

# ECON 3190 001: Intro to Health Economics

Class meeting time: T/Th 2pm – 3.20pm Room: Gardner Commons (GC) 2660

Office hours: T/Th 12.30pm-1.30pm & 3.30pm - 4.30pm

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# <u>In-person instruction</u>

This class meets in person. It is very important for you to plan on being in class every week. There will be <u>no accommodations made for online/hybrid attendance</u>. If you are not willing/able to attend in person every week, please consider whether you can register for the online section of this course.

# Course overview and objectives

As a society, we spend a large share of our resources on healthcare including medical care, mental health, fitness, and nutrition. In your day-to-day life, you face decisions about your health behaviors and your medical and mental health care. In your professional life, you will face job related decisions that involve supplemental health and sickness insurance benefits. And as a voter, you are presented with alternative visions for the future of healthcare services and insurance in your state and country.

This course introduces the application of economics to understanding the major aspects of human health and healthcare issues in our society. While our primary emphasis will be on the United States healthcare system, the course will also introduce and compare healthcare systems in other countries.

#### The main objectives of this course are:

- 1. To introduce economic theory of human health and healthcare.
- 2. To explore workings of healthcare markets and role of government in provision of healthcare.
- 3. To analyze healthcare system in the United States and in other parts of the world.
- 4. To explore main socio-economic disparities in health outcomes and healthcare access.
- 5. To identify main links between environmental factors, including impact of climate change on health outcomes.

# Learning Outcomes

Upon successful completion of this course, students will be able to:

1. Understand different aspects of human health and its determinants.

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- 2. Assess the factors that influence consumer demand for healthcare services & health insurance.
- 3. Describe current institutional and regulatory structure of the US healthcare system.
- 4. Assess basic benefits and limitations of US healthcare system compared to the systems in other developed nations
- 5. Identify how environmental problems such as climate change impact health and disparities in health outcomes.

# Teaching & Learning Methods

A variety of teaching methods will be used, including traditional in-class lectures, online and in-class discussion activities, group-work, and documentaries. Students are expected to be fully engaged and participatory in their own learning throughout the semester.

### Readings and other required materials

- Readings. All course readings are in the form of articles (journal articles, newspaper articles) and book chapters), and they will be made available on Canvas. All readings are required, unless specified as "Recommended reading." We will discuss the readings in class on the day they are listed in the course schedule on Canvas.
- Videos. We will see few videos throughout the course; some will be embedded in the PowerPoints for the course lectures, and others will be stand-alone films/documentaries. Video content will be covered on exams, so you are urged to take notes on their content and subsequent discussion.
- Lecture Notes. I will post lecture PowerPoints on Canvas on the day of the class.

### Coursework, Assignments & Grading

General requirements: Completion of all assignments, group activities, and class participation, in the manner specified is required. It is also extremely important to keep up on course reading. It is expected that you will come to each class prepared, that is, having read the assigned material. Reading the material prior to class will allow you to engage more meaningfully during class. Students are expected to participate in the course with class discussions and presentations. All tests count.

# **Grading**

The following letter grades will be assigned based on the completion of the following course activities:

A = 93-100%

A = 90-92

B+ = 87-89

B = 83-86

B - = 80-82

**C+** = 77-79%

C = 73-76%

C = 70 - 72%

D = 60-69% F= less than 60%

#### **NO EXTRA CREDIT IS AVAILABLE**



#### **Assignments**

Assignments & grading rubrics will be described in greater detail on Canvas and in class.

Attendance (5%): Regular attendance is of utmost importance. The purpose of this requirement is to facilitate exposure to the course material through discussions and lectures in class. There are days when things seem out of control, and it can be difficult to get things done. Keeping in mind that we all go through such difficult situations, you are allowed to miss a maximum of TWO classes during the semester. However, this is not a daypass to avoid going to the class. It is only permissible in accentuating circumstances.

