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This book offers an introduction to the most used tools and techniques of health care financial management. It contains numerous examples from a variety of providers, including health maintenance organizations, hospitals, physician practices, home health agencies, nursing units, surgical centers, and integrated health care systems. The book avoids complicated formulas and uses numerous spreadsheet examples so that these examples can be adapted to problems in the workplace. For those desiring to go beyond the fundamentals, many chapters offer additional information in appendices. Each chapter begins with a detailed outline and concludes with a detailed summary, followed by a set of questions and problems. Answers to the questions and problems are available for download to instructors at www.josseybass.com/go/zelman5e. Finally, a number of perspectives are included in every chapter. Perspectives—examples from the real world—are intended to provide additional insight into a topic. In some cases these are abstracted from professional journals and in other cases they are statements from practitioners—in their own words.

The book begins with an overview in Chapter 1 of some of the key factors affecting the financial management of health care organizations in today's environment. Chapters 2, 3, and 4 focus on the financial statements of health care organizations. Chapter 2 presents an introduction to these financial statements. Financial statements are (perhaps along with the budget) the most important financial documents of a health care organization, and the bulk of this chapter is designed to help readers understand these statements, how they are created, and how they link together.

Chapter 3 provides an introduction to health care financial accounting. This chapter focuses on the relationship between the actions of health care providers and administrators and the financial condition of the organization, examining how the numbers on the financial statements are derived, and the distinction between cash and accrual bases of accounting. By the time students have completed Chapters 2 and 3, they will have been introduced to a large portion of the terms used in health care financial management.