

**Course** ECON 5190/6190

Health Economics 3 Credit Hours Summer 2013 W 6:00 – 9:00 pm

OSH 175

**Professor** Rick Haskell

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#### **Course Text**

A general textbook is not used in this course. Readings for this course consist of peer reviewed journal articles concerning health, health economics, and health care reform. The use of separate peer reviewed journal articles allows us to discuss a variety of viewpoints on each of our topics: course readings are posted on Canvas.

## Course Overview

This course is designed to provide you with an introduction to health, health care, health care reforms, and the institutions which shape these areas from an economic perspective. Economic tools relevant to the material are introduced; however, economics is about more than curves and graphs; it is also a way of thinking; a way of analyzing society through the institutions and social structures which together determine our social and economic outcomes. In this framework everyone, despite your academic background or field of study, should excel in this class.

# Course Objective

The theme of this course centers on using economic tools to examine how health is determined and how health care resources are allocated and delivered. Institutions and culture play a large role in both health and health care. Consequently, in order to examine health care systems and solutions to health and health care issues one must approach these items from an institutional perspective. In general, the two goals of the course are:

- To develop, learn, and demonstrate how economic thought, principals, and logic can offer insights into how human health is determined, how health care is allocated, and how health care systems are managed.
- II. To use economic thought, principals, and logic to examine, compare, contrast, and critique health care systems, health care reform proposals, and to understand the role institutional structures play in determining health and health care systems.

To achieve our two main goals we will accomplish a number of sub-objectives; by the end of the term you will:

1. Understand human health is a determined by a multitude of factors including institutions, culture, and one's overall living environment. Understand the difference between health,

- health care, and health insurance.
- 2. Understand the role institutions play in health, health care, economics, and society...
- 3. Understand the economic tools and concepts used to measure health (and health care treatments), to improve health, to bring efficiency to health care markets.
- 4. Understand how health care markets function, know where and how traditional economic markets fail in health care, and be able to use and discuss the tools economists use to address and provide solutions to these market failures.
- 5. Understand how health insurance markets function in the United States.
- 6. Understand how funds are expended on health and health care services in the United States; who pays for these services, and how these funds are allotted.
- 7. Understand delivery/production and relative quality of health care services in the US.
- 8. Understand how health care access is determined and distributed among different population segments in the United States.
- 9. Understand how economics enters into health and health care in areas such as technology, access, quality of care, and institutions.
- 10. Be able to compare and contrast the health care system of the United States of America with other industrialized nations in terms of expenditures, quality, health care access, and the supply of medical professionals.
- 11. Be capable of using economic tools, empirical evidence, and economic logic to discuss and examine health and health care issues.
- 12. Understand how the Patient Protection and Affordable Care Act (PPACA) interacts with and alters the existing health care system

# Learning Approaches

This course employs a combination of lectures, readings, discussions, assignments (in and out of class), quizzes, exams and analysis. Attendance and participation are required and contribute towards your final grade. You are responsible for material covered if you miss class. The assigned readings should be completed before class, will be discussed in class, and homework assignments, quizzes, and exam questions will come from both the assigned readings and class discussions. Quizzes may be given periodically as an incentive to be prepared for class. Note that you will be called upon in class. You will also be required to write four (4) short Reaction Papers (essays) based on course-related current events or issues, and present at least one of them in class. There will also be one mid-term exam and a comprehensive final exam.

### Quizzes

Quizzes will be given randomly and will include questions from recent readings and in-class discussions. If missed, quizzes will not be available for make-up.

#### **Exams**

There will be one mid-term exam and a final. The mid-term exams will be held on 6/19/2013 and the final is to be announced - the final exam period for our class runs from 8/1-8/2 — we will discuss and agree upon a final exam date and structure for our class. The exams will include a mixture of objective (multiple choice) questions, a few short-answer questions, and one or two essay questions. Each of the exams (including the final) will be worth 30% of your grade. You are expected to be in class to take the exams on the given dates. If you anticipate any unavoidable scheduling conflict, please see me immediately. Assigned readings from the text, additional required readings and topics discussed in class may be represented on the exams.

# Reaction Papers

You will be required to write four (4) reaction papers and may be asked to present any or all of them (with appropriate notification). For each paper you are required to find an economic blog, national periodical, or published journal article which concerns any health related issue which can be discussed in terms of the language, models, and arguments we develop in this class. These papers are to be approximately 500 words in length and will be graded on content, grammar, syntax and appropriate use of graphs and charts.

## **Policy Paper**

You will be required to write one (1) policy paper at the end of the term (due 7/31/2013). This paper should discuss a particular element of economic policy as it relates to healthcare, evidence your understanding of the economics of health and healthcare, be between 1,500 – 2,000 words, include references and citations to no less than eight (8) published sources, and include appropriate graphs and table.

