**LETTER OF NOTIFICATION –3**

**NEW OPTION, EMPHASIS or CONCENTRATION**

(Maximum 18 semester credit hours of theory courses and 6 credit hours of practicum courses)

1. Institution submitting request: University of Arkansas, Fayetteville
2. Contact person/title: Dr. Terry Martin, Vice Provost for Academic Affairs
3. Phone number/e-mail address: (479) 575-2151/tmartin@uark.edu
4. Proposed effective date: Summer 2017
5. Title of existing degree program: Masters Degree in Business Administration - approved for distance delivery.

(Indicate if the degree listed above is approved for distance delivery)

1. CIP Code: 52.0201
2. Degree Code: 5580
3. Proposed name of new option/concentration/emphasis: Executive Healthcare MBA
4. Reason for proposed action: Given the unique context of the healthcare field, the Sam. M Walton College of Business at the University of Arkansas in Fayetteville (UAF) is proposing a joint offering for an Executive (part-time) MBA degree with a health care concentration, in conjunction with the UAMS College of Public Health. There is a commonly-held assumption among practitioners and administrators alike that the healthcare field has grown increasingly complicated, both with regards to information technology and business. Quality care, financial management, and compliance (government mandated reporting) makes healthcare today “layer upon layer complicated,” as one physician put it. The proposed curriculum will serve to increase the business acumen of healthcare practitioners and administrators who are being asked to take on increasingly complicated roles. The program also targets individuals working for corporations with a health focus as well as CPG employees who are both selling and transporting healthcare related products.
5. New option/emphasis/concentration objective: The Executive Healthcare MBA program is designed for individuals who are working full time. It develops students to run a complex business organization in an effective way. The skills emphasized in the program include global awareness, analytical skills, communication abilities and integrative skills that allow students to effectively make complex business decisions. Students who join this concentration are expected to bring unique skills derived from prior technical training or health administration experience.
6. Provide the following:
   1. Curriculum outline - List of courses in new option/concentration/emphasis – Underline required courses

The Health Care System, PBHL 5123

Health Law, PBHL 5293

Advanced Health Systems Financial Management, PBHL 5333

Healthcare Quality Management and Information Systems PBHL 5533

* 1. Provide degree plan that includes new option/emphasis/concentration

Executive Healthcare M.B.A. Concentration

CORE

People Management, Ethics, and Leadership

MGMT 5613: Leadership and Managing Behavior in Organizations

Information Technology and Analytics

SCMT 5133: Quantitative Methods and Decision Making

ISYS 5603: Analytics and Visualization

Accounting and Financial Capital

FINN 5113: Corporate Financial Management

ACCT 5263: Financial Statement Analysis for Executives

Marketing and Supply Chain Management

MKTG 5223: Marketing

SCMT 5663: Supply Chain Management

Strategic and International Management

MGMT 5602: Introduction to Strategy

MGMT 5313: Strategic Management

MGMT 5373: Global Business

ECON 5253: Economics of Management and Strategy

TRACK

Executive Healthcare MBA concentration students must complete the following courses from UAMS:

PBHL 5123 The Healthcare System

PBHL 5293 Health Law

PBHL 5333 Advanced Health Systems Financial Management

PBHL 5533 Healthcare Quality Management

* 1. Total semester credit hours required for option/emphasis/concentration 12

(Option range: 9–24 semester credit hours)

* 1. New courses and new course descriptions. New courses for this concentration are provided by UAMS. Descriptions are as follows:

The Health Care System, PBHL 5123: This course will lay the foundation for analytical thinking about the health care system of the United States. The U.S. health care system is segmented into several components that represent major organizational and policy concerns in contemporary U.S. health care delivery.

Health Law, PBHL 5293: This course introduces students to the basic principles and practices of law affecting the administration of health institutions and medical practice, with emphasis on the legal aspects of patient care and treatment, torts and contractual obligations, rights and obligations of governing boards, medical staff and employees, and labor law.

