

**Econ 211: Economics of Health and Health Care**  
**Moravian College, Spring 2012**  
**Department of Economics and Business**

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**Professor:** Sabrina Terrizzi

**Office Location:** Comenius Hall 211

**Office Phone:** 610-625-7937

**E-mail:** terrizzis@moravian.edu

**Office Hours:** Tuesdays: 9:30 – 11:30 am, Wednesdays: 1 – 2 pm, or by appointment

**Class Information:**

**Meeting Times:** Mondays and Wednesdays 2:35 pm – 3:45 pm

**Class Location:** Comenius Hall 005

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**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, 6th ed., Thomson South-Western. ISBN: 978-1-111-82272-9

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%
Participation	5%
Journal (weekly)	25%
Final 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: Jan. 14, 16	Introduction to Healthcare Systems: Chapters 1 & 4	Syllabus Signature Page Due: Jan. 16 CPA #0: Due Jan. 16
2: Jan. 23 (no class Jan. 21)	Health Care Reform	CPA #1: Due Jan. 23
3: Jan. 28, 30	Demand for Health: Chapter 2	CPA #2: Due Jan. 30
4: Feb. 4, 6	Cost and Benefit Analysis: Chapter 3	CPA #3: Due Feb. 6
5: Feb. 11, 13	Demand for Medical Care: Chapter 5	CPA #4: Due Feb. 13
6: Feb. 18, 20	Demand for Medical Insurance: Chapter 6	CPA #5: Due Feb. 20
7: Feb. 25, 27	Review Demand Side Health Economics	Journal Collected: Feb. 27
8: Mar. 4, 6 (no class Spring Break)		
9: Mar. 11, 13	Government Role in Health Care: Chapter 9	CPA #6: Due Mar. 13
10: Mar. 18, 20	Private Health Insurance: Chapter 11	CPA #7: Due Mar. 20
11: Mar. 25, 27	Physicians in Health Care: Chapter 12	CPA #8: Due Mar. 27
12: Apr. 3 (no class Apr. 1)	Hospitals: Chapter 13	Project Draft 1 Due: Apr. 3
13: Apr. 8, 10	Pharmaceuticals: Chapter 14	
14: Apr. 15, 17	Review and Final Project Presentations	Project Draft 2 Due: Apr. 15
15: Apr. 22, 24	Final Project Presentations	Journal Collected: Apr. 24 Final Project Due: Wed. May 1 @ 11:30 am

\* Weekly readings will be listed on Blackboard at least one week prior to discussion in class. Detailed course preparation assignments (CPAs) will be listed on Blackboard one week prior to their due dates. Schedule subject to change with notice.

### **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. Please be cognizant of the due dates for each assignment. No exceptions will be made to accommodate late work.
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.
7. I do not give makeup assessments. If you miss an in-class assessment without notifying me beforehand, or without providing a proper excuse (written excuse from health center or dean), you will receive a zero for that assessment. If you miss an assessment due to an extenuating circumstance (and have proper documentation and notify me beforehand), the percentage from the missed assessment will be split evenly between the other remaining assessments.
8. Students who wish to request accommodations in this class for a disability should contact Elaine Mara, assistant director of learning services for academic and disability support at 1307 Main Street, or by calling 610-861-1510. Accommodations cannot be provided until authorization is received from the Academic Support Center.
9. I do not offer extra credit.

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

## **PARTICIPATION**

Class participation accounts for five percent of your final grade. Simply attending class will earn students an approximate participation grade of 75%. Students can marginally improve their participation grade through “passive participation”, which implies attending class, taking notes, and being attentive. Students can substantially improve their participation grade through “active participation”, which includes volunteering thoughtful questions and answers on a regular basis. Students who choose not to attend class will receive a participation grade lower than a 75%. Additionally, there will be surprise assessments on a regular basis to check students’ understanding of certain topics. Successfully completing these assessments will also improve a student’s participation grade.

## **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 2:30 pm 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. 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.

## **GRADING**

Your CPAs will be graded for completeness and accuracy. The CPAs are designed to promote critical thinking and analysis about the particular topic covered in the assignment. Your job is to show me that you understand the topic by providing clear and complete responses to the questions. Unless otherwise stated, you can answer each part of the CPA as a separate question, but you should consider each question to be a mini-essay, in which you fully develop your thoughts and analysis. I will grade your CPAs on a 0-5 scale, as follows:

- 5: Excellent, response includes clear and complete thoughts and a detailed, accurate analysis
- 4: Good, response contains fully developed ideas, but the understanding of the concepts is slightly confused
- 3: Fair, response is not fully developed and understanding of the concepts is not evident
- 2: Poor, response is incomplete and analysis is missing or totally inaccurate
- 1: Unacceptable, response is unintelligible and lacks proper analysis and thought development
- 0: Late or missing

## JOURNAL

It is a very interesting time to be studying health economics! In order to stay up-to-date on current events you will be maintaining a weekly journal in this class. Each week you are responsible for two entries:

1. Response to readings and class lectures.
  - a. What did you learn?
  - b. What are you still confused about?
  - c. What else would you like to learn on this topic?
2. Response to a current event.
  - a. What is the specific health economic concept discussed in the article?
  - b. How does it relate to class?

Each weekly response should be two to three pages in length and demonstrate your understanding of the topics addressed in class.

Expectations for current event article choices:

- 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.

Expectations for maintenance of journal:

- Journal is to be maintained on a **weekly** basis.
- You can maintain your journal in a single notebook (specifically designated for this purpose) OR electronically. You will be required to submit your journal for review twice during the semester. At other times, I may ask you to bring your journal to class for discussion purposes.

Grading: Journals will be graded on a 0-5 scale, similar to your CPAs.

- Responses to class discussion will be graded on the following:
  - Clarity and depth of self-analysis
  - Growth over the semester
- Responses to current events will be graded on the following:
  - 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.

### **FINAL PROJECT**

In this class we will analyze healthcare systems from the point of view of patients and providers. The final project will entail understanding the intricacies of the demand and supply of health economics in addition to the costs and benefits of health care. The final project for this class will involve developing your own health care system. Over the course of the last two weeks of class, groups of students will present their health care systems. The class will analyze the proposed systems and rank them according to specific metrics. Student grades will be determined based on the ranking by their peers and financial and economic feasibility of their plans. Details regarding the specific requirements will be discussed throughout the semester.

Syllabus Signature Page  
Moravian College

Instructor: Sabrina Terrizzi  
Course: Econ 211  
Semester: Spring 2013

By signing this document and submitting it to Professor Terrizzi, I agree that I received a copy of the course syllabus for the class mentioned above. I understand the course requirements and Professor Terrizzi's classroom policies including those related to: attendance, participation, late/ missed assignments, missed assessments, extra credit, academic integrity, and cell phones.

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Print Full Name

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Signature

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Date