#### Grading

Reaction Papers and Quizzes	30%
Policy Paper	20%
Mid-Term Exam	25%
Final Exam	25%

### **Grading Scale**

Α	94-100%	B-	80-83.9%	D+	67-69.9%
A-	90-93.9%	C+	77-19.9%	D	64-66.9%
B+	87-89.9%	С	74-76.9%	D-	60-63.9%
В	84-86.9%	C-	70-73.9%	Е	0-59.9%

Grades will be determined in accordance with the University of Utah's grading policies. Written feedback will be provided on all assignments, and more detailed feedback will be provided at any time upon request. If you believe you have received an incorrect grade on any assignment for this class, please bring it to my attention immediately.

### **Policies**

- Quizzes and in-class assignments are generally not announced in advance and cannot be made up for those not in attendance when the quiz or assignment is given.
- Late homework assignments or Reaction Papers may not be accepted for credit unless permission is expressly granted via Canvas email.
- If you anticipate missing a test due to a time conflict, please notify me in advance via Canvas email.
- No make-up exams will be given if arrangements are not made before the exam dates.

# Class Participation

This course is designed to be highly participative and participation in class discussions may be the source of meaningful extra credit. We will take time during most classes to discuss current domestic and international labor market issues. There will be material covered in class that will not be part of the reading or homework assignments, but for which students will be responsible on Mid-Term and/or Final exams.

## ADA Statement

The University of Utah seeks to provide equal access to its programs, services and activities for people with disabilities. If you will need accommodations in the class, reasonable prior notice needs to be given to the Center for Disability Services, 162 Union Building, 801-581-5020 (V/TDD). CDS will work with you and the instructor to make arrangements for accommodations. (www.hr.utah.edu/oeo/ada/guide/faculty/)

Course Schedule	Date	Discussion Topics (see separate class outline and reading schedule for details)
(tentative)	5/15	Why Health Economics? Introduction to Health Economics through Human Capital Theory, Fairness, Productivity, Efficiency & Opportunity Costs
	5/22	Overview of Health Expenditures/Coverage in the United States
	5/29	Reaction Paper #1 due What Determines One's Health? Does More Health Care Improve One's Health?
	6/5	Overview of Consumer Theory, Evaluating on the Margin, and Outcomes Analysis
	6/12	Reaction Paper #2 due Outcomes Analysis in Practice and Outcomes Analysis in the PPACA
	6/19	Health Care Markets and evidence regarding market failure in health care  Mid Term Exam
	6/26	Reaction Paper #3 due Insurance Markets, Moral Hazard, and Cost Sharing
	7/3	Insurance Markets, Plans, Physician Compensation, and Supply of Medical Professionals
	7/10	Reaction Paper #4 due Quality of Care, Medical Information Systems, and New Clinical Settings
	7/17	Malpractice Insurance, Technology, and Prescription Drugs
	7/24	Pioneer Day – Utah Holiday – No Class
	7/31	Policy Paper Due Technology Continued, Revisiting Health Care Coverage, Employment Sponsored Coverage, International Comparisons, Constructing Health Policies/Reforms, and the Future of Health Care under the PPACA
	TBA	<b>Final Exam</b> – the final exam period for our class runs from $8/1 - 8/2$ – we will discuss and agree upon a final exam date and structure for our class.

## **Expectations** You can expect me to:

- Treat students and others with respect, expect that as adults we are each responsible for our decisions and actions, and ask "why" often.
- Grade and provide feedback on assignments within one week of the date they are submitted.
- Return email messages and phone calls within 24 hours.
- Use Canvas to enhance student learning, communication, and convenience.
- Follow the syllabus and hold each class session as scheduled. In the event of an

- unsolvable conflict or emergency, I will make every effort to arrange for a qualified substitute to teach the class.
- Be readily available to meet with students, either during regularly-scheduled office hours or at any other time that works for both of us.
- Complete final grades and provide students with feedback on final grades within two weeks of the date the last course assignment is submitted.

### I expect you to:

- Actively communicate and use Canvas regularly.
- Complete reading and homework assignments, take all quizzes and exams, participate in class discussions and ask "why" often.
- Attend each class session. In the event that you must miss a class, please notify me in advance and assume responsibility for the material you missed.
- Read the course syllabus, ensure you have a clear understanding of the course requirements and evaluation methods used in the course, and fulfill the course requirements.
- Come to class prepared and participate fully, honestly, and professionally in class discussions and online class activities.
- Learn about and abide by the University of Utah's academic honesty policy. Specifically, I
  expect you to not engage in cheating, plagiarism and furnishing false or misleading
  information to any faculty or staff member.
- Immediately notify me in the event of an emergency that prevents you from submitting an assignment or completing the course.
- Ask questions if any expectations or assignments are unclear.
- Be courteous of others when using technology. Always give speakers your full attention and make sure that any use of technology during class enhances your learning and does not distract your or others from course content.