Advanced Health Systems Financial Management, PBHL 5333: The course is designed to present in-depth discussions on topics related to financial management in a health care setting. It focuses on the application of financial management principles and concepts to health care organizations. A broad range of issues will be discussed and evaluated with assignments to familiarize students with both theoretical concepts and practical application of financial management principles in the current operating environment. Computerized software packages will be utilized to emphasize the application of financial techniques to problems in health care management and/or health services delivery. Students should have a basic understanding of health care system, health care management, health care statistics and information systems, financial accounting and Excel. A special emphasis will be placed not only on correctly applying the financial concepts and skills but also on effective business writing and presentations to communicate the findings of financial analyses.

Healthcare Quality Management and Information Systems PBL 5533: This course serves the dual purpose of familiarizing the student with major issues and trends in healthcare information technology, while also exploring contemporary issues in quality management and process improvement. Particular emphasis will be placed on the nexus between emerging clinical technologies such as the electronic medical record and other clinical databases, and the opportunities these advances present for clinical quality evaluation, procedural improvements in a variety of care settings, advances in community health, and improvements in day-to-day operations as well as strategic management. Also considered will be quality standards used by regulators and accreditation agencies, and the potential for significant advances in outcomes research.

* 1. Goals and objectives of program option: The Executive Healthcare MBA program

is designed for individuals who are working full time. It develops students to run a complex business organization in an effective way. The skills emphasized in the program include global awareness, analytical skills, communication abilities and integrative skills that allow students to effectively make complex business decisions. Students who join this program are expected to bring unique skills derived from prior technical training or business experience. The Healthcare option is expected to provide specific skills pertaining to the business of the healthcare industry, such as healthcare related financial management, information systems, and law.

f. Expected student learning outcomes: Graduates of the MBA program at the Sam

M. Walton College of Business will be able to:

• Collect, organize, and analyze relevant economic, financial, marketing, legal,

and technical information using appropriate tools and strategies.

• Demonstrate persuasive communication skills, both individually and as a part of

a team.

• Recognize and explain the ethical consequences of business decisions.

• Employ strategic approaches to solve managerial challenges and address

potential opportunities.

• Synthesize information to make recommendations that support achievement of

organizational goals.

1. Documentation that program option meets employer needs (see Appendix 1)
2. Student demand (projected enrollment) for program option: We project that up

to 20 students will enroll annually in the Executive Healthcare MBA as the

program reaches maturity.

1. Name of institutions offering similar program or program option and the

institution(s) used as a model to develop the proposed program option The Sam M. Walton College of Business will be one of the few schools in the region offering such a program. The University of Arkansas-Little Rock offers a Weekend MBA with a Healthcare focus. Vanderbilt offers a Healthcare MBA degree. The concentration was developed under the guidance of faculty from UAMS.

1. Institutional curriculum committee review/approval date: December 7, 2016.
2. Will the new option/emphasis/concentration be offered via distance delivery? If yes, indicate mode of distance delivery: As with the current Executive MBA program, the curriculum listed here will be delivered via distance delivery as a hybrid program. The program requires both on campus attendance and online course work. Delivery in this mode has already been approved and has been in place with the current Executive MBA curriculum since 2005.
3. Explain in detail the distance delivery methods/procedures to be used: The Executive MBA faculty provide 20 hours of in class lecture/group assignments for each 3 hour course on Saturdays scheduled throughout the year. The remainder of each course is completed using Blackboard for delivery of content, discussion boards, quizzes, individual and group assignments, videos and other resources. In addition, each live lecture is recorded using MediaSite Live and made available to students immediately after each Saturday class.
4. Specify the amount of additional costs required for program implementation, the source of funds, and how funds will be used. No additional funding will be needed. The proposed Executive Healthcare MBA concentration utilizes courses provided by UAMS at the UAMS location in Little Rock.
5. Provide additional program information if requested by ADHE staff.

President/Chancellor Approval Date: January 30, 2017

Board of Trustees Notification Date: March 30, 2017

Chief Academic Officer: Ashok Saxena Date: January 23, 2017

Appendix 1

Health Care EMBA:

What we know from interview conversations

Given the unique context of the health care field, the Sam. M Walton College of Business at the University of Arkansas in Fayetteville (UAF) is proposing a joint offering for an Executive (part-time) MBA degree with a health care track, in conjunction with the UAMS College of Public Health. In addition to traditional MBA courses, students in this track would take courses through UAMS focusing on the health care system, health law, health systems financial management, information systems, and quality management. The program is projected to commence in the fall of 2016. The goal is to prepare graduates to take on leadership positions in the health care industry.

