Section and Meeting Information
Fall 2004
Section 010
TR, 9:30a.m. – 10:45a.m.
Gore Hall, Rm. 306

Instructor Contact Information
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Course Web Site: www.ipa.udel.edu/education/courses/econ390/

Course Objectives

The purposes of this course are: (1) to familiarize students with the terminology and theory of health economics; and (2) to apply these tools to current issues in health policy and health care management. Emphasis is placed on reading and analyzing recent articles that have appeared in national newspapers, in easy-to-understand professional journals (e.g., Health Affairs), and on popular health policy Web sites. Successful students will leave the course with the ability to analyze emerging health care issues using the perspective offered by economists.

The prerequisite for this course is introduction to microeconomics (ECON 151) or an equivalent course. Students who do not feel confident using fundamental microeconomic tools are expected to seek assistance from the teaching assistant.

Required Texts and Readings


2. Additional (important) readings will be available on the Web and from the UD Library’s Electronic Reserve items in DELCAT.
   a. Articles from the journal Health Affairs can be accessed from UD Library’s electronic journal collection. See instructions for accessing electronic resources: www2.lib.udel.edu/eresources/ejcolls/. Click on “How to Connect” on the left side.
   b. Several readings are available from the library’s Electronic Reserves for this class in DELCAT. You will be required to enter a password to view Electronic Reserves items. Our class password is 7397.

   If you have questions about accessing Health Affairs or the Electronic Reserves, the UD Library staff will be glad to help. There are several ways to contact a librarian: www2.lib.udel.edu/ref/asklib/

3. When we use the names of unfamiliar diseases, tests, treatments, procedures, or drugs, it helps to take the time to learn a little more about the terminology and medical issues. Helpful information generally can be found at several popular Internet sites: www.WebMd.com, www.MayoClinic.com, or www.MedHelp.org. Or, feel free to use any reputable reference that you like.
Course Requirements

Class attendance and participation. Preparation for, attendance at, and participation in class meetings and discussions is required. This includes completion of all reading and other assignments due at each class meeting. Absences and lateness will count against your grade. Your thoughtful contributions to the class discussion will enhance the learning experience you and your classmates enjoy.

In-Class Group Exercises. Class meetings will be split roughly 65-35 between lectures and more active problem-based learning. In-class assignments will provide an opportunity to work cooperatively in groups to seek solutions to technical problems and current issues. Students who miss an in-class exercise will receive a zero grade for the assignment.

Homework. Several homework assignments will be collected and graded. I will announce these in class. You are welcome to consult with other students on homework, but you must submit original responses that you write on your own.

Students are expected to read all assigned materials. Answering the end-of-chapter questions and problems in the text will help you to digest the material fully and to identify areas in which you need additional clarification, and they are good practice for the exams.

Exams and quiz. The quiz, midterm and final exam will be closed-book and cover selected topics from the reading list. Expect a mix of multiple choice, short-answer questions, and problems. The exams frequently requiring graphical analysis of the type developed in class. You are allowed to use (but not share) a calculator; cell phone calculators are not permitted.

Grading

Assessment of student performance will be based on the assignments described above, weighted as follows. Please note that attendance and timeliness are class requirements.

15.0% Quiz (September 30)
32.5% Midterm exam (October 21)
32.5% Final exam (Final exams week)
20.0% Homework, in-class exercises, and class attendance/participation

The quiz and exams will be closed-book. No make-up exams will be given. In the event of an excused absence from the quiz or midterm, additional weight will be assigned to the final exam. Excuses should be offered prior to a test. I will drop the lower of your lowest homework or your lowest in-class exercise score. If you have a second low (or missing) homework or in-class exercise score, check with me about a make-up assignment.

Class Policies

Academic integrity. All graded written assignments, quizzes and exams are individual work unless I explicitly indicate otherwise. Refer to the University’s Student Guide to University Policies (www.udel.edu/stuguide) and Code of Conduct for detailed definitions of the required standards of academic honesty and descriptions of the sanctions associated with plagiarism, cheating, fabrication, and other violations.

