

# UNDERSTANDING HEALTHCARE FINANCIAL MANAGEMENT

Seventh Edition

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## Corrections Sheet 9-16-2017

Page 78: “This expansion benefits childless adults who previously did not qualify for Medicaid...” should read “This expansion benefits childless adults who previously did not qualify for Medicaid...”

Page 149:  $PV = \$1.00 / 0.15 = 666.67$ . \$1.00 should be \$100.

Page 229: “Bonds rated below BBB are called *junk bonds*...” should read “Bonds rated below BB are called *junk bonds*...”

Page 286: “The roughly 10,000 companies that are traded in the OTC market usually are highly risky and typically do meet the standards required to be accepted on an exchange” should read “The roughly 10,000 companies that are traded in the OTC market usually are highly risky and typically do not meet the standards required to be accepted on an exchange.”

Page 388: Key equation 9.4 should read  $R(R_e) = R(R_d) + \text{risk premium}$

Page 587: On the first entry on the fourth line below the equation, change 7.3% to 7.5%.

Page 668: In Point 5, on the fourth line, delete the left parentheses.

Page 714: In the Terminal Value equation, it says “2015 Cash flow x (1+Growth rate).” It should be “2019 Cash Flow x (1+ Growth Rate).”

In the Index, on page 787, under “Business risk, factors associated with,” “44-425” should be “424-25.”