

Comparative Health Economics

Spring 2014

Course Information

Code: Econ 271 02

Location: Science Center 302

Time: Mondays, Wednesdays, and Fridays from 10:00 a.m. to 11:05 a.m

Prerequisites: Econ 199

Instructor Information

Name: Marta Podemska-Mikluch, Ph.D.

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Office Hours: Wednesdays 1 p.m. – 3 p.m. and by appointment

Course Description and Objectives

This course applies the economic way of thinking to the analysis of individual decision-making in regard to the consumption and provision of health care as well as to the organization and operation of the health care industry. Students learn to evaluate the performance of various health care systems by comparing the efficiency and effectiveness of the American health care system against other countries. Covered topics: the demand and supply of health care, the demand and supply of health insurance, incentives inherent in different organizational structures, the role of regulation, the history of health care provision.

Required Textbook

Health Policy Issues: An Economic Perspective by Paul J. Feldstein

Grading Policy

Your final grade will be based on your performance in five categories:

- | | |
|--------------------------|-----------|
| 1. Midterm | 30 points |
| 2. Final Exam | 30 points |
| 3. Discussion Leadership | 10 points |
| 4. Research Paper | 20 points |
| 5. Class Participation | 10 points |

Total: 100 points

There is no pre-set grade distribution for this class. Note, however, that Section IX of the Beloit College Academic Policy Manual (APM) clearly discusses the definitions of specific grades. According to the APM:

Grade	is awarded for credit earned in a manner that demonstrates:
A	Unusual ability and distinctive achievement
B	Articulate, above-average performance
C	Satisfactory performance

I note this language for two reasons. First, I wish to highlight that a C is not a failing grade. It is, by definition, satisfactory performance and grades of C should be viewed in that light. Several of you might find yourselves in the C range. This grade merely reflects that while your work is satisfactory, there remains room for improvement. Second, it is important to note that A's are awarded only for exceptional performance.

Grade scale:

		B+	87 - 89	C+	77 - 79	D+	67-69
A	94+	B	84 - 86	C	74-76	D	60-66
A-	90-93	B-	80 - 83	C-	70-73	F	0-59

Midterm and Final Exam

Your midterm and final exam will constitute of short essay questions. Before each exam, I will provide you with a study guide. If you master the study guide questions, you will have no difficulties on the exam.

Discussion Leadership

Each student will be asked to lead multiple class discussions. Discussions will be based on the assigned readings. Each time you are asked to lead a discussion, you will provide your classmates with a list of three questions at least two days in advance of the class. You will start the class discussion with a short summary of the material – handouts and visual aids are welcomed but not required.

Research Paper

One way of learning about the effectiveness of health care systems is by comparing and contrasting them. In your paper, you will evaluate health care systems of two different countries using a set of criteria and guidelines developed in class. The goal of your project is to contribute to the policy debate on what makes for the most effective health care system.

Ideally, you would like to find two countries that have the same population, the same standard of living, the same demographic characteristics, and a health care system that is the same in all aspects but one. If you could find such two cases, then after comparing them, you could explain any difference in health care outcomes as resulting from that one factor. However, since no such two countries exist, you will need to carefully explain why you think differences in health care outcomes result from one particular aspect of the system, and are not due to differences in some other characteristic. It is essential that you do so while demonstrating your mastery of the economic way of thinking.

Your grade will be determined by your ability to analyze the material from the economic perspective, by the quality of your writing, including spelling, grammar, and style, and by your ability to clearly communicate your ideas in writing and during the class presentation.

Submission timeline:

- 02/10 Submit a note of 100-250 words about what countries you have selected and why¹
- 02/28 Upload two to four short readings so that others can prepare for your presentation
- 03/17 Submit a draft of your paper
- TBD Deliver class presentation
- 04/17 Submit final version of no less than 2500 and no more than 4000 words

¹ All submission must be made through Moodle.

Class Participation

Class participation is a vital element of the learning process. It will yield greatest results if based on solid preparation. I expect you to study systematically and to remain engaged throughout each class. Your participation grades will be assigned based on a variety of activities: *reading discussions, in-class writing assignment, group work, classroom games, board problem solving, etc.*

Keep in mind that not every class will provide opportunities for participation, some will constitute purely of lectures. However, if you miss a class in which participation was graded, there will be no make-up opportunities. Instead, at the end of the semester I will drop your lowest participation score. The specific grading criteria are listed in the table below.

