

required for Certificate-of-Need (CON) approval in Connecticut. He distributed a model developed by healthcare finance expert William O. Cleverly (Figure 27-1), which presents the logic behind the integration of strategic and financial planning.

In essence, he said, financial planning is influenced by the definition of programs and services in consort with the mission and goals. The next step entails financial feasibility of the proposed homecare program. Among the components that should be considered in determining financial feasibility are the following:

- The configuration and cost of staff
- The prevailing Medicare and Medicaid reimbursement rates

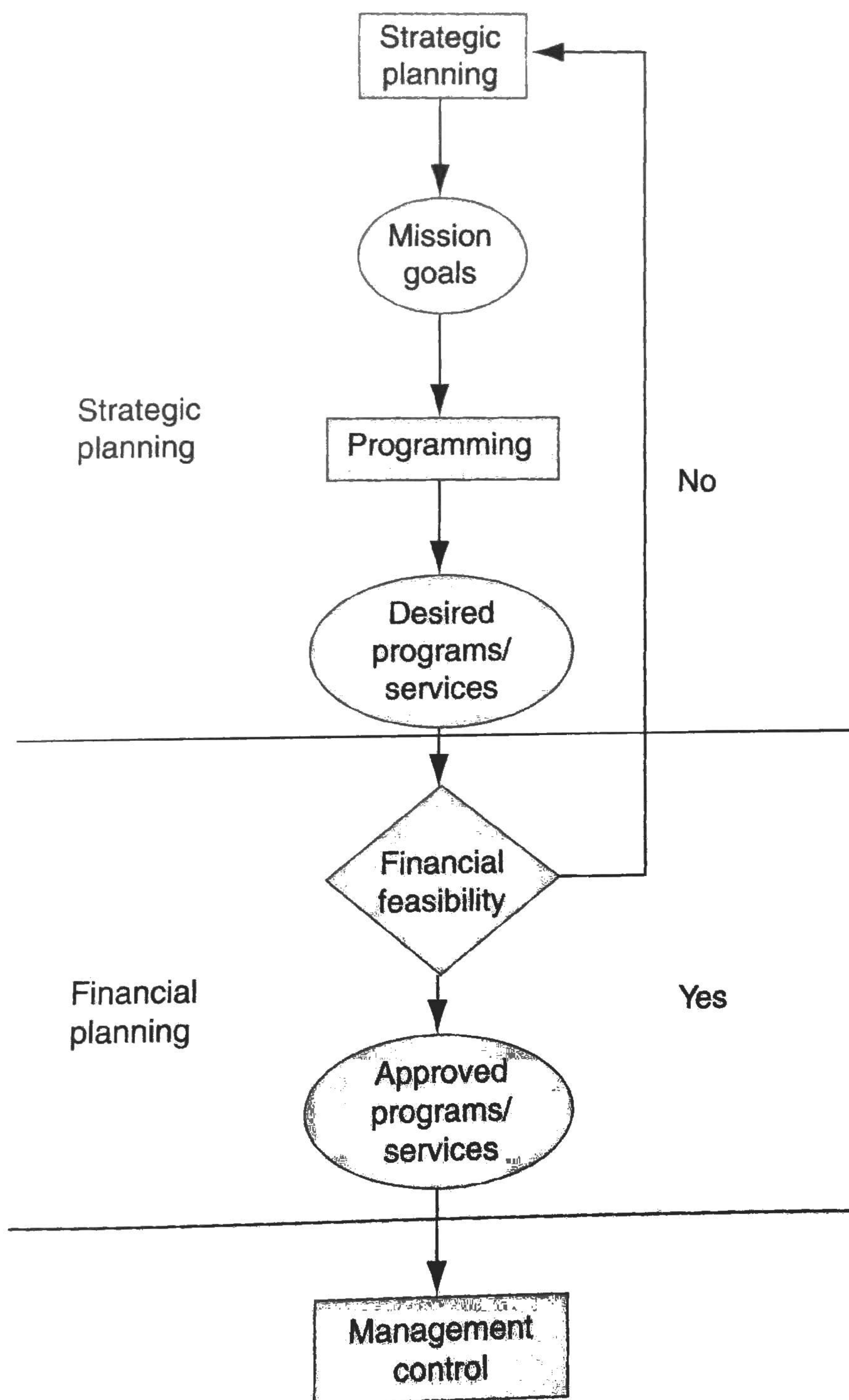


Figure 27-1 Integration of Strategic and Financial Planning. Reproduced from W.O. Cleverley, *Essentials of Health Care Finance*, 7th ed. (Sudbury, MA: Jones & Bartlett), 289.