Transition Guide

Gapenski's Cases in Healthcare Finance, Sixth Edition

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With this casebook, students have the opportunity to apply finance principles and concepts to settings that simulate actual work environments. In that way, the book allows instructors to create a bridge between academic learning and applied practice.

The book's 32 case studies feature a variety of healthcare settings—from hospitals and clinics to medical practices, home health organizations, integrated delivery systems, and more. Each case focuses on a single issue related to a specific area of financial management. The majority of cases are accompanied by spreadsheet models to help students perform the required analyses.

The fifth edition has been used in numerous courses since its publication and have benefited from many student comments and suggestions. Moreover, we have received suggestions from other instructors in different settings. This feedback has resulted in many changes to this sixth edition, both substantial and minor.

Important changes to this edition:

Authorship

The most substantial change to the sixth edition of this casebook involves authorship. Since 2000, this highly regarded book has been used in healthcare finance courses throughout the United States. The fifth edition was authored by Louis Gapenski and George Pink but, sadly, Dr. Gapenski passed away in 2016 (see tribute in "About the Authors"). Fortunately, Dr. Paula Song, Associate Professor of Healthcare Finance at the University of North Carolina at Chapel Hill, agreed to step in as co-author. In the sixth edition, authors George H. Pink and Paula H. Song carry forward Dr. Gapenski's legacy to the field of healthcare administration.

Case Structure and Updates

The cases have been reordered and grouped into specific areas of financial management. In addition, the cases are frequently used in conjunction with *Healthcare Finance* by Reiter and Song (HF) and

Understanding Healthcare Financial Management by Gapenski and Pink (UHFM). The relevance of each case to the chapters in these books are:

#	Case	HF Chapter	UHFM Chapter
1	New England Healthcare	2	2
2	Orlando Family Physicians	2	3
3	Santa Fe Healthcare	2	3
4	Tulsa Memorial Hospital	5	
5	Shasta Faculty Practice	5	
6	Big Bend Medical Center	6	
7	Eagan Family Practice	6	
8	Dallas Health Network	6	
9	Cambridge Transplant Center	7	
10	Cascades Mental Health Clinic	8	
11	Gulf Shores Surgery Centers	9	4
12	Mid-Atlantic Specialty, Inc.	10	5
13	Pacific Healthcare (A)	11	6
14	Senior Care Enterprises	11	6
15	Pacific Healthcare (B)	12	7
16	Seattle Cancer Center	18	8
17	Southeastern Homecare	13	9
18	RN Temps, Inc.	13	10
19	Jones Memorial Hospital	14	11
20	Coral Bay Hospital	15	12
21	National Rehabilitation Centers	15	12
22	Northwest Suburban Health System	15	12
23	Commonwealth Health Plans	17	13
24	River Community Hospital (A)	17	13
25	River Community Hospital (B)		14
26	Mountain Village Clinic	16	15
27	Foster Pharmaceuticals	16	15
28	Clarinda Community Hospital	16	15
29	Milwaukee Regional Health System	16	15
30	St. Benedict's Teaching Hospital	18	16
31	Beachside Health Partners	18	16
32	Bedford Clinics	18	16

Many changes have been made to improve the cases and accompanying material. Recent changes in the health services environment have been incorporated to ensure the cases remain contemporary. Numerical values have been changed so that revenue and cost figures are more current and old case solutions posted on the internet are no longer relevant.

Instructor's Resources

Significant changes to the sixth edition have been made to the ancillary materials. Several teaching aids are available for instructors who adopt this casebook. Contact hapbooks@ache.org to gain access to these files.

Spreadsheet Models - Student

New student spreadsheets have been created for Case 11 Gulf Shores Surgery Centers (Time value analysis), Case 12 Mid-Atlantic Specialty, Inc. (Financial risk), Case 13 Pacific Healthcare (A) (Bond valuation), and Case 15 Pacific Healthcare (B) (Stock valuation). The new spreadsheets still require students to perform calculations but they also provide a template for their answers. For all of the cases, tabs have been inserted in each student spreadsheet with a case question per tab. The tables can be easily deleted if instructors choose to use non-directed cases. All of the student spreadsheets have been checked for consistency with the instructor spreadsheets.

Spreadsheet Models – Instructor

Revisions to ensure formula accuracy, incorporate new Excel functions, and to better present results have been made.

Case Questions

Since the fifth edition, in-class experiences with the case questions provided much feedback and suggestions on modifications – to the point that many of the sixth edition questions are completely different from the fifth edition. The importance of how case questions are worded became evident. For example, a question without "Interpret the results" may lead students to simply submit numerical results without thinking about what they mean. A phrase the authors inserted often is "Return to base case assumptions" because students confuse different scenarios. In some cases, instructors and students themselves have provided the authors with ideas for new questions that hadn't been considered before. The primary goal in making these changes was to improve the pedagogic value of the cases.

Case Solutions

Revised case questions and changes to the case numbers necessitated substantial revision of the case solutions. In some cases, changing one number in a spreadsheet necessitated changing the entire numerical solution and how it was written up.

Slide presentations

In addition to the main features of the case and three learning points, slides that present the case solution have been added. The slides consist of content to be displayed to a class as well as notes to the instructor. Typically, these are 15-20 slides in length and represent the most important improvement to the ancillary materials for this edition.