

## On-Demand Courses

# Health system finance

How margin supports mission



*Health system finance: How margin supports mission* helps you understand why health systems need a healthy financial margin to support their mission, the financial building blocks of margins, and the factors impacting their finances.

Course learning objectives: Understand the key factors affecting health systems' financial health, recognize revenue and cost sources, understand margin composition, and identify common strategies for financial improvement.

## Course modules

### 01 How money moves through health systems

#### *Module learning objectives*

- Understand the financial challenges hospitals face today and why healthy margins are so important.
- Recognize how hospitals' financial struggles impact the quality of patient care and access to healthcare services.
- Differentiate between common types of hospitals and articulate how hospital structure can shape operational focus.
- Understand key terms related to hospital finance.

## 02 Revenues & costs: The building blocks of hospital margins

### *Module learning objectives*

- Identify the components that make up the hospital margin equation.
- Understand the biggest sources of hospital revenue and costs.
- Learn how most hospital revenue comes from operations, primarily patient care services.
- Identify the three major factors that influence hospital revenue, as well as the key elements that make up a hospital's revenue streams.

## 03 Trends impacting hospital margins

### *Module learning objectives*

- Identify the three key shifts — site of care, payer mix, and case mix — that are reducing hospital revenue and understand how these shifts affect hospital profitability.
- Understand three major factors contributing to rising hospital costs, including workforce volatility, infrastructure shifts, and the rising cost of drugs and supplies.
- Understand three common strategies health systems employ to improve financial health.
- Articulate examples of how health systems approach margin management.

Learn more about our  
on-demand courses



655 New York Avenue NW, Washington DC 20001 | [advisory.com](https://www.advisory.com)

This document does not constitute professional legal advice. Advisory Board does not endorse any companies, organizations or their products as identified or mentioned herein. Advisory Board strongly recommends consulting legal counsel before implementing any practices contained in this document or making any decisions regarding suppliers and providers.

© 2024 Advisory Board • All rights reserved • WF14475356