

CPH 407/507: Health Care Economics and Policy SYLLABUS

Spring 2011

Time: Mondays and Wednesdays, 2:30 – 3:45 PM

Location: Drachman Hall A118

Instructor: Joe K. Gerald, MD, PhD
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Office Hours: M/W 4-5PM and by appointment

Course Description: Health policy is examined from an economic perspective. Basic economic theories and their relationships to the structure and function of the US health care system are explored. Alternative health care systems and health care reforms are also evaluated.

Course Prerequisites: Undergraduate- CPH 310: Health Care in the US
Graduate- degree seeking MEZCOPH student or permission of instructor

Course Learning Objectives: Upon completion of this course students will be able to:

- Explain how economic theory predicts the supply, demand and consumption of health care.
- Compare and contrast free market economy and command economies.
- Explain theories of market justice and social justice and how they apply to health care.
- Describe the current and historical distribution of National Health Expenditures and the various sources of health care financing.
- Describe how concepts of efficiency and value are applied to health expenditures and the relationship between expenditures and health outcomes.
- Recognize types of health care rationing and explain where and how they are utilized.
- Explain how the individual insurance market works, how insurance premiums are determined and common reasons why insurance markets fail.
- Describe relationship between provision of insurance, government regulation of insurance and health care expenditures.
- Describe the role of government in the delivery of health insurance and services including Medicare and Medicaid.
- Compare and contrast various methods of cost constraint such as managed care, restricted networks, capitation and price controls.
- Compare and contrast arguments that predict future physician/nursing oversupply versus physician shortages.

- Describe the barriers to entry and exit for physicians and nurses and their economic impact on the workforce and health expenditures.
- Explain the relationship between patents, profits, price discrimination and innovation in the pharmaceutical industry.
- Explain how individuals, interest groups and legislative members interact to establish government health policy and regulation.
- Compare and contrast the cost, quality and access of health care in various industrialized and non-industrialized nations.
- Compare and contrast the structure, delivery and financing of health care in the US and other industrialized nations.

Course Notes: Power Point lectures and additional required and supplemental reading will be available on the course web-site at <http://d2l.arizona.edu/>.

Required Texts/Readings:

- (1) Feldstein, Paul J. Health Policy Issues: An Economic Perspective (4th edition, hardback). Chicago: Health Administration Press, 2007.
- (2) Additional required readings are available at the course web-site <http://d2l.arizona.edu/>.

Course Requirements: To successfully complete this course, all students must demonstrate understanding of the course material (lectures and assigned reading) via quizzes that may be comprised of single best-answer multiple-choice and short-answer questions. All students must also demonstrate the ability to analyze and synthesize information assigned reading material via writing assignments and in-class discussions.

Students taking the course for graduate credit must also demonstrate the ability to independently research the literature related to a contemporary health care problem, identify a related economic theory and describe the outcomes predicted by theory in response to proposed policy solutions.

Grading:

The final course grade will be determined as follows:

Undergraduate		Graduate	
Quizzes:	80 pts	Quizzes:	80 pts
Final Exam:	50 pts	Final Exam:	50 pts
Debate:	20 pts	Debate:	20 pts
Lecture:	50 pts	Homework:	120 pts
Homework:	120 pts	Paper:	100 pts
Total:	320 pts	Total:	370 pts

The grading scale is as follows:

Grading Scale	
A≥	89.5%
B≥	79.5%
C≥	69.5%
D≥	64.5%
E<	64.5%

Assignment Descriptions:

Homework: Each week there will be several homework questions related to the assigned reading worth 20 points per assignment. The assignments are divided into 2 groups of 6 (1.1-1.6; 2.1-2.6). All students must complete at least 3 assignments in each group. If more than 3 are completed, only the scores on the highest 3 assignments will count toward the final grade. **To be credited for completing the assignment, students must:**

- Compose 400-500 word (1-2 page) response with the word count clearly documented at the end of the text section and before the reference list.
 - The word count includes all text plus in-text citations but not the title or reference list.
- A basic 5 paragraph format is recommended but may be modified as appropriate.
- Font must be 12 pt, double-spaced with 1 inch margins.
- At least two references in addition to the textbook must be used. At least 1 should be from a journal indexed in PubMed. Recommended journals include:
 - Health Affairs
 - Health Services Research
 - American Journal of Public Health
- References must be documented using endnotes (see JAMA or NEJM for examples).
- Assignments must be submitted via the D2L drop box by 2PM each Monday.

