios.
4	Tax Status of Healthcare Organizations	Additional information on Form 990 and updated case law on IRS challenges to tax-exempt status.
5	Third Party Payment	Updated information on high-deductible policies and state experiments with reimbursement as a result of the Medicaid waiver program. New information on bundled payment as well as MACRA of 2015's effect on physician payment (MIPS and APMs are introduced), and population health. Updates to uncompensated care are provided.
6	Medicare – <b>NEW CHAPTER</b>	Medicare and Medicaid have been separated into their own chapters. Updates on all Medicare numbers and major legislation affecting Medicare. Significant new information on HIPAA compliance for both security and privacy and new information on Medicare fraud and abuse initiatives by the federal government.
7	Medicaid – <b>NEW CHAPTER</b>	Separated into a standalone chapter with updates on all Medicaid numbers, and new information on expansion, fraud, and abuse.
8	Cost Accounting	Minor updates.
9	Reimbursement	New sections on reimbursement implications of ACA of 2010 (Value-Based Purchasing Programs) and MACRA of 2015 (MIPS and APMs).
10	Managing Working Capital	Minor updates.

11	Managing Revenue Cycle	Minor updates.
12	Managing Materials	Minor updates.
13	Strategic and Operational Planning	Minor updates.
14	Budgeting	New practice and self-quiz problems on Regression Analysis and Linear Estimation.
15	Capital Budgeting	Minor updates.
16	Healthcare Reform Trends	Significant new information on quality, access, cost, and the impact of ACA and MACRA. New section on President Trump's plans for healthcare, including the fate of the ACA.