#### Module 0: Introduction

Why study health economics?

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# Health and Health Care

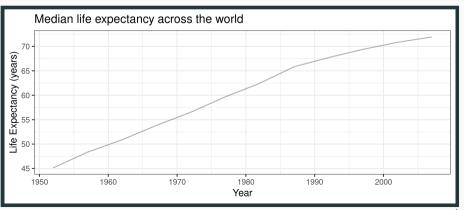


#### Health and Health Care

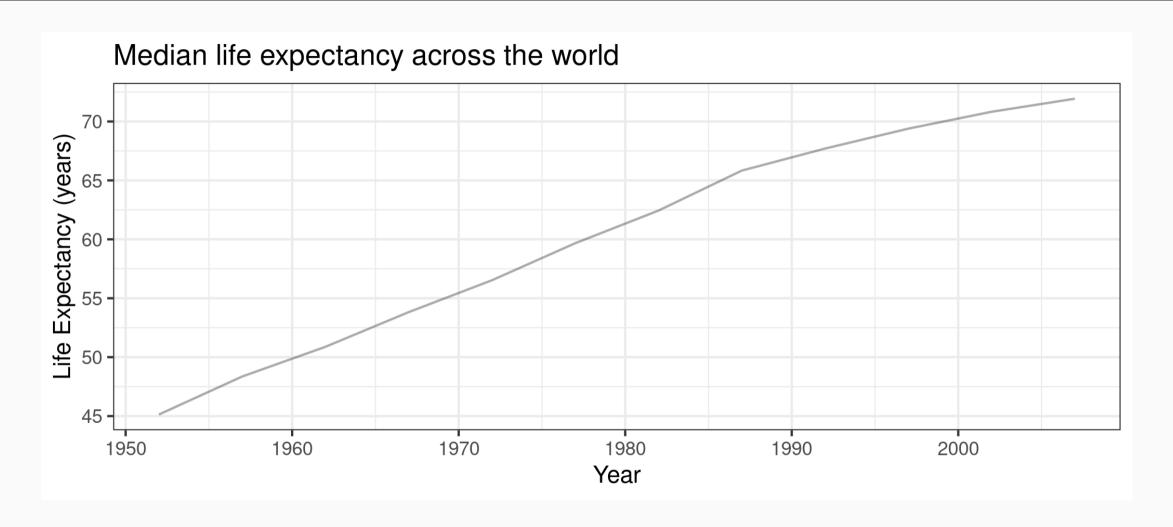
We've made *major* improvements in life expectancy (and many other measures of health) across the world

- Poverty reduction
- Technology development and innovation
- Technology diffusion and adoption
- Access to better services, including health care