Quizzes: The 5 course quizzes will consist of a combination of single best answer multiple-choices questions, matching, true/false, short answer and short discussion questions. Questions will be derived from the required readings and classroom discussion. Because the lowest quiz score will be dropped, no make-up examinations will offered.

Comprehensive Final: A comprehensive final examination will consist of a combination of single best answer multiple-choices questions, matching, true/false, short answer and short discussion questions. The final examination is optional. The examination will be administered on Friday, May 6th from 1-3PM in Room A118.

Debate: There will be 6 in-class debates. Students will self-select into groups of 2-3 to participate either as pro or con for 1 of the debate topics. Students will be responsible for providing a 5 minute opening statement followed by two 3 minute rebuttal periods.

Lecture (Undergraduates only): The assignment is due on Monday, April 25th. Each undergraduate student will be responsible for creating a 20-25 slide PowerPoint lecture based on one of the book chapters. The lecture should contain a combination of text and figures/graphs/tables. At minimum, 5 outside references must be used. Prior instructor approval of the topic is required by Monday, February 14th. A first draft is due by Monday, March 28th.

Paper (graduate students only): A 2500-3000 word paper is required by Monday, April 25th. The paper must address a contemporary health care problem, a related economic theory, and proposed policy solutions. Emphasis is placed on the ability to use economic reasoning to describe the strengths and weakness of specific policy recommendations that have been proposed to solve specific problems in delivery or financing of health care. One must demonstrate the ability to independently research the literature and integrate information from the two disciplines (health care and economics). The format should follow the basic guidelines for homework assignments above except for length (2500- 3000 words) and minimum references (minimum 10). Prior instructor approval of the topic is required by Monday, February 14th. A first draft is due by Monday, March 28th.

Class Attendance/Participation: Class attendance is a critical component of the learning experience. Important concepts from the reading and outside materials will be explained and critically analyzed. Students will be responsible for all course content.

All holidays or special events observed by organized religions will be honored for those students who show affiliation with that particular religion. Absences pre-approved by the UA Dean of Students (or Dean's designee will be honored.)

Required Statements:

Communications: You are responsible for reading emails sent to your UA account from your professor, the teaching assistant and announcements that are placed on the course D2L web site. Information about readings, news events, your grades, assignments and other course related topics will be communicated to you with these electronic methods. The official policy can be found at: <http://www.registrar.arizona.edu/emailpolicy.htm>

Disability Accommodation: If you anticipate issues related to the format or requirements of this course, please meet with me. I would like us to discuss ways to ensure your full participation in the course. If you determine that formal, disability-related accommodations are necessary, it is very important that you be registered with Disability Resources (621-3268; drc.arizona.edu) and notify me of your eligibility for reasonable accommodations. We can then plan how best to coordinate your accommodations. The official policy can be found at: <http://catalog.arizona.edu/2008%2D09/policies/disability.htm>

Academic Integrity: All UA students are responsible for upholding the University of Arizona Code of Academic Integrity, available through the office of the Dean of Students and online: The official policy found at: <http://dos.web.arizona.edu/uapolicies/scc5308abcd.html> and <http://dos.web.arizona.edu/uapolicies/cai1.html>.

Classroom Behavior: Students are expected to be familiar with the UA Policy on Disruptive Behavior in an Instructional Setting found at <http://web.arizona.edu/~policy/disruptive.pdf> and the Policy on Threatening Behavior by Students found at <http://web.arizona.edu/~policy/threatening.pdf>

Grievance Policy: Should a student feel he or she has been treated unfairly, there are a number of resources available. With few exceptions, students should first attempt to resolve difficulties informally by bringing those concerns directly to the person responsible for the action, or with the student's graduate advisor, Assistant Dean for Student and Alumni Affairs, department head, or the immediate supervisor of the person responsible for the action.

