Healthcare finance

Health & Medicine



With the onset of accounting leases rule, the financial management department has been able to prepare the balance sheet and maintain financial records without including the lease assets. The financial lease is efficient for health care providers who are still developing and cannot afford sophisticated equipment. The leasing process requires that an outside party undertakes in the process. With the current rule, health care providers can finance the project without involving a third party.

Impact on the health care organization and its financial operations

The financial lease has a positive impact on the organization since the health care provider according to James and Aaron (2012) can grow technologically by leasing medical equipment and machinery which are costly. The lease is also advantageous since it helps health care providers to gain geographically efficient developers, and through the program, finance and get ownership of medical facilities.

The leasing program assists the health care providers reduces the pressure in the operation of the organization. On a negative perspective, the lease program may negatively impact on the leasing process in regard to geographical print and the financial activities (James and Aaron, 2012). This is because the health care executives scrutinize and over- analyzes the operations of the organization.