**Comparing Reimbursements with Costs of Services**

Controllable costs are costs that a nursing manager has the ability to authorize and influence through decision making. Examples of controllable costs include property insurance and utilities costs. Controllable costs can be managed by adopting a preventative maintenance on the hospital facilities to reduce the cost of repairs and replacements of equipment (Flynn, Mathis, Jackson & Valentine, 2015). In essence, this would involve creating regular maintenance schedules to keep track of the recurring expenses for quick identification and addressing of the escalating costs before becoming uncontrollable.

A cost-to-charge ratio is the total amount of money that is needed for the full operation of a hospital, which is divided by the total revenues collected from the patients care and other operating revenues. A nursing manager can use cost-to-charge ratio in estimating medical prices as well as negotiating for discounts of charges (Flynn et al., 2015). However, volume-based measures are used when considering overhead costs, which are in small proportion since support and other servicing functions such as planning, finance, purchasing, and organizing are less. On the other hand, per diem approach is an accounting method in which submission of receipts of expenditure is not required in the process of matching and reviewing of charges by accounting officers (Grove, Burns & Gray, 2012). A balanced scorecard is a measurement of performance in the management that is applied in the identification and improvement of internal functions of an organization and their external outcomes as well as the provision of feedback to the organization. Finally, activity-based cost is a methodology of costing, which involves the identification of activities in an organization and assigning the cost of each activity with resources depending on the actual consumption of goods and services (Flynn et al., 2015).

Interdepartmental collaboration helps in promoting coordination of health care in an organization since the costs of operation can be easily accounted for. The collaboration involves nursing and accounting departments in healthcare facilities (Grove, Burns & Gray, 2012).

Freestanding skilled nursing facilities accept all types of reimbursement such as Medicare, medical insurance, Medicaid, and private pay (Numerato, Salvatore & Fattore, 2012). Similarly, it works mostly to outpatients where facilities can operate with fewer beds, hence, reducing the operational costs of the facilities. An acute care facility-based skilled nursing facility poses financial problems to the organization because of the procedures of getting finances to run the operation of the hospital. For instance, it takes more than 30 days for Medicare reimbursement to take place, which affect hospitals in financing their operations (Numerato, Salvatore & Fattore, 2012). Similarly, the length of stay requirements for the Medicare has made banks to fear lending to such facilities because of fluctuations of cash flows as a result of higher turnover rate. In such scenarios, facilities' resources may get depleted, hence, affecting the effective operation of services.

Perceiving nursing as a cost center but not as a revenue source can lead to poor patients care. For example, day to day care that is ordered by doctors can fail to be performed effusively since nurses will feel as extraneous to the facility as a result of being seen as a liability (Numerato, Salvatore & Fattore, 2012). Another implication can be nursing shortage or dissatisfaction that can lead to inadequate nursing care, increasing negative patient outcomes and lowering the level of admission of additional patients. Nursing can be perceived as a revenue source by playing a crucial role in reducing costs of operation in the hospital. This can be done when nurses help in controlling unit budgets by limiting the use of unscheduled leave, avoiding overstaffing, and monitoring the use of supplies (Numerato, Salvatore & Fattore, 2012). In essence, quality care that will be received by patients is a selling point of the facility because it will become a preference health facility to many people and this goes a long way in increasing the financial health of the organization.

**References**

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