Class attendance. To maintain your status as a member in good standing of this class, you must attend class, prepared and willing to contribute. Please do not take this policy lightly -- missing class will
harm your grade in three ways: 1) Your class preparation/attendance score will be reduced; 2) you will receive zero scores for missed in-class exercises; and 3) your course grade will be lowered by one full letter grade if you are absent on more than three days that I take attendance or collect assignments, regardless of reason or excuse.

Timeliness. Homework assignments are to be completed on time, ready to hand in at the beginning of class on their indicated due dates. Late arrival at class meetings is discourteous to your instructor and classmates, and may cause you to miss important material and to have your attendance score reduced.

Modifications

The instructor reserves the right to modify this syllabus as appropriate.
Outline of Course Content and Assigned Readings

Each topic will be covered in approximately one week. The topic number will give you a rough idea of what week we will be covering each topic.

1. **(Week of) Aug. 30 - Overview of health economics**
   a. Henderson, Start reading Ch 1
   b. Health Affairs assignment ([www.healthaffairs.org](http://www.healthaffairs.org)).

2. **Sept 7 - How we analyze health care markets**
   a. Henderson, Ch 2 & 3 (We will take the time later in the semester to carefully cover most of the economic graphs in Ch 3.)
      [www.cmwf.org/programs/quality/berwick_escapefire_lowres_563.pdf](http://www.cmwf.org/programs/quality/berwick_escapefire_lowres_563.pdf) We will watch a video of Berwick’s memorable speech, but you’ll find it helpful to preview the speech text. As you read his speech, see if you can find out what is meant by an “escape fire” and what does it have to do with improving our health care system?

3. **Sept 14 - Demand for health medical care**
   a. Henderson, Ch 5

4. **Sept 21 - Health insurance in the U.S.**
   a. Henderson, Ch 6 (pp. 154-158, and pp. 167-178).
   b. Henderson, Ch 14 (pp. 345-356) to learn basic information about Medicare, Medicaid and the SCHIP health insurance programs.

   **Sept 23 - Special guest speaker - Thomas A. Collier, M.D., C.F.A., Director, Comegys Bight Foundation, Chestertown, Maryland. Dr. Collier will discuss the Medicare system.**

5. **Sept 28 - Market for health care professionals**
   a. Henderson, Ch 8

   **Sept 28 - Dr. Collier will join us to discuss physician markets.**

   **Sept 30 - 25 Minute quiz at the beginning of class.**

6. **Oct 5 - Economic analysis of health insurance and managed care**
   a. Henderson, Ch 6. (Carefully read pp. 158-167; also revisit pp. 154-158, and pp. 167-178)
   b. Henderson, Ch 7

7. **Oct 12 - The market for hospital services**
   a. Henderson, Ch 9 and revisit Ch 3.
   b. Video: *Dr. Solomon’s Dilemma*

8. **Oct 19, 21 & 26 - Health care disparities and sociocultural considerations**

   **Oct 21 - Midterm exam. Closed book.**

   a. Henderson, skim Ch 10
ECON 390.10, Fall 2004


9. Oct 28 - Medical malpractice
   a. Henderson, Ch 12

   Oct 28- Dr. Collier will join us to discuss medical malpractice.

10. Nov 4, 9 & 11 - Technology and the pharmaceutical industry
    a. No class Nov 2 – Election Day.
    b. Henderson, Ch 13

    Nov 9 - Dr. Collier will discuss medical technology

    Nov 11- Special guest speaker - Robert A. Freeman, Ph.D., Executive Director, Public Policy, AstraZeneca Pharmaceuticals LP, Wilmington, Delawar.

11. See topic 10.

12. Nov 16 - Improvements in medical care
    a. Henderson, Ch 4

13. Nov 23 & 30 - Quality measurement in a competitive marketplace
    a. No class Nov 25 – Thanksgiving Break

14. Dec 2 & 7 - Selected policies to cut costs and increase access
    a. Henderson, Ch 15
    b. Henderson, Ch 17