

Econ 211: Economics of Health and Health Care
Moravian College, Fall 2011
Department of Economics and Business

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Office Hours: Mondays and Wednesdays: 11 am – 12 pm, or by appointment

Class Information:

Meeting Times: Mondays and Wednesdays 1:10 – 2:20 pm

Class Location: Memorial Hall 302

What is this course all about? This course applies microeconomic theory to analyze the health care market from the perspectives of those who demand and supply health care. In particular, we will assess the demand for health, health care, and health insurance. We will also analyze the market for physicians and hospital services, and the pharmaceutical industry. The structure and performance of the U.S. health care system will also be compared to that of other countries. Discussion of empirical studies, current policy debates, and the relevance and limits of the economic approach will be emphasized. Perhaps a better way to understand this course is to see the cartoon below:



Essentially, we will use economic analysis to help us assess the state of the U.S. health care system and how health care reform may affect the market and demand for health care. Emphasis is on the economics and not politics or personal opinions. Regardless of your own personal views on health care reform, the goal is for you to be able to analyze the market using the tools and perspectives of an economist.

What I am required to read? Rexford E. Santerre and Stephen P. Neun. Health Economics: Theories, Insights, and Industry Studies, 5th ed., Thomson South-Western. ISBN: 978-0-324-78908-9

Several websites have excellent and regular information on health related issues.

CNN News <http://www.cnn.com/HEALTH/>

MSNBC News <http://www.msnbc.msn.com/id/3032076/ns/health>

CBS News <http://www.cbsnews.com/sections/health/main204.shtml?tag=hdr;cnav>

In addition, the health sections of several newspapers are provided free of charge on the Web such as:

New York Times <http://health.nytimes.com/pages/health/index.html>

Washington Post <http://www.washingtonpost.com/wp-dyn/content/health/index.html>

Los Angeles Times <http://www.latimes.com/health/>

Other relevant readings and course materials will be posted on the Blackboard site for this class. Please check Blackboard regularly.

What preparation do I have to have? Students are expected to have completed Econ 152 and have junior or senior standing prior to taking this course.

How will I be assessed?

Course Preparation Assignments	50%
Scrapbook (4)	20% (5% each)
Opinion Pieces (2)	10% (5% each)
Debate Presentation and Report	20%

What are the learning outcomes for this course?

- Identify and describe the components of the health care system in the US
- Distinguish between the demand for health, health care, and health insurance
- Identify and describe the role of the key players in the supply of health care
- Describe the role of government in our current health care system
- Identify the major economics related research questions and challenges being asked in the areas of health insurance provision, the pharmaceutical industry, the physician services industry and the long term care industry
- Compare and contrast the health care delivery systems of various countries

- Become informed citizens capable of analyzing the health care debate from an economist's perspective.

What schedule will we follow in this course?

Week:	Topic:	Assignments Due:
1: Aug 29 & Aug 31	Introduction to Healthcare System: Chapters 1 & 4	
2: Sept 7 (no class Sept 5)	Health Care Reform	CPA #1 Due Sept. 7
3: Sept 12 & Sept 14	Demand for Health: Chapter 2	CPA #2 Due Sept. 14
4: Sept 19 & Sept 21	Cost and Benefit Analysis: Chapter 3	CPA #3 Due Sept. 21
5: Sept 26 & Sept 28	Demand for Medical Care: Chapter 5	CPA #4 Due Sept. 28
6: Oct 3 & Oct 5	Demand for Medical Insurance Chapter 6	CPA #5 Due Oct. 5 Opinion 1 Due Oct. 3
7: Oct 12 (no class Oct 10)	Review Demand Side Health Economics	Scrap Book 1 (2 entries) Due Oct. 12
8: Oct 17 & Oct 19	Government Role in Health Care: Chapter 9	CPA #6 Due Oct. 17
9: Oct 24 & Oct 26	Government Funded Health Insurance: Chapter 10	CPA #7 Due Oct. 24
10: Oct 31 & Nov 2	Private Health Insurance: Chapter 11	CPA #8 Due Oct. 31
11: Nov 7 & Nov 9	Physicians in Health Care: Chapter 12	CPA #9 Due Nov. 7
12: Nov 14 & Nov 16	Hospitals: Chapter 13	CPA #10 Due Nov. 14
13: Nov 21 (no class Nov 23)	Long Term Care: Chapter 15	Scrap Book 2 (2 entries) Due Nov. 21
14: Nov 28 & Nov 30	Pharmaceuticals: Chapter 14; Debates	Opinion 2 Due Nov. 30
15: Dec 5 & Dec 7	Debates	Written Debate Report due Dec. 9 at 3:30 pm