4 points	A+ (110 percent)	<ul style="list-style-type: none">• Demonstrates excellent preparation: has analyzed material exceptionally well• Contributes in a very significant way to ongoing discussion: keeps analysis focused, responds thoughtfully to other students' comments, contributes to cooperative argument-building, suggests alternative ways of approaching material and helps class analyze which approaches are appropriate, etc.
3 points	A (100 percent)	<ul style="list-style-type: none">• Demonstrates good preparation: knows reading facts well, has thought through their implications• Contributes to discussions in an ongoing way: responds to other students' points, thinks through own points, questions others in a constructive way, offers and supports suggestions
2 points	B (85 percent)	<ul style="list-style-type: none">• Demonstrates adequate preparation: knows basic reading facts, but does not show evidence of trying to interpret or analyze them• Offers only straightforward information (e.g., straight from the case or reading), without elaboration or very infrequently (perhaps once a class)
1 points	C (75 percent)	<ul style="list-style-type: none">• Present, not disruptive• Tries to respond when called on but offers incomplete answers
0 points	F (0 percent)	<ul style="list-style-type: none">• Absent either physically or mentally

Scheduled Lectures and Events

Week	Date	Topic	Readings ²
	01/20	Introduction	-
1	01/22	Health care in the U.S. - Michael Moore's perspective	-
	01/24	Continued	-
	01/27	Health care in the U.S. – John Stossel's perspective	-
2	01/29	What can economics contribute to health policy?	Moodle
	01/31	What to consider in evaluating a health care system?	Moodle
	02/03	What makes for an effective health care system?	Moodle
3	02/05	The Rise of Medical Expenditure in the United States	Ch.1
	02/07	<i>No class – Conference Travel</i>	
	02/10	How Much Should We Spend on Medical Care? ^{*3}	Ch.2
4	02/12	Do More Medical Expenditures Produce Better Health?*	Ch.3
	02/14	<i>No Class - Econ Day</i>	
	02/17	In Whose Interest Does the Physician Act?*	Ch.4
5	02/19	Rationing of Medical Services *	Ch.5
	02/21	How Much Health Insurance Should Everyone Have? *	Ch.6
	02/24	Access to Health Insurance *	Ch.7
6	02/26	Medicare*	Ch.8
	02/28	Medicaid*	Ch.9
	03/03	John Cochrane: <i>After ACA and Health Status Insurance</i>	Moodle
7	03/05	Review	-
	03/07	Final Exam	-

² Additional readings will be provided on Moodle. All material should be read ahead of class.

³ Stars refer to student-led discussions.

	03/10	<i>No Class - Midterm Break</i>	
8	03/12	<i>No Class - Midterm Break</i>	
	03/14	<i>No Class - Midterm Break</i>	
	03/17	Student Presentations: _____	Moodle ⁴
9	03/19	Student Presentations: _____	Moodle
	03/21	Student Presentations: _____	Moodle
	03/24	Student Presentations: _____	Moodle
10	03/26	Student Presentations: _____	Moodle
	03/28	Student Presentations: _____	Moodle
	03/31	Student Presentations: _____	Moodle
11	04/02	Student Presentations: _____	Moodle
	04/04	Student Presentations: _____	Moodle
	04/07	Student Presentations: _____	Moodle
12	04/09	Cross-country comparisons – what have we learned?	-
	04/11	Nonprofit vs. For-Profit Hospitals*	Ch.14
	04/14	Competition Among Hospitals*	Ch.15
13	04/16	Cost Shifting*	Ch.17
	04/18	Can Price Controls Limit Medical Expenditure Increases*	Ch.18
	04/21	How does Medicare Pay Physicians?*	Ch.10
14	04/23	Is there an impending shortage of physicians?*	Ch.11
	04/25	Why Is Getting into Medical School So Difficult?*	Ch.23
	04/28	The Shortage of Nurses*	Ch.24
15	04/30	Should Kidneys and Other Organs Be Bought and Sold?*	Ch.29
	05/02	Surrogacy and other emerging health care issues	Moodle
	05/05	Review	-
16	05/07	Midterm	-

⁴ Presenting students are responsible for uploading the readings to Moodle before 02/28.

Disability Statement

If you have a disability and need accommodations, contact the Learning Enrichment and Disability Services Office located on 2nd floor Pearsons (north side) or call x: 2572 or email learning@beloit.edu. For accommodations in my class you must bring me an Accommodation Verification Letter from the Director of that office which will indicate appropriate accommodations. Contact that office promptly; accommodations are not retroactive.

Tutoring

Free peer tutoring is available for most classes. To access a tutor, apply at the Learning Enrichment and Disability Services Office located on 2nd floor Pearsons (north side) during their office hours (8 a.m. - 4:30 p.m., Monday - Friday).