Class Participation (5%): Classes will be partly lecture and partly discussion of the readings, on which the lecture is based. I expect you to read the assigned readings before coming to class. <u>STUDENTS ARE EXPECTED TO PARTICIPATE IN AT LEAST 12 CLASS DISCUSSIONS.</u> Participation may take the form of questions, comments, or answer to a question related to the material being discussed in the class. Questions such as, "Please repeat that," "What is that on the slide," or comments such as "yeah, I agree with this, this is a good example," etc., DO NOT COUNT AS PARTICIPATION. <u>For participation, it is important that students engage with the material and/or points being discussed in the class.</u>

#### IT IS YOUR RESPONSIBLITY TO INFORM THE INSTRUCTOR THAT YOU PARTICIPATED.

#### PLEASE BE RESPECTFUL OF YOUR PEERS AND CONDUCT THE DISCUSSION IN A NON-AGGRESSIVE MANNER.

Quiz (40%): There will be SIX QUIZZES, in form of *multiple-choice* exercises. The assignments will be online and will be held on the day of class. The quiz will be open between 8am and 11.59pm. You are not required to be in class on quiz days. The time limit for the assignments is 90 minutes. It can be taken anytime during the day of the assignment. However, it must be completed in one sitting, that is, once started, you will 90 minutes to complete it. The assignments will consist of multiple choice and short answer question. They be based on the material immediately preceding them, including videos and readings. All quizzes will be OPEN BOOK.

Group presentations (25%): Student are required to participate in group activities/discussions based on the course material immediately preceding them. Each student group can have 6 students max, and no less than 4 students. Throughout the semester, students may remain in the same group or may form new groups. There will be 6 student group activities, for each of which you are required to do the prepwork with your group before the activity day (can be done online or in-person). On the day of group presentation, the group members will present the main points of the discussion and the students in the other groups will analyze/review their presentation. This exercise is aimed at creating and sustaining interaction among students, facilitate exchange of ideas among peers, and develop analytical thinking by practicing application of theoretical concepts and knowledge learnt in course readings and lectures.

**Final Exam (25%):** There will be ONE FINAL EXAM that will test your knowledge of all the material covered in this course. The final exam will be available online during the exam week. The exam can be taken anytime during this period. The time limit is 120 minutes. It will be OPEN BOOK.

	Course Introduction
Jan 10	<ul> <li>Course activities and expectations</li> <li>Course calendar</li> </ul>
	<ul> <li>Teamwork is Awesome         <ul> <li>Importance and value of teams</li> </ul> </li> </ul>
	<ul> <li>Benefits and challenges of working in teams in science</li> </ul>
	What is health economics and why study it?
	Module 1: Basic concepts – Health and Economics
Jan 12 & 17 & 19	What is health?
	<ul><li>Measurement of health outcomes</li><li>What are markets?</li></ul>
	<ul> <li>What is perfect competition in markets?</li> </ul>
	What is opportunity cost?  Adapted and and analysis.
	<ul> <li>Market analysis – demand and supply</li> <li>Laissez faire rule/free markets</li> </ul>
	Exceptions to free market rule
Jan 24	QUIZ 1
	Module 2: <u>Healthcare markets</u>
Jan 26 & 31	What are healthcare markets?
	<ul> <li>Why can't healthcare markets be perfectly competitive?</li> <li>Unique aspects of healthcare markets</li> </ul>
	Externalities in healthcare
	<ul> <li>Government interventions in healthcare markets</li> </ul>
Feb 2	QUIZ 2
	Module 3: <u>Demand &amp; Supply of healthcare</u>
	<ul> <li>Demand for healthcare services</li> </ul>
	o Patient need
Feb 7 & 9 & 14	<ul><li>o Price of medical care</li><li>o Income &amp; demographic factors</li></ul>
	Supply of healthcare
	<ul> <li>Resource allocation in healthcare provider system</li> </ul>
	Funding healthcare provision
Feb 16	O Healthcare expenditures and costs  QUIZ 3
1 CD 10	Q012 3