In order to assess demand for the joint offering and profile the potential student population, the MBA programs office has sought input from experienced health care executives. Initial contacts included individuals working in health care IT, corporate health care (Walmart), physicians and physician networks, assisted living administration, health care financial management & consulting, clinical psychology/behavioral health, and the Military Health System. Important contacts for a wider-spread market assessment have been gathered from initial inquiries. This report aims to provide a brief summary of these early inquiries, and re-focus next steps for a market assessment on the desirability and structure of this program.

There is a commonly-held assumption among practitioners and administrators alike that the health care field has grown increasingly complicated, both with regards to information technology and business. Quality care, financial management, and compliance (government mandated reporting) makes health care today “layer upon layer complicated,” as one physician put it. Today’s health care system additionally requires experience and strong relationships in the field, said the CEO of OrthoArkansas. Networking is key.

It is evident from initial inquiry that this degree is both desirable and needed. A vice president at Walmart stated that Northwest Arkansas, given its size, is one of the worst developed health care markets in the U.S. Our population growth has been explosive, but the industry hasn’t kept pace. Our workforce doesn’t have the right skills. Practically every Chief Medical Officer nationwide who has been hired has an MBA. This is a pivotal point for the health care market, and Arkansas needs innovators and risk takers. There is a clear need for this degree according to all of our initial conversations.

Market Context & Competition:

The Sam M. Walton College of Business will be one of the few schools in the region offering such a program.

• The University of Arkansas-Little Rock offers a Weekend MBA with a Healthcare focus. Vanderbilt offers a Health Care MBA degree.

• The Master’s of Health Administration (MHA) is a closely related degree; however, this degree is not offered by UAF. It is offered by various schools in the region. UAMS offers both a Master of Health Services Administration and a Master of Public Health, from which the joint courses are being drawn.

o One individual, with 34 years of experience in the health care field (including Sr.VP at Northwest and Washington Regional Medical Systems), pointed out that an MHA is less desirable to the target population because the longer they have been in the field, the less likely they would need an MHA, having that knowledge already through experience. An MBA would provide new knowledge.

o Another senior health care administrator stated that an MBA could also be more desirable because it is both stronger in financial management/quantitative skills and more versatile for career growth. Two corporate executives at Walmart corroborated this point, and went on to posit that the MBA also has broader applicability; furthermore, particularly for a corporate focused job in the health field, you don’t need an extensive focus on health care. The CEO of OrthoArkansas made the same argument, adding that only in a purely hospital setting would an MHA perhaps be preferable.

Target Population & Career Advancement Opportunities:

1. Category 1: Practitioners

This category includes physicians, nurses, pharmacists, radiology technicians, and other health care practitioners who want to move into more administrative type roles and/or effectively run health care businesses. This category also includes department directors with a clinical background, those that would want to be chief nursing officers or chief operating officers. This is probably a key market, in terms of sheer numbers, and the fact that they’re already breaking into the business world. These individuals don’t have business skills, such as finance, but they hope to remain in business in the health care field. Nurses and pharmacists, a key target group, are rate-limited at their positions, they’re compassionate, and they know the system.

One example of the changing nature of health care provision is the explosion of Urgent Care clinics, which are opened by entrepreneurial physicians. Traditional practices are losing their markets. Furthermore, as alternative payment mechanisms become available, physicians will need to learn new systems.

Another segment of administrators blurs the lines between practitioners and administrators, and this is physician networks brought together to manage the complexities of health care provision, such as physician group practices, physician-hospital organizations, and ambulatory group practices (e.g. the Medical Group Management Association and the American Association of Orthopedic Physicians). These business networks often require CEOs and executive level management, necessitating higher business education.

