



PA 307 Health Care Economics

The course is designed to provide understanding of economic principles applied to the health care sector of the US economy. Health care spending accounts for one of every six dollars of household expenditures and has grown to be a \$2 trillion industry. The business and public policy decisions that pertain to the health care sector are complex and span a range of interest from business, government, and international agencies. Health care has become vital to economic development for its contribution to individual health and a nation's economic opportunity.

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Office Hours: T/Th 8:30 -11:00; M/W 9:00-9:30

Textbook Henderson (4e) *Health Economics and Policy*, 2009
(Other editions of this text are also acceptable.)

Course Schedule: Overview of Important Dates

Section 1 THE RELEVANCE OF ECONOMICS IN HEALTH AND MEDICAL CARE
Class Sessions (M/W) January 22 – February 5, 2014

Section 2 DEMAND-SIDE CONSIDERATION
Class Sessions (M/W) February 10 - 19, 2014

EXAM 1 February 26, 2014

Section 3 SUPPLY-SIDE CONSIDERATION
Class Sessions (M/W) March 3 - 12, 2014

Section 4 PUBLIC POLICY IN MEDICAL CARE DELIVERY
Class Sessions (M/W) March 17 – April 9, 2014

EXAM 2 April 16, 2014

POLICY STUDY April 21 – May 7, 2014

Policy Paper Due May 12, 2014

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Lecture Schedule **Subject to change with notification*

1/22 Course Overview And Introduction

Section 1: THE RELEVANCE OF ECONOMICS IN HEALTH AND MEDICAL CARE

1/27 CHAPTER 1: *US Medical Care: Crisis or Conundrum*

1/30 CHAPTER 2: *Using Economics to Study Health Issues*

2/3 CHAPTER 3: *Analyzing Medical Care Markets*

2/5 CHAPTER 4: *Economic Evaluation in Health Care*

Section 2: DEMAND SIDE CONSIDERATION

2/10 CHAPTER 5: *Demand for Health and Medical Care*

2/12 CHAPTER 6: *The Market for Health Insurance*

2/17 CHAPTER 7: *Managed Care*

2/19 Exam Review and Distribution

2/26 Exam Due

Section 3: SUPPLY SIDE CONSIDERATION

3/3 CHAPTER 8: *The Physicians' Services Market*

3/5 CHAPTER 9: *The Hospital Services Market*

3/10 CHAPTER 10: *The Market for Pharmaceuticals*

3/12 CHAPTER 11: *Confounding Factors*

Section 4: PUBLIC POLICY IN MEDICAL CARE DELIVERY

3/17 *Lessons for Public Policy*

3/19 Health Policy Formation

3/24-26 Spring Break

3/31-4/2 Independent Study: Health Policy Project Planning

4/7 CHAPTER 12: *Policies that Enhance Access*

4/9 CHAPTER 13: *Policies that Contain Costs*

4/9 CHAPTER 14: *Medical Care Systems Worldwide*

4/14 CHAPTER 15: *Medical Care Reform in the United States*

4/16 SECTION 2 EXAM Review and Distribution

4/28 EXAM Due

4/30 Policy Project Meetings

5/5-7 Policy Project Meetings

5/12 HEALTH POLICY STUDY DUE

5/20 Final Class Meeting

Health Care Economics

Design

This course is designed to explore the relationship between health care and economics. It is intended to provide conceptual and practical applications of economics to a sector that bridges government, industry, and global development interests. Students will participate in the development of a major health economic study for Guam.

Course Structure

The course will begin with a brief review of microeconomic principles and macroeconomic applications. For this purpose, I have assigned the World Health Organization's report, *Macroeconomics and Health*. We will use the text, *Health Economics and Policy*, by Henderson (4th Edition, 2009 or similar) to provide a structured guide to the study of health care economics. The syllabus patterns this text.

Other assigned readings will be distributed in class for the purpose of exploring particular economic cases in the context of business and government applications. These materials will come from economic and professional journals and other texts as well as materials published in popular media. As part of the course, we will develop a list of information websites spanning health information access to matters of health policy development, particularly President Obama's health agenda and implications for Guam.

Prerequisite and Required Knowledge

This course requires successful completion of BA 110 *Principles of Economics*. Students taking this course will benefit from a review of basic algebra and graphing, as well as from a basic understanding of business and government perspectives on health care. Internet access and an active email account are required as course information and support materials will be distributed via Internet.

Objectives and Measures of Learning

This course identifies the following undergraduate Student Learning Objectives from the SBPA program description for this course:

BBA-3: Recognize how legal, regulatory and political environments affect decisions

BBA-6: Demonstrate critical thinking and analytical skills

BBA-9: Demonstrate ability to gather and synthesize information for policy problems

Measures of learning of these objectives include exams, short papers, and policy reviews as described in the following section on assignments and assessments.

Assignments and Assessments

Short essay assignments, research summaries, and other reaction papers will be assigned for credit.

Two essay examinations will be given to evaluate your knowledge of content. One will be given at mid-term; the other as a non-cumulative final examination. Your course grade will be based on these examinations and your contribution to class discussion as well as reaction papers to case studies and the health policy project.

Evaluation

Section examinations will contribute 70 percent of your grade, the policy project and assignments are worth 30 percent. Chapter assignments, while not required, will be counted as extra credit if completed prior to the tutorial as noted on this syllabus. A final cumulative examination is optional. Grading Scale: A=90-100, B=80-89, C=70-79, D=60-69, F<60.

Health Care Economics

Project

The policy project is a special component of the course that is designed to tailor economic theory to your own area of interest in health care. Further information and guidelines for completing this project will be provided by separate memo early in the course.

ADA Policy

In compliance with University policy, if you are a student with a disability who will require accommodation to participate in this course, please contact me privately to discuss your specific needs. You should also contact the EEO/ADA Office at 735-2244/2971/2243 (TTY) to coordinate your request.

Influenza Notice to Students

As flu season comes upon us, you are reminded of prudent steps to take care of yourself and others around you. If you develop flu symptoms (fever with aches and pains, etc.) then you should do the following:

1. Stay home and rest, especially if you have a fever.
2. Contact your instructor by email or phone beforehand and make arrangements for classwork.
3. Stay healthy and keep fit. Remember that people who smoke are more susceptible to respiratory illness such as catching the cold or flu.
4. If needed, go to the Department of Public Health or your medical doctor for evaluation. Students may contact the Student Health Office for advice at 735-2225.

Plagiarism

In line with our School's program intent in developing ethical professionals, students must adhere to honesty and giving credit (where applicable) to cited sources on exams and assignments. Note that when making reference to published works/secondary data, etc., you must provide appropriate credit to your sources. Use the APA manual as a reference for how citations and reports are to be prepared. Absolutely no credit/points will be granted for work where cheating (exams) and plagiarism are observed. Plagiarism will result in automatic failure of the course.

Fatal Error Policy (Outcome Assessed): Effective Written Communication Skills

If any submitted writing assignment has more than 3 obvious grammatical citation errors, the instructor will return the assignment to the student to make the appropriate corrections; otherwise, the assignment will not be graded.