	Module 4: <u>Healthcare insurance</u>
Feb 21 & 23	<ul> <li>Demand for healthcare insurance         <ul> <li>Effect of insurance on demand for medical care</li> </ul> </li> <li>Effect of insurance on health outcomes</li> <li>Overview of healthcare insurance market</li> <li>Main issues in healthcare insurance markets         <ul> <li>Adverse selection</li> <li>Moral hazard</li> </ul> </li> </ul>
Feb 28	QUIZ 4
March 2	RAND health insurance experiment discussion
March 5-12	SPRING BREAK
	Module 5: <u>Healthcare systems</u>
March 14 & 16	<ul> <li>Types of healthcare systems         <ul> <li>Fee for service vs. Managed care model</li> <li>Beveridge or nationalized healthcare model</li> <li>Bismarck or social insurance model</li> </ul> </li> <li>Comparison of healthcare systems in Europe, Canada &amp; Australia</li> </ul>
March 21 & 23	<ul> <li>Healthcare system in the United States</li> <li>Employer sponsored insurance system</li> <li>Medicare and Medicaid</li> <li>Health reforms</li> <li>Why is care so expensive in the US?</li> </ul>
March 28	QUIZ 5
	Module 6: <u>Determinants of Health</u>
March 30 & April 4	<ul> <li>Health as consumption and investment commodity</li> <li>Factors that influence health outcomes         <ul> <li>Genetic, physical, and socio-economic factors</li> <li>Health-related behaviors</li> </ul> </li> <li>Role of nutrition, fitness, and stress</li> </ul>
April 6 & 11	<ul><li>Epidemic of obesity</li><li>Mental health crisis</li></ul>
April 13	<ul> <li>Health disparities</li> <li>Gender, racial and socio-economic disparities in health outcomes and behaviors</li> </ul>
April 18	QUIZ 6



	Module 7: Environment & Health
April 20 & 25	<ul> <li>Relationship between environment and human health         <ul> <li>Effects of climate change on human health &amp; productivity</li> </ul> </li> <li>Role of individuals, communities, and public health policy in mitigation and preparation action.</li> <li>Wrap and Review</li> </ul>
April 27-May3	Final Exam



# Fine Print of **the** Syllabus

Please review the resources, policies and expectations associated with being a student at the U. Students are expected to speak with instructor ASAP if there is any issue or concern that may impede your ability to fully participate and complete the requirements of the course. We are committed to your success as a student at the University of Utah.

**Be Present.** Regular attendance and participation in the course is expected. Students are expected to read course materials prior to class, show respect to guest speakers by listening and not being distracted by other devices or activities, and participate in discussions and in-class activities.

**Go Online.** Students are expected to log-in and access our course webpage (Canvas) and their UMail, regularly and frequently. Most readings and course materials will be posted on our Canvas page. Be sure to check "Announcements" – this is where all course-related announcements will be posted and archived. If you have problems with Canvas, please contact Uonline Help Desk at classhelp@utah.edu or call 801-581-6112 press 2 (M-F 8:00am-5:00pm MST).

**Be Respectful.** In order to maintain a positive, civil environment for learning, students shall strive to meet the goals described in the University of Utah's Student Code, which states "the mission of the University of Utah is to educate the individual and to discover, refine and disseminate knowledge. The University supports the intellectual, personal, social and ethical development of members of the University community. These goals can best be achieved in an open and supportive environment that encourages reasoned discourse, honesty, and respect for the rights of all individuals. Students at the University of Utah are encouraged to exercise personal responsibility and self-discipline and engage in the rigors of discovery and scholarship." Students are also expected to follow general "netiquette" guidelines when interacting online.

**Don't Cheat.** Per University of Utah regulations (Policy # 6-400). "A student who engages in academic misconduct," as defined in Part I.B. and including, but not limited to, cheating, falsification, or plagiarism, "may be subject to academic sanctions including but not limited to a grade reduction, failing grade, probation, suspension or dismissal from the program or the University, or revocation of the student's degree or certificate. Sanctions may also include community service, a written reprimand, and/or a written statement of misconduct that can be put into an appropriate record maintained for purposes of the profession or discipline for which the student is preparing." Please refer to the Student Code for full elaboration of student academic and behavioral misconduct policies (<a href="http://regulations.utah.edu/academics/6-400.php">http://regulations.utah.edu/academics/6-400.php</a>).

**Keep an Open Mind.** Some of the readings, lectures, films, or presentations in this course may include material that conflicts with the core beliefs of some students. Please review the syllabus carefully to see if the course is one that you are committed to taking.

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**Take a Deep Breath - You will be doing group work!** One assignments in this course will require you to work in groups. Group-work is an essential and important skill, especially as you transition from college and into your next stage of training or career, thus, the HSP program requires students to develop and practice group-work skills. We suggest that all groups establish clear ground rules for their interactions.

