REQUEST FOR NEW PROGRAM AT IOWA STATE UNIVERSITY: BACHELOR OF SCIENCE IN HEALTHCARE MANAGEMENT

Action Requested: Consider approval of the request by Iowa State University for a Bachelor of Science in Healthcare Management in the Ivy College of Business.

The Council of Provosts and Board office support approval of this program.

Description of proposed program. The Department of Management and Entrepreneurship in the Ivy College of Business is proposing a new undergraduate major in healthcare management (HCM). This proposal furthers the strategic goals of the Ivy College of Business to provide innovative and effective educational opportunities.

The National Center for Education Statistics (NCES) provides the following description of the healthcare management degree program:

Health/Health Care Administration/Management is a program that prepares individuals to develop, plan and manage health care operations and services within health care facilities and across health care systems. Includes instruction in planning, business management, financial management, public relations, human resources management, health care systems operation and management, health care resource allocation and policy making, health law and regulations, and application to specific types of health care services.

The proposed program reflects the national standards described above. Healthcare management students will take specialized courses in healthcare economics, financial management for healthcare organizations, quality management, and healthcare law, among others. This program will teach students how to apply managerial principles to the unique, complex and growing healthcare industry.

The admission requirements to the Ivy College of Business and to its professional program for students wishing to major in HCM will be the same as for all other Ivy majors. The curriculum will require 31 credits of general education coursework, 23 credits of foundation coursework, nine credits of supporting courses, 27 credits of business core coursework, 24 credits of major coursework, and eight credits of general electives (total of 122 credits to degree). The general education, foundation, supporting, core and general electives coursework is similar to that for other majors in the Ivy College of Business. This curriculum can be completed in eight semesters. Healthcare management is not currently offered as a track in the Ivy College of Business.

Academic objectives. The primary objective for the new HCM major is to train students to be immediately employable in entry-level managerial positions in healthcare settings with the potential for future leadership roles. A secondary goal is to prepare students for rigorous graduate level training, such as a Master of Healthcare Administration program. To meet these goals and to set this program apart from HCM majors at other schools, it will target three general categories of learning objectives:

- **Foundational knowledge of the healthcare management field** (insurance, current healthcare policy, policy development, economics of health and healthcare, patient safety, quality management, financing, payor mix, healthcare laws and regulations, and information systems as they relate to healthcare data)
• **Comprehensive business skills** (decision-making skills, relationship management skills, managerial professionalism, data interpretation and analytic skills, teamwork and collaboration skills, leadership skills and strategy skills)

• **Experiential learning** (hands-on learning in a healthcare setting, application of HCM curriculum to real world experiences)

**Relationship to existing programs at the institution.** Health-related degree programming has been identified as a source of innovation for Iowa State University. The HCM major will bolster health-related interdisciplinary initiatives across campus. The HCM major will complement practitioner-focused program such as the nursing program in the Department of Food Science and Human Nutrition, health sciences programs in the Department of Kinesiology, and programs in gerontology. The HCM major is positioned to interface with programs that may arise as the university expands health-related course offerings.

Given that the HCM major blends business-related skills with knowledge of the healthcare system, the proposed program does not duplicate any existing program. Within the Ivy College of Business, no undergraduate programs explicitly address business skills as they apply to this unique field. More generally, ISU’s course offering related to public health and public policy do not address the business-related aspects of healthcare to the extent of this proposed program.

Finally, the proposed HCM major may serve as a feeder for graduate-level programs at ISU, such as the Master of Healthcare Analytics and Operations degree.

**Relationship to existing programs at other colleges and universities.** The proposed HCM major will be the first such undergraduate degree program an Iowa Regent university, and at any AACSB-accredited business school in the state of Iowa. Health-related programs at other universities in the state do not currently provide students with the opportunity to study directly business-related aspects of healthcare.

The University of Iowa offers multiple graduate-level degrees in health management and policy. At the undergraduate level, the University of Iowa offers a health track for the Informatics major. The graduate-level program is outside of what is being proposed in the HCM major, and the proposed program is more in-depth than the track in Informatics. The University of Northern Iowa offers a business in healthcare certificate, but only one required class is offered in the business college (i.e. Principles of Finance).

Upper Iowa University has a health services administration program, but is it not housed in a college of business. Mount Mercy as a business focused HCM degree, but their programs are not AACSB accredited. DMACC discontinued its healthcare administration program in 2005 and in its place they now have an aging services management program. Other private colleges in Iowa have pre-professional programs for specific healthcare fields (e.g. dentistry, medicine, public health), or they have healthcare administration tracks in health sciences programs that are biomedically based.

Transfer students can bring up to 65 credits from a community college (including a maximum of 16 credits of career/technical coursework) to be counted toward graduation at ISU. Existing transfer agreements from Iowa community colleges for business programs at ISU will work seamlessly for the HCM major. Those who transfer with a healthcare-related associate degree will still need to complete the business core and most major coursework, but will have satisfied all general education and elective requirements.
Resources to establish a high-quality program. The Department of Management and Entrepreneurship is well-resourced to establish and maintain the proposed program. At least two faculty members within management have expertise directly in healthcare management, and they are committed to teaching full-time in this new program. There are also faculty in other Ivy departments who are interested and able to teach specific courses in this curriculum. The recently expanded Gerdin Business Building offers ample facilities. HCM students will be assigned a dedicated career coordinator in the Career Services Office. The office will assist the students in securing internships and co-ops, facilitate agreements with healthcare facilities, and generally develop students’ job-seeking skills.