Grade Appeal Policy: <http://catalog.arizona.edu/2008%2D09/policies/gradappeal.htm>

Syllabus Changes: Information contained in the course syllabus, other than the grade and absence policies, may be subject to change with reasonable advance notice, as deemed appropriate. Updates will be clearly noted on the course D2L home page.

Telephone and Computer Use: Laptops are allowed and use is governed by the following University policy [Policy Title: Acceptable Use of Computers and Networks at the University of Arizona](#). Turn your cell phones to silent or vibrate in order to not disrupt the class and disturb your fellow students and professor.

Plagiarism: What counts as plagiarism?

- Copying and pasting information from a web site or another source, and then revising it so that it sounds like your original idea.
- Doing an assignment/essay/take home test with a friend and then handing in separate assignments that contain the same ideas, language, phrases, etc.
- Quoting a passage without quotation marks or citations, so that it looks like your own.
- Paraphrasing a passage without citing it, so that it looks like your own.
- Hiring another person to do your work for you, or purchasing a paper through any of the on- or off-line sources.

Course Schedule Spring 2011

Date	Lecture Topic	Quiz	Hmk.	Ch.
Jan 12	Start of Classes Postponed			
Jan 17(M)	MLK Day (No Class)			
Jan 19	Course Syllabus and Policies			-
Section 1: Macroeconomics				
Jan 24 (M)	National Health Expenditures: Ever Increasing			1
Jan 26	National Health Expenditures: Too Much or Too Little?			2
Jan 31 (M)	National Health Expenditures: A Good Value?		1.1	3
Feb 2	Health Care Rationing: Is it Real?			5
Feb 7 (M)	Debate 1: Organ Transplants and Free-Markets	1	1.2	29
Section 2: Health Insurance Markets				
Feb 9	Health Insurance and the Free Market Economy			6
Feb 14 (M)	Uninsured: Market Failure or Market Success?	Topic Due	1.3	7
Feb 16	Medicare Insurance: An Oxymoron?			8
Feb 21 (M)	Medicare and Physicians: Goliath versus David?		1.4	10,12
Feb 23	Medicaid: Who Are the Deserving Poor?			9
Feb 28 (M)	Debate 2: The Government vs. Private Solutions	2	1.5	30
Section 3: Hospital Markets				
Mar 2	Not-for-Profit Hospitals: How Can You Tell?			14
Mar 7 (M)	Hospital Competition: Where?		1.6	15
Mar 9	Hospitals: Getting Paid Even When They Don't			16,17
Mar 14 (M)	Spring Break (No Class)			
Mar 16	Spring Break (No Class)			
Mar 21 (M)	Medicare, HMOs and Hospitals: Battle of the Goliaths		2.1	18, 19
Mar 23	Debate 3: Is More Competition a Real Solution?	3		20

Section 4: Physician Workforce and the Pharmaceutical Industry				
Date	Topic	Quiz	Hmk.	Ch.
Mar 28 (M)	Physician Workforce: Shortage or Oversupply?	1 st Draft	2.2	11, 23
Mar 30	Nursing Workforce: Shortage or Oversupply?			24
Apr 4 (M)	Debate 4: Tort Reform: Friend or Foe?		2.3	4,13
Apr 6	Prescription Drug Prices			25
Apr 11 (M)	Drug Safety: Too Much of a Good Thing?		2.4	26
Apr 13	Prescription Medication and Price Discrimination			27
Apr 18 (M)	Debate 5: Big Pharma: Villains or Necessary Evil?	4	2.5	28
Section 5: International Approaches to Health Care				
Apr 20	National Health Insurance: Eh?			32
Apr 25 (M)	National Health System: God Save the Queen!		Paper Lecture	-
Apr 27	Socialized Health Insurance: Achtung!			33
May 2 (M)	Politics of Health Care Reform		2.6	36
May 4	Debate 6: HR3962: Friend or Foe	5		35
May 6 (Fri)	Comprehensive Final Exam (1-3PM; Rm. A118)			