Course Material & Copyright. Course content is made available only for your personal, noncommercial, educational, and scholarly use. You may not use the Content for any other purpose, or distribute, post or make the Content available to others, unless you obtain any required permission from the copyright holder. Some Content may be provided via streaming or other means that restrict copying; you may not circumvent those restrictions. You may not alter or remove any copyright or other proprietary notices included in the Content. Please see the Code of Student Rights and Responsibilities, Section III.A.5 regarding use and distribution of class Content and materials: Sale or distribution of information representing the work product of a faculty member to a commercial entity for financial gain without the express written permission of the faculty member responsible for the course.

**Drop/Withdrawal Policies.** Students may drop a course within the first two weeks of a given semester without any penalties. Students may officially withdraw (W) from a class or all classes after the drop deadline through the midpoint of a course. A "W" grade is recorded on the transcript and appropriate tuition/fees are assessed. The grade "W" is not used in calculating the student's GPA. For deadlines to withdraw from full-term, first, and second session classes, see the U's Academic Calendar.

Americans with Disabilities Act (ADA). 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 & Access (<a href="https://disability.utah.edu/">https://disability.utah.edu/</a>), 162 Olpin Union Building, 801-581-5020. CDA will work with you and the instructor to make arrangements for accommodations. All written information in this course can be made available in alternative format with prior notification to the Center for Disability & Access.

**Safety at the U.** The University of Utah values the safety of all campus community members.. To report suspicious activity or to request a courtesy escort, contact Campus Police & Department of Public Safety 801-585-COPS (801-585-2677) <a href="https://dps.utah.edu">dps.utah.edu</a> You will receive important emergency alerts and safety messages regarding campus safety via text message. For more information regarding safety and to view available training resources, including helpful videos, visit safeu.utah.edu

**Wellness at the U.** Your personal health and wellness are essential to your success as a student. Personal concerns like stress, anxiety, relationship difficulties, depression, or cross-cultural differences can interfere with a student's ability to succeed and thrive in this course and at the University of Utah. Please feel welcome to reach out to your instructor or TA to handle issues regarding your coursework. For helpful resources to manage your personal wellness and counseling options, contact: Center for Student Wellness 801-581-7776 wellness.utah.edu

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Addressing Sexual Misconduct. Title IX makes it clear that violence and harassment based on sex and gender (which includes sexual orientation and gender identity/expression) is a Civil Rights offense subject to the same kinds of accountability and the same kinds of support applied to offenses against other protected categories such as race, national origin, color, religion, age, status as a person with a disability, veteran's status or genetic information. If you or someone you know has been harassed or assaulted, you are encouraged to report it to the Title IX Coordinator in the Office of Equal Opportunity and Affirmative Action, 135 Park Building, 801-581-8365, or the Office of the Dean of Students, 270 Union Building, 801-581-7066. For support and confidential consultation, contact the Center for Student Wellness, 426 SSB, 801-581-7776. To report to the police, contact the Department of Public Safety, 801-585-2677 (COPS).

**Inclusive Excellence.** The Office for Inclusive Excellence is here to engage, support, and advance an environment fostering the values of respect, diversity, equity, inclusivity, and academic excellence for students in our increasingly global campus community. They also handle reports of bias in the classroom as outlined below: Bias or hate incidents consist of speech, conduct, or some other form of expression or action that is motivated wholly or in part by prejudice or bias whose impact discriminates, demeans, embarrasses, assigns stereotypes, harasses, or excludes individuals because of their race, color, ethnicity, national origin, language, sex, size, gender identity or expression, sexual orientation, disability, age, or religion. For more information about what support they provide and links to other resources, or to report a bias incident, view their website or contact: Office for Inclusive Excellence, 801-581-460,0 inclusive-excellence.utah.edu

**Student Success.** Your success at the University of Utah is important to all of us here! If you feel like you need extra support in academics, overcoming personal difficulties, or finding community, please reach out to your instructor who can put you in touch with relevant student support services. Check out the following websites to learn more about the resource groups available at the U

- getinvolved.utah.edu/
- studentsuccess.utah.edu/resources/student-support

As the only institution in the state classified in the highest research category (R1), at the University of Utah you will have access to state-of-the-art research facilities and be able to be part of the knowledge creation process. You will have the opportunity to do research of your own with faculty who are leading experts in their field, engaging in <u>programs</u> that match your research interests. Further, you will interact with and often take classes with graduate students that provide an advanced understanding of the knowledge in your field.