### Evidence of better health

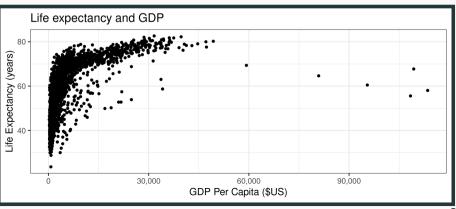


## Evidence of better health

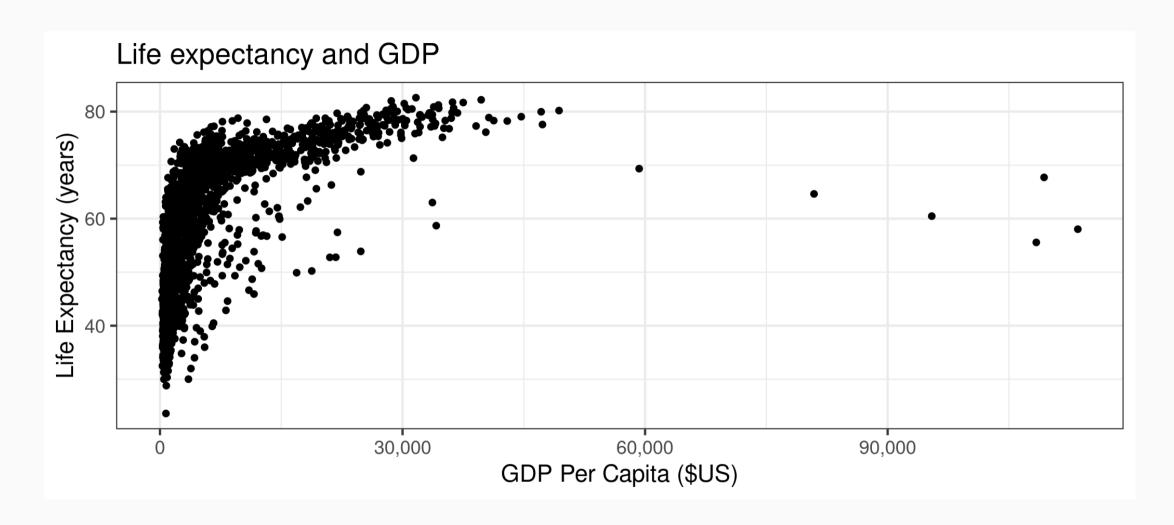


#### **GDP** and Health

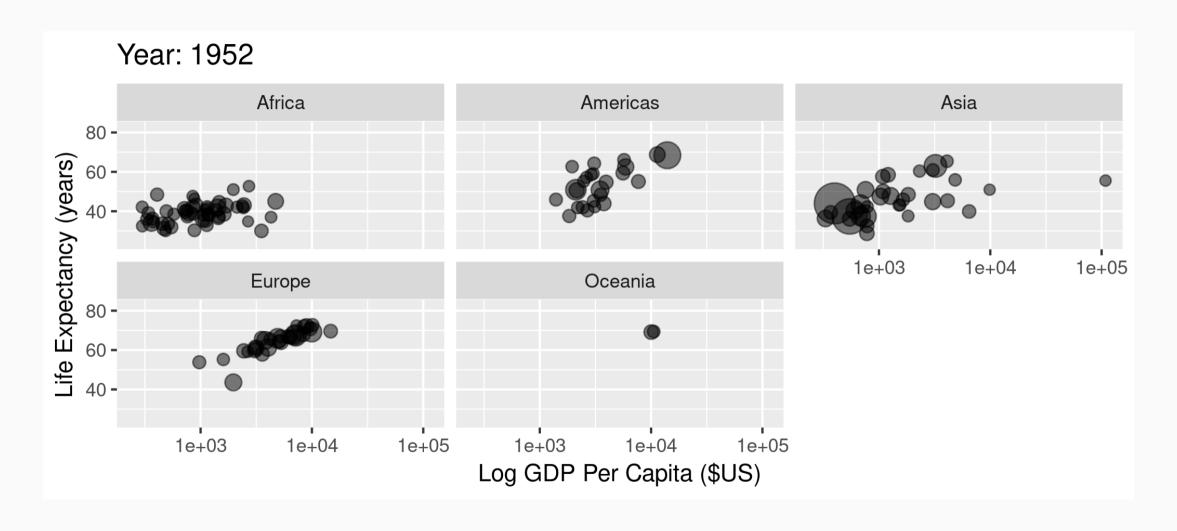
```
library(gapminder)
ggplot(data = gapminder, mapping = aes(x = gdpPercap, y = lifeExp)) +
    geom_point(size = 1) + theme_bw() + scale_x_continuous(label = comma) +
    labs(x = "GDP Per Capita ($US)",
        y = "Life Expectancy (years)",
        title = "Life expectancy and GDP")
```