Student demand. Postsecondary institutions conferred 2 million bachelor’s degrees in 2017-18. More than 30% were concentrated in two fields of study: business and health professions. Since 2001, business degree conferrals has increased by 47% and health profession conferrals by 223%.

Based on the strong trends described above, and given that the proposed program combines these two elements, the college expects strong demand for a bachelor’s degree in HCM. Ivy College of Business recruitment coordinators have reported student demand for a healthcare management program:

“Prospective student interest in healthcare management programs and career opportunities has been consistent over the past several years. Anecdotally, prospective students are asking about 1) programs we offer related to healthcare management, and 2) examples of students finding success in the healthcare field with a business background. Given my own experience working with prospective students, and national trends in student major choice, I’m enthusiastic about moving forward with a healthcare management major within the Ivy College of Business.” -Sarah Adams, Undergraduate Recruitment Coordinator, Ivy College of Business

Workforce need/demand. According to the Bureau of Labor Statistics (BLS), jobs for Medical and Health Services Managers are expected to grow by 32% between 2019 and 2029, which is much faster than the average of 4% for all occupations. In addition, the occupation ranks eighth on the BLS’s list of the 20 fastest growing occupations in that same span.

In the U.S., healthcare is projected to become the top employment sector, accounting for 13.9% of total employment, surpassing production of goods, professional and business services by 2029. With a growing population and the fact that baby boomers will remain active once they reach retirement age, healthcare institutions and services are expected to increase in response to these demographic shifts. This will include healthcare management.

Iowa Workforce Development indicated 1,727 job openings for Medical and Health Services Managers in Iowa in 2019. IWD projects 590 annual job openings between 2018-2028 due to retirements/exiting the labor force, employee transfer to new occupations, and new openings due to growth.

Funding and Cost. The financial resources for this program will come almost entirely from student base tuition and applicable differential rates. The program is projected to be self-sustaining over time. Financial resources may also come from internal college reallocations made during the start-up phase. The level of reallocation will depend, in part, on the number of new students attracted to the proposed program and the number of existing students who choose HCM over another program. The HCM program will not be dependent on grants, contracts, gifts, central university resources, or reallocations made between academic colleges.
Projected student enrollment. Enrollment was estimated in two ways. First, the most recent new major in the department is entrepreneurship, now in its fifth year. Trends suggest HCM could track closely with the trends in entrepreneurship which has over 200 students in its fifth year.

The second estimate was based on benchmarking HCM at other schools that have it embedded in a college of business. This method indicated the college could eventually have up to 7.75% of its enrollment in an HCM major (approximately 334 students).

<table>
<thead>
<tr>
<th></th>
<th>Y1</th>
<th>Y2</th>
<th>Y3</th>
<th>Y4</th>
<th>Y5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Undergraduate</td>
<td>48</td>
<td>95</td>
<td>143</td>
<td>191</td>
<td>238</td>
</tr>
</tbody>
</table>

Accreditation. The program does not need to request special approval from the HLC. The Ivy College of Business is accredited by AACSB, which will encompass this program. In the future, the HCM program could choose to apply for accreditation with the Association of University Programs in Health Administration, but a program cannot apply until after the first cohort of students has graduated (estimated to be in 2024).

Date of implementation. Fall 2022.
March 1, 2022

David P. Spalding, MBA
Raisbeck Endowed Dean and Professor of Finance
Debbie and Jerry Ivy College of Business
Iowa State University
2200 Gerdin Business Building
Ames, IA 50011

Dean Spalding,

I am writing to you regarding your proposed new major in Healthcare Management. The College of Public Health is supportive of your efforts to offer this new undergraduate program. Your new degree has a more focused curriculum compared to our current undergraduate offering of a general public health degree that is accredited by the Council on Education for Public Health. I also believe your new major could increase interest in our graduate professional and academic degree offerings (e.g., MS, MPH, MHA, PhD) within our Department of Health Management and Policy.

Sincerely,

Edith A. Parker, DrPH, MPH
Dean, College of Public Health
Professor of Community and Behavioral Health
April 23, 2021

Dean David Spalding  
Ivy College of Business  
Iowa State University  
2200 Gerdis Business Building  
2167 Union Drive  
Ames, IA 50011

Dear Dean Spalding,

I am writing to offer our support for the Ivy College’s proposed Healthcare Management major within the Department of Management and Entrepreneurship. I believe that students would benefit from the new proposed program. We wish you all the best with this new offering.

Sincerely,

Amy Kristof-Brown, Ph.D.  
Henry B. Tippie Dean
April 15, 2021

Dean David Spalding
2300 Gerdin Business Building
Iowa State University
Ames, IA 50011

Dear David,

I am pleased to provide a letter of support for your proposed Healthcare Management major in the Department of Management and Entrepreneurship. This major will fill an important need in the healthcare industry. Designating three of your required courses to have sections specifically focusing on healthcare management is a great use of resources.

Sincerely,

Leslie K. Wilson

Leslie K. Wilson