

(Georgia State University)

Health Economics and Policy
ECON 8210
CRN 84067
Spring 2018

Room: Langdale Hall, 229
Time: Thursdays 1:00pm-3:30pm
Instructor: Peyman Firouzi-Naeim
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Web: <http://www.pfirouzi.com>
Office Hours: Tuesday, Thursday 8:30am-9:15am and by appt.

Course Website: A course website will be set up on iCollege

Required Text:

Health Economics, 5th Edition. Charles E. Phelps. Addison Wesley

Additional required articles will be posted on iCollege

Purpose of Course & Course Objectives:

This course analyzes both individual and public policy decisions surrounding health and resource allocation issues in the health care sector of the U.S. and other economies. The demand, production, cost, and financing of health are examined using a variety of conceptual and empirical models. The economic evaluation of alternative health care programs and policy implications is also discussed. By the end of the semester you should be able to:

- Describe the similarities and differences between health and other goods and services bought and sold in the marketplace.
- Describe the differences between the production of health and the production of health care services and analyze the relationships between these concepts.
- Describe how differences in health care systems and institutions influence access to and the delivery and consumption of health care services.
- Analyze the factors influencing the demand for health care services and the effect of health insurance on that demand.

- Describe how production technology, costs, and market structure influence the pricing, delivery, and consumption of various health care services.
 - Analyze the role of government in promoting competition, regulating the health care sector, and increasing access to health care services.
 - Develop an analysis of current health policy issues.
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Prerequisite:

ECON 8080 or PAUS 8141 or ECON 3910 or ECON 8100, Microeconomics or equivalent (including first year economics PhD micro), or permission of instructor.

Point Distribution – Exams, Homework, Attendance:

Exams (100 points)

There will be two exams. Midterm will be worth 40 points and the Final will be worth 60 points.

Class Presentations / Participation (100 points)

Class attendance and active participation is expected and is worth 100 points. I will be assigning papers for students to present and lead discussions during the semester. This means making up PowerPoint slides and coordinating your presentation with me.

Paper (100 points)

Each student will complete a literature review that summarizes the academic literature on a health economics topic of interest (that must be approved by me). The review should end with a list of 5 open questions in the literature that one could pursue if they were planning on doing their own research rather than summarizing past research. **The paper is due by 11:59 PM on the last day of class (Apr 19).**

Short presentations will take place during the last week of classes, and should last about five to ten minutes each (more on that later). Students must use PowerPoint for their presentations, which they will hand in at the time of the presentation. Library research is required for the project, and sources should be carefully noted. The paper should be ten pages long (using one-inch margins, double-spaced, Times New Roman 12 font).

Summary:

There are a total of 300 points in the class:

| Letter Grade | Number Grade | GPA Quality Points | Point Range |
|--------------|--------------|--------------------|-------------|
| A+ | 97-100 | 4.3 | 289-300 |
| A | 93-96 | 4 | 277-288 |
| A - | 90-92 | 3.7 | 268-276 |
| B + | 87-89 | 3.3 | 259-267 |
| B | 83-86 | 3 | 247-258 |
| B - | 80-82 | 2.7 | 238-246 |
| C + | 77-79 | 2.3 | 229-237 |
| C | 73-76 | 2 | 217-228 |
| C - | 70-72 | 1.7 | 208-216 |
| D | 60-69 | 1 | 178-207 |
| F | 0-59 | 0 | 0-177 |

Grading Policy and Academic Honesty:

Academic Honesty:

Students are expected to be familiar with Georgia State University's Policy on Academic Honesty (Section 409). Here is a link to Section 409:

<http://www2.gsu.edu/~wwwfhb/sec409.html>

Grading Policy:

To be fair to all of the students in the class, I must insist that the following exam policies be followed. There will be no make-up exams. Make-up exams will only be granted in cases of well-documented, excused absences. Every effort must be made to inform me ahead of time if such a situation arises. I cannot postpone exams because of deadlines or exam dates in other courses. Such actions would not be fair to other students in the class who likely also face pressure from work in other classes but take the exams at the scheduled time anyway.