Weekly Readings will be listed on Blackboard at least one week prior to discussion in class. Detailed course preparation assignments will be listed on Blackboard one week prior to their due dates. I will do my best to maintain this schedule, but it is subject to change.

What are your classroom policies?

1. Attendance is expected at each class period.
2. As a common courtesy for your fellow students and myself, I expect students to be on time.
3. I do not allow cell phone use in class.
4. Violations of the Moravian College Academic Honesty Code will not be tolerated.
5. Late assignments are not accepted and a grade of zero is recorded. The assignments are all due on Blackboard by 11:55 am on the due date indicated on the syllabus. No exceptions.
6. Part of your responsibility as a Moravian student is to attend classes and to take notes. This is an essential part of the learning process. I will therefore not post extensive lecture notes online. Also, note that this course will be fairly intense, so it is essential that you do not fall behind in your readings.

The following pages detail specific information regarding each assessment. More details will be provided as due dates approach.

Course Preparation Assignments:

Concepts and ideas stick in our minds when we use them ourselves. Thus, rather than exams which require memorization and put students under undue time pressure, the majority of your grade will be determined by your performance on course preparation assignments (CPA). These assignments will be distributed in class and due dates will be given in class. The “official” place to turn these in is on the Blackboard site by 11:55 am on the due date. You should always bring a printed copy with you to class for discussion purposes. It is these printed copies that I will collect and grade. I will do my best to maintain this schedule, but it is subject to change. Failure to bring your printed copy to class will result in a lower grade on that CPA. Likewise, bringing the printed copy to class without it being on Blackboard results in a lower grade.

SCRAPBOOK FOR HEALTH ECONOMICS

Collect and analyze 4 newspaper or magazine articles relating to different health economic issues. The analysis of each article should:

1. indicate what specific health economic concept(s) is (are) discussed in the article;
2. demonstrate an understanding of the concept(s); and
3. demonstrate why this article is a good example of the concept(s).

The following “rules” apply:

- Articles must have appeared in print since the beginning of the semester (Cartoons are eligible).
- Source and date of each article must be indicated. All types of magazines and newspapers are eligible.
- The analysis must be typed (or word processed) and double-spaced. Cut and paste the article into the scrapbook.
- The analysis of each article is limited to a maximum of two pages, not including the graphs.
- Scrapbooks are due on two different dates during the semester...two entries per each due date.

Scrapbooks will be graded on:

- Quality of the analysis of each article.
- Appropriateness of the articles selected.
- Appropriate use of graphs, where relevant.
- Diversity of topics covered in the articles.
- Overall presentation of the materials.

OPINION PIECES

There will be two 1.5-2 page (double-spaced, typed) opinion pieces. The opinion pieces present an opportunity for you to express your opinion on topics or questions raised in the readings, lectures, or other relevant material. Even though the opinion papers are informal, they must be done in a professional manner. Information regarding opinion piece writing will be available on Blackboard.

Good commentaries can be about:

- Your thoughts about an idea in the readings or lectures that seems particularly interesting and insightful.
- A comparison of two readings' ideas.
- A personal or work experience that relates to an idea discussed in class.

DEBATE PRESENTATION AND REPORT

Debates will be presented in teams of four. Two people from each team will argue in favor of the topic, while the other two team-members will argue against the topic. Details regarding appropriate debate practices will be available on Blackboard.

Debate presentations will be thirty minutes long, and broken down according to the following scheme:

Pro Argument: 10 minutes

Con Argument: 10 minutes

Pro Rebuttal: 5 minutes

Con Rebuttal: 5 minutes

Although your presentation is a group project, each student is required to submit an individual report of his / her part of the debate. This report must include your arguments and citation information. Regardless of the date of your in-class debate, all debate reports are due on the final exam date for this class: Friday, December 9 by 3:30 pm.