Budget Plan for Heart Failure Clinic

By

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In the United States, chronic diseases are the leading cause of patients’ disability and death. Thus, the patients spend 70% of their budget on the health care and for seeking medical attention for the treatment of chronic diseases, including diabetes, cardiac issues, hypertension, cancer, obesity, and other chronic diseases. Out of these all chronic diseases, congestive heart failure is found to be the leading cause of death in the United States. Thus, the study aims to present a budgeting plan for the heart failure clinic.

Congestive Heart Failure (CHF) is a chronic disease caused by the failure of the heart to pump sufficient oxygen and blood to the body's vital organs. The statistical findings of the recently published studies show that more than 6 million people in the United States suffer from hypertension and heart problems. A report by CDC also stated that heart failure is the leading cause of death in the United States, and is responsible for more than 55,000 deaths annually. However, the study is concerned to present the budgeting plan, and that is why it is essential to evaluate the expenditure of the treatment of heart diseases. The analysts of the United States estimated the expenditure of the treatment of heart diseases to $34 billion annually (Crowther, 2016). The purpose of this study is, therefore, to establish the best strategies for developing a budget plan for an effective Heart Failure Clinic.

## Resourcing Healthcare Services

While dealing with finance-related information of any institution, it is imperative for the administration to keep the confidentiality at the priority. In the same way, it is crucial for the hospital management to work behind the closed door, where the security and privacy of the data must be the top priority. Furthermore, hospital management must identify all factors affecting the hospital budgeting or causing financial crises to the institution (Angotti, 2005). Consequently, this study will identify the major categories and subcategories of the budget, which may affect the financial dealing of the heart failure clinic. These categories include; labor costs, insurance billing, liability costs, research and teaching, supplies and capital expenses, and others.

## Labor Costs

Labor costs include the expenditure required to hire the staff, dealing with patient care services. To develop a heart failure clinic, the requirements are to hire expert physicians, senior healthcare practitioners, nurses, and clerks. Now the expenditure of the labor services depends on how many hours they are going to serve to the patients, and thus estimates of a working hour by the staff members can be helpful to budget the labor costs efficiently (Chan, David, Mainland, Chen, & Stewart, 2017).

## Insurance Billing

It provides the complete estimates of what insurance plans are offered to the patients, through which the reimbursement process are completed. For this category, it is essential to understand the importance of ‘Value-based Prices (VBP)." The hospital management is concerned to ensure the provision of best healthcare services to the patients, in order to gain better reimbursement through the insurance plans.

## Supplies and Capital Costs

A perfect budget plan includes all information regarding staff services, medical supplies, equipment purchasing, and other financial information related to patients' admission and insurance coverage. The heart failure clinic management must evaluate which injections, medicines, and equipment may be required to deal with patients with cardiac issues. Before making estimates, the management and administration must evaluate the number of patients, to whom the clinic is going to serve. For example, if the clinic can serve up to 30 patients with cardiac disease monthly, it must arrange injections, medicines, oxygen cylinders, and other equipment accordingly. Thus, the supplies and capital costs will include complete details of patients' laboratory, drugs, tests, injections, and pharmacy expenditures.

## Liability Costs

For any institution, it is highly crucial to establish its legislative services. Thus, while making a budget plan, the heart failure clinic must include the expenditure required for the establishment of all legislative policies and frameworks, which are required to keep the clinical staff and management at safe side legally.

## Research and Teaching

Healthcare staff deals with several new challenges on daily basis, and that is why it is crucial to encourage the healthcare practitioners and nurses to get indulge in different training as well as research sessions. Also, to train the new staff and prepare the healthcare students for better provision of healthcare services, the healthcare professionals are hired to teach the newcomers and encourage them to make researches regarding different healthcare topics and services. This brings innovations in healthcare services and the opportunity to enhance the quality of healthcare services.

However, there exist many other services and factors which directly or indirectly leave an adverse impact on the budgeting of healthcare services. To better understand how a heart failure clinic can be established in the United States and what budgeting requirements need to catered, following are the expenditure details (Plan, 2018);

* The total fee for registering ($750)
* Legal expenses ($1,500)
* Marketing promotion expenses ($3500)
* Hiring a business consultant ($2500)
* Cost for IT set up, including the cost for computer software ($7,000)
* Insurance coverage at a total premium ($3400)
* Total cost for property rent ($85,800)
* Total cost for clinic remodeling ($50,000)
* Start-up expenses ($2,500)
* Storage expenses ($10,720)
* Cost of drug supplies ($3000)
* Cost of medical equipment ($300,000)
* Cost of purchasing ambulance and vehicles ($100,000)
* Cost of purchasing furniture and gadgets ($4,000)
* Cost of web development ($700)

The above details are highly important to understand what factors need to be included in the budgeting plan, and how that expenditure may affect the annual budgeting of the heart failure clinic.

References

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