Caveats for category 1:

• The degree is not cost-prohibitive for physicians and some higher level practitioners, but it may be cost-prohibitive for more entry-level positions, such as nurses and radiologists.

• Some hospitals in the region may support education costs. Washington Regional does not, but it will support the education philosophically according to a former VP of the Washington Regional Medical network.

• Practitioners may only be interested in clinical education.

2. Category 2: Administrators

This category includes entry level health care administrators looking to advance their careers, as well as upper level administrators (e.g. controller level) that hope to advance to the highest levels of administration, such as Chief Financial Officer (CFO) and Assistant CFO.

Health care managers may understand insurance and other health care management topics, but they may not have as good of an understanding of health care. They would also benefit from this degree.

An administrator in health care needs key skills in human resources, accounting, spreadsheets/data analysis, risk taking, etc., which can be gained from the MBA.

3. Category 3: Individuals seeking to enter the health care field

This category refers specifically to individuals that are not currently working in the health care field, but who wish to transition into the industry. Health care is approaching 25% of GDP and health care delivery is changing. 2/3rds of jobs in the health care sector are being created by non-traditional sectors, as cited by a VP at Walmart. There are incentives for entering the field.

For example, this category may include HR professionals who would like to transition into hospital administration. Other careers include direct practice management, hospital systems, the insurance industry (development of products and relationships with providers), program line managers in insurance settings, the pharmaceutical industry, etc.

4. Category 4: Corporate Health

As mentioned previously, individuals working for corporations with a health focus don’t necessarily need an extensive focus on health care to work in this field, thus this degree is ideal. Corporate MBA recruits haven’t historically had health care focused degrees, but they have usually at least had experience in the health care field.

There is an impression from the corporate side that health care professionals are very poorly trained in business, according to the Walmart executives who participated in initial inquiries. A current health initiative at Walmart, opening primary care clinics, is Nurse Practitioner driven in terms of business model, but these individuals don’t have the business acumen. How you can be a good caregiver and also impact the business angle (the value based outcome) is key.

There are also individuals in CPG, as well as transport, that are both selling and transporting health care related products, and these individuals need both skills from the general business perspective, but also a knowledge of healthcare.

Key Risks:

1. Family commitment: This has been found to be a deterrent for both men and women prospects for the EMBA. We believe that this is the same level of risk as for our regular EMBA. Since the program does not require resource commitments at WCOB, we are not looking for a large number of enrollees to make this program viable. We anticipate a steady state 20 student settled demand over the next three years.

2. Cost: The degree may be cost prohibitive for floor practitioners and other entry-level employees, even supervisory-level. This will usually not be the target audience for the Health Care EMBA. In our regular EMBA we are already attracting 5-6 Health Care practitioners (Pharmacists, Doctors (primary care and specialists), Nurse Administrators) and many have successfully graduated.

3. Online courses: Particularly the older demographic in the health care field may be turned off by the online portion of the blended delivery program. CAMIE, the accreditation agency of medical schools has not approved online courses as yet. However this is beginning to change.

4. GMAT: Many prospects will not have a business background and may be concerned about the GMAT test required for application. GMAT waiver may be applicable to the more senior applicants

5. Reputation: UAF is not known as a health care school, and UAMS is still in its infancy. We’ll have to build our brand in this field. Nevertheless our discussions with potential applicants have shown that the Walton College UAMS brand will be a powerful attractor and as a high quality degree is offered it will be strengthened.

Appendix A

Sample Contacts for Needs Assessment. These represent the individuals with whom we conducted semi structured interviews. In addition we have had numerous unstructured interviews with potential employers and potential students in the last 6 months.

a) CEO Of Specialized Medical Specialty Practice

b) Directors at Hospital Chains

c) Sr. Director level individuals at Corporations who manage wellness for large organizations

d) Director/Sr. Director/VP level individuals at Walmart’s Health and Wellness

e) Directors of Retirement Homes

f) Directors of Hospice

g) Executives in Medical School for Physicians and Nursing

h) Head and Administrative Officers at Clinics in NWA

i) Directors of Medical Services (for instance large management labs)

j) Practicing Physicians.

k) Practicing Pharmacists