This is a sample of the instructor manual for Peter C. Olden, *Management of Healthcare Organizations: An Introduction*, second edition.

The complete instructor materials include the following:

- Suggested answers to the book’s discussion questions
- PowerPoint slides for each chapter
- A test bank

This sample includes the PowerPoint slides and suggested answers to the discussion questions for Chapter 1.

If you adopt this text, you will be given access to the complete materials. To obtain access, e-mail your request to [hapbooks@ache.org](mailto:hapbooks@ache.org) and include the following information in your message:

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Suggested Answers to Discussion Questions


Chapter 1

1. Based on what you learned in this chapter, discuss the forces that affect health and well-being in the community where your college is located. Give an example of each force. Which of these forces do you think healthcare managers can control and change the most to improve people’s health?

*Heredity* is the starting point of health. Genes and characteristics inherited from parents make a person more likely or less likely to develop certain health problems, such as heart disease. *Medical care* is diagnosis and treatment in the care of patients, sometimes limited to care by physicians and sometimes more broadly including care by nurses, therapists, and others. Even more broadly, *healthcare* is services that promote health, prevent health problems, diagnose and treat health problems to cure them, and improve quality of life. *Lifestyles* are attitudes and behaviors such as smoking, seat belt use, diet, and exercise that greatly affect health. *Environment* includes the physical and sociocultural setting in which someone lives. Many environmental elements affect health, such as sanitation, violence, sunlight, employment opportunities, neighborhoods, population density, and air pollution. The environment includes elements created by both nature and people. All of these affect health and well-being in communities.

Managers cannot control or change heredity, so managers have three general ways to improve people’s health: (1) improve their environment, (2) improve their lifestyles, and (3) improve their medical care. Of these, healthcare managers have the most control over medical care and can do the most to change it. However, medical care has less of an effect on health than do the environment and lifestyles. Healthcare managers can help to improve people’s lifestyles and environment to improve people’s health.
2. What are disparities in healthcare? Why are disparities important for healthcare managers to understand?

Disparities are differences in health problems, health status, and use of health services among people who differ in ethnicity, gender, and other characteristics. These disparities are common among groups and subpopulations in communities. Managers must pay attention to disparities and try to eliminate them so that everyone in the community can live a healthy life. The US population will continue to become more diverse, as shown in the population trends described in this chapter. Managers can use the population health approach to identify and reduce disparities.

3. Why is the external environment so important to healthcare organizations?

A healthcare organization exists in and is strongly influenced by its external environment of people, organizations, industries, and sectors of society. This environment also has cultural, social, financial, political, technological, and other forces that affect HCOs. These forces, organizations, and elements of the external environment affect HCOs in many ways and force the HCOs to adapt to survive. To paraphrase an old saying, no HCO is an island unto itself. An HCO must be open to its environment and interact effectively with it because an HCO depends on its environment just as a person does. An HCO must be open to its environment to obtain clients, patients, customers, staff, funds, equipment, supplies, resources, and information. The HCO obtains inputs from the environment to produce its outputs, and then it provides those outputs to people in the environment.

4. Discuss several future trends and issues presented in this chapter. Which of these trends and issues do you think will be the most challenging for HCOs?

Students should use critical thinking and creative thinking for this discussion. This question should help them to think about how the external environment affects HCOs and to realize why HCO managers must pay attention to future trends and issues. They should understand that a wide variety of evolving factors outside of “healthcare” affect HCOs and HCO managers. From discussion with others, students should also see that different people have different answers to
this question. Students should realize that managers of HCOs also have different opinions about which trends will be most challenging.
Chapter 1
Health, Healthcare, and Healthcare Organizations
Learning Objectives

• Explain what health and population health are
• Describe the major forces that determine the health of a population
• Identify healthcare services in the continuum of care
• Identify types of HCOs
• Explain the external environment and how it affects HCOs
• State trends that are shaping the future of healthcare
• Describe the wide variety of healthcare management jobs and careers
What Is Health?

- World Health Organization definition
  - A state of complete physical, mental, and social well-being
  - Not merely the absence of disease or infirmity
Force Field Model of Health
Disparities

- Disparities are differences in health problems, health status, and use of health services among people who differ in ethnicity, gender, and other characteristics.
- The US population will continue to become more diverse, and addressing disparities will become more important.
- Disparities are linked to heredity, environment, lifestyle, and use of medical care services.
- Managers plan solutions for disparities and health problems experienced by distinct groups of people.
Population Health

• Measuring a community’s health outcomes and factors that cause those outcomes, and then using those measures to coordinate the community’s people and organizations to improve health

• Gained prominence because of population health provisions in the Affordable Care Act of 2010

• One of three goals in the “Triple Aim” of the Institute for Healthcare Improvement

• Will continue to gain in importance, so managers in many HCOs will try to improve it
Continuum of Care

NOTES: 1. Primary disease prevention is preventing agents from causing disease or injury. 2. Secondary disease prevention is early detection and treatment to cure and/or control the cause of disease. 3. Tertiary disease prevention is ameliorating the seriousness of disease by decreasing disability and the dependence resulting from it.
SOURCE: Barton (2010).
Some Types of HCOs

- Large general hospitals
- Hospices
- Medical practice groups
- Medical supply firms
- Pharmaceutical companies
- Nursing homes
- Physician offices
- Health insurance companies
- Ambulatory HCOs
  - Outpatient diagnostic centers
  - Mental health clinics
  - Primary care clinics
  - Ambulatory surgery centers
  - Urgent care facilities
HCOs and Their Environment

• An HCO exists in, and is influenced by, an environment that is mostly beyond its control.
  – Must be open to the existing environment
  – Depends on people and organizations in the environment
  – Must interact effectively with the environment
  – Can try to influence the environment

No HCO is an island unto itself.
Ten Environmental Sectors

1. Industry sector
2. Raw materials sector
3. Human resources sector
4. Financial resources sector
5. Market sector
6. Technology sector
7. Economic conditions sector
8. Government sector
9. Sociocultural sector
10. International sector
Healthcare Change

- Healthcare is always changing.
- Some changes are predicted; others are unexpected.
- Many trends and changes in the external environment force changes in healthcare and HCOs.
- Managers must *anticipate* change so they can help their HCO *adjust* to change.
Healthcare Management Jobs

Managers work in these and other types of HCOs:
- Clinics
- Consulting firms
- Health insurance organizations
- Healthcare associations
- Hospitals
- Nursing homes
- Physician practices
- Mental health organizations
- Public health departments
- Rehabilitation centers
- Research institutions

Specialized areas for managers include these and others:
- Finance
- Government relations
- Human resources
- Information systems
- Marketing and public affairs
- Medical staff relations
- Nursing administration
- Patient care services
- Planning and development
- Supplies and equipment management

One More Time

• Health is complete well-being: physical, mental, social.
• Healthcare managers strive to improve the health of their community’s population.
• Health is determined by four broad forces:
  – Heredity
  – Environment
  – Lifestyle
  – Medical care (healthcare)
• Many kinds of HCOs provide healthcare services.
• HCOs exist in and are affected by the environment.
• HCOs must adapt to environment, changes, and trends.