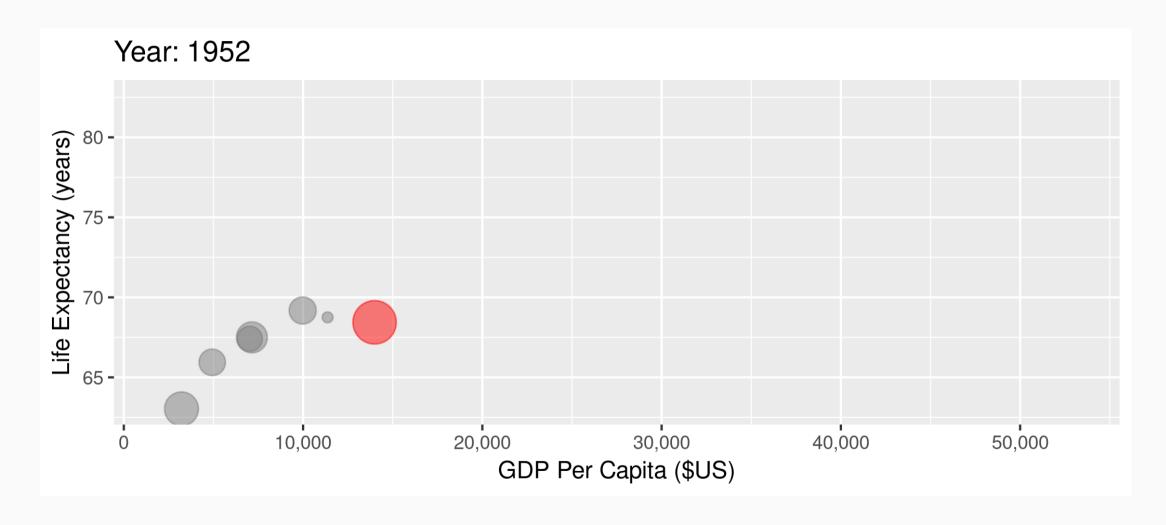
# **GDP** and Health



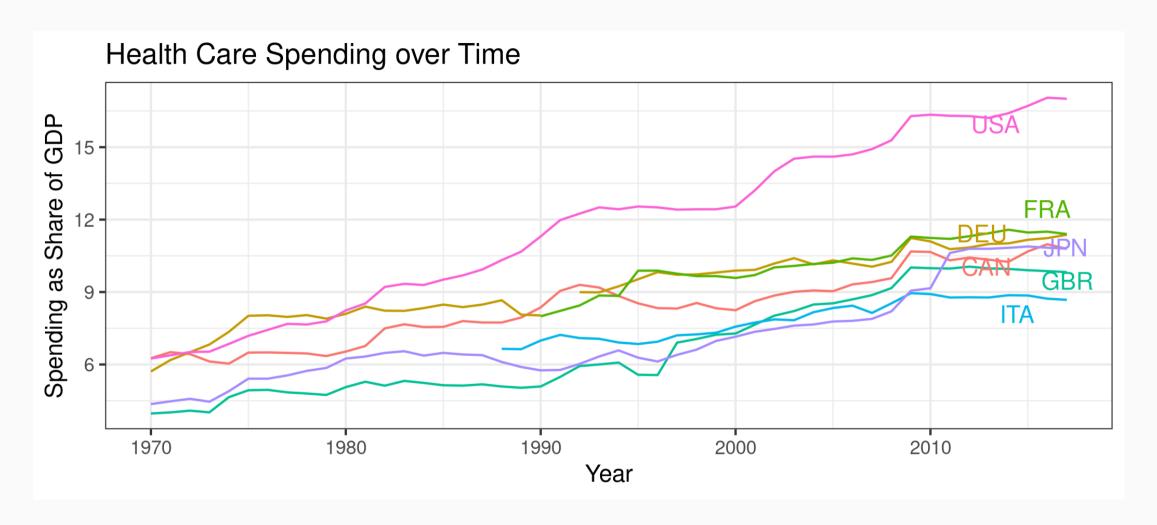
## GDP and Health over Time



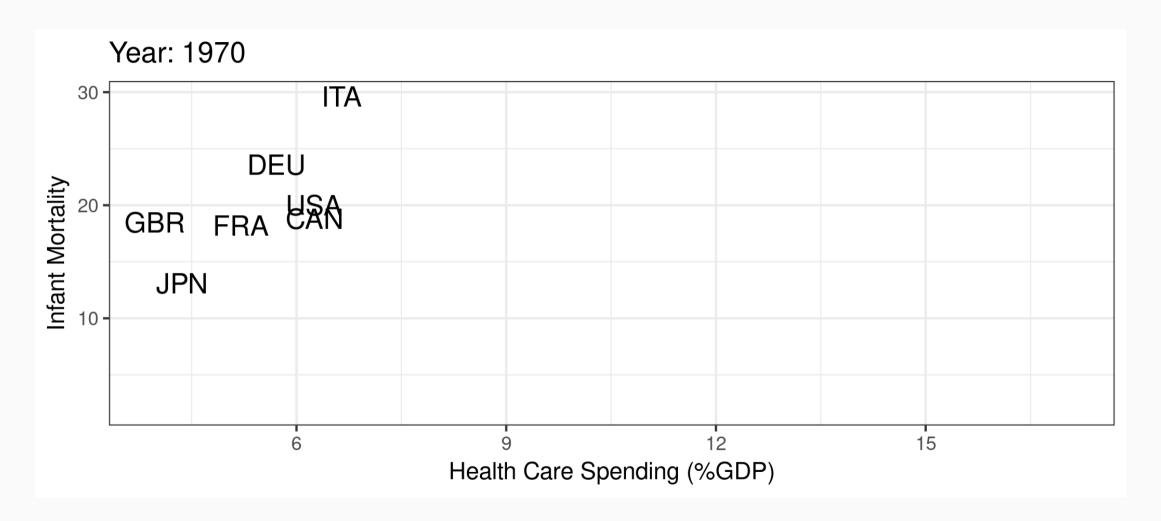
# But the US is unique



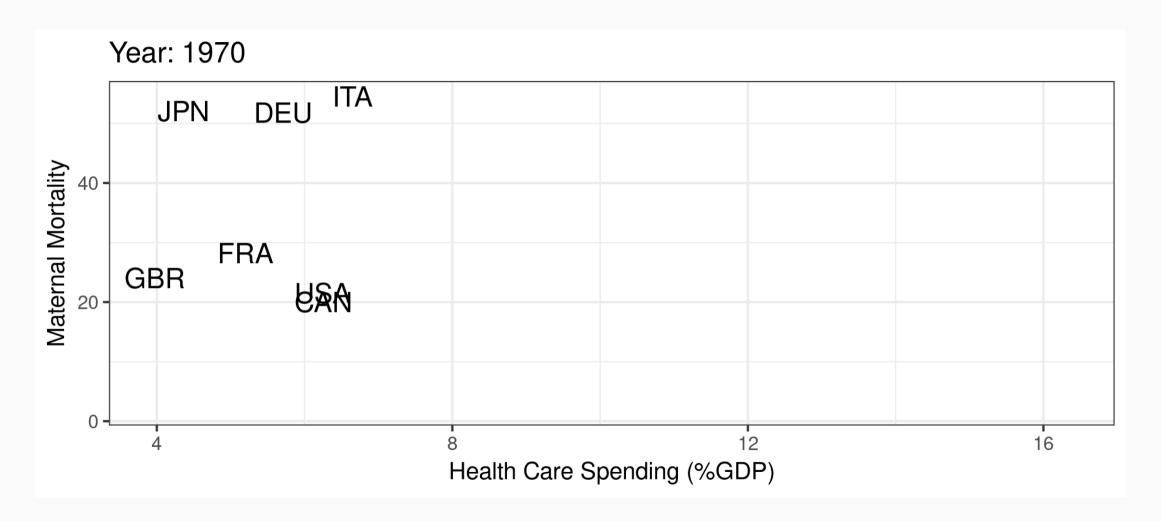
# Health care spending



# Spending and infant mortality



# Spending and maternal mortality



### What does that mean?

- Are we just woefully inefficient?
- The right answer is probably more complicated
  - U.S. very good in some areas (breast cancer treatment, interventional cardiology)
  - Let's look at some more graphs from the Commonwealth Fund

# Why study U.S. health care

- 1. Health and health care are constantly changing
- 2. Health expenditures in 2019: \$3.8 trillion, 17.7% of GDP, \$11,582 per person (from NHE Fact Sheet)
- 3. U.S. health care is uniquely inefficient in many ways

"Nobody knew health care could be so complicated"

-- Donald Trump