Course Calendar (Summary):

| Class Meeting | Date | Material Covered |
|-----------------|------------------------------------------------------|----------------------------------------------------------------------------------------|
| Class 1 | Jan 11 | Introduction (Ch 1) |
| Class 2 | Jan 18 | Utility and Health / Turning Medical Care into Health (Ch 2/3) |
| No class | Jan 25 | No class |
| Class 4 | Feb 1 | Demand for Medical Care: Theory (Ch 4) |
| Class 5 | Feb 8 | Demand for Medical Care: Evidence (Ch 5) |
| Class 6 | Feb 15 | Physicians (Ch 6/7) |
| Class 7 | Feb 22 | Hospitals (Ch 8,9) |
| Class 8 | Mar 1 | Insurance (Ch 10,11,12) Test 1 |
| Class 9 | Mar 8 | Insurance (Ch 10,11,12) |
| | Mar 15 | No Class – Spring Break |
| Class 10 | Mar 22 | Insurance (Ch 10,11,12) |
| Class 11 | Mar 29 | Malpractice / Externalities (Ch 13,14) |
| Class 12 | Apr 5 | Regulation and Public Policy (Ch 15) |
| Class 13 | Apr 12 | Universal Insurance and International Comparisons (Ch 16) / Paper Presentations |
| Class 14 | Apr 19 | Paper Presentations & turn in final paper |
| | T, May 1, 10:45am-1:15pm (in our regular room) | Test 2 |

The course syllabus provides a general plan for the course; deviations may be necessary.

Evaluation:

Your constructive assessment of this course plays an indispensable role in shaping education at Georgia State. Upon completing the course, please take time to fill out the online course evaluation.

Disabilities:

Students who wish to request accommodation for a disability may do so by registering with the Office of Disability Services. Students may only be accommodated upon issuance by the Office of Disability Services of a signed Accommodation Plan and are responsible for providing a copy of that plan to instructors of all classes in which an accommodation is sought.

Course Readings:

I will provide a course reading list by week 2 and provide all papers on iCollege. Our reading for the introduction is Ken Arrow's classic paper:

1. Overview of the Field

Arrow, Kenneth (1963). "Uncertainty and the Welfare Economics of Medical Care" *American Economic Review*, 53(5), 941-973.

Morrisey, Michael A., and John Cawley (2008). "U.S. Health Economists: Who We Are and What We Do." *Health Economics*, 17(4), 535-543.

here are some potential sources for your project:

The following data bases and journals will be most important:

GALILEO

Business and Economics

EconLit

LexisNexis Academic

Medicine and Health Sciences

MEDLINE

PsychINFO

American Journal of Public Health

Health Affairs

Health Economics

Health Services Research

Inquiry

Journal of the American Medical Association

Journal of Economic Literature

Journal of Economic Perspectives

Journal of Health Economics

Journal of Health Politics, Policy, and Law

Journal of Human Resources

New England Journal of Medicine

Medical Care

Milbank Quarterly

Information about health care programs and financing can be found at various web sites on the Internet:

NATIONAL LIBRARY OF MEDICINE GATEWAY,

<http://gateway.nlm.nih.gov/gw/Cmd>

HEALTHFINDER, www.healthfinder.gov

NATIONAL LIBRARY OF MEDICINE, www.nlm.nih.gov (MEDLINE)

NIH HEALTH INFORMATION PAGE, www.nih.gov/health/

CANCERNET, <http://cancernet.nci.nih.gov>

SUBSTANCE ABUSE, www.samhsa.gov

NATIONAL INSTITUTE ON AGING, www.nih.gov/nia

DEPARTMENT OF HEALTH AND HUMAN SERVICES, www.os.dhhs.gov

AGENCY FOR HEALTHCARE RESEARCH AND QUALITY (Treatment findings and outcomes research), www.ahrq.gov

CENTERS FOR DISEASE CONTROL AND PREVENTION (Prevention programs and research),
www.cdc.gov
FOOD AND DRUG ADMINISTRATION, www.fda.gov
HEALTH RESOURCES AND SERVICES ADMINISTRATION, www.hrsa.gov
NATIONAL INSTITUTES OF HEALTH, www.nih.gov

CENTER FOR MEDICARE & MEDICAID SERVICES, www.cms.hhs.gov