

Syllabus and Course Description

Economics of the Health Care System

PubH 6832 and Econ 5890
Fall, 2008

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Division of Health Policy and Management
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Credits: 3 hours
Meeting Time: T and Th, 9:45 - 11:00 am
Meeting Place: 1701 University Avenue 14, TCEastbank

I. Course Description

This course is intended to give you an understanding of and appreciation for the traditional issues in health economics. The topics to be covered are: the role of prices, the production of health, the demand for health care, health insurance theory, the demand for health insurance, the health insurance market and managed care, the market for physicians' services, production and cost of health care in hospitals and nursing homes, labor issues, pharmaceuticals, cost effectiveness analysis, equity and efficiency, role of government in the health economy, international comparisons, Medicaid and Medicare, and national health insurance and reform. The course will emphasize the history, theory and policy implications of these issues.

The course relies on the use of conventional microeconomic analytical tools. You should also have a basic knowledge of fundamental descriptive and analytical statistics. You will not be expected to know calculus.

II. Course Prerequisites

A course in microeconomics, or consent of instructor.

III. Learning Objectives

The objectives of the course are

1. To give students an understanding of current health economics issues, and their historical origins and development.

2. To give students the rudimentary theoretical tools to analyze health economics problems, and show examples of how these tools have been used by economists to analyzes specific issues.
3. To give students an appreciation of the trade-offs inherent in policy solutions to almost all of the issues.
4. To make students aware of the shortcomings and criticisms of the various models used to analyze the various health economics issues.
5. To require students to organize and integrate the material from the class, for the purpose of successfully completing the exams and quizzes.

IV. Evaluation and Grading

Your grade will be based on your performance on: (1) a midterm, (2) a final, and (3) a series of 10 quizzes. Each will account for 33% of the course grade.

The course grade will be determined by the average of the number equivalents of the letter grades you receive on each of the above. When determining the grade for the course, the standard 4-point scale will be used to find the number equivalents of the letter grades. For example, if you receive a B+ on the midterm, an A on the final, and an A on the quizzes, your course grade will be calculated as follows: $(3.33 \times 0.33) + (4 \times 0.33) + (4 \times 0.33) = 3.77$. Since 3.77 is above the 3.7500 cut-off between an A and an A-, you would receive an A in the course. The cut-off between an A- and a B+ is 3.5000, and between a B+ and a B is 3.2500. Other grades would be similarly calculated.

<u>Grade Point Average</u>	<u>Grade</u>
3.7500-4.0000	A
3.5000-3.7499	A-
3.2500-3.4999	B+
2.7500-3.2499	B
2.5000-2.7499	B-
2.2500-2.4999	C+
etc.	

The quiz grade is determined by the average score on your 9 best scores on 10 weekly quizzes. Each quiz has two questions and is worth a total of 5 points. This table below shows the letter grades and grade point equivalents for the average scores on the 9 quizzes:

<u>Quiz Points</u>	<u>Grade</u>	<u>Grade Point Equivalent</u>
4.50-5.00	A	4.00
4.30-4.49	A-	3.67
4.00-4.29	A/B	3.50
3.80-3.99	B+	3.33
3.50-3.79	B	3.00
3.30-3.49	B-	2.67
3.00-3.29	B/C	2.50
2.80-2.99	C+	2.33
2.50-2.79	C	2.00
etc.		

V. Scholastic Dishonesty and Plagiarism

Students are responsible for knowing and complying with the University of Minnesota, Board of Regents' policy on student conduct and scholastic dishonesty: <http://www.umn.edu/regents/policies/academic/StudentConduct.html>.

Scholastic dishonesty as defined in the policy and will be reported to the Office of Student Judicial Affairs: <http://www.sja.umn.edu/> and will result in a grade of "F" or "N" for the entire course.

Plagiarism is an important element of this policy. It is defined as the presentation of another's writing or ideas as your own. Serious, intentional plagiarism will result in a grade of "F" or "N" for the entire course. For more information on this policy and for a helpful discussion of preventing plagiarism, please consult University policies and procedures regarding academic integrity: <http://cisw.cla.umn.edu/plagiarism/uofmpolicies.html>.

Students are urged to be careful that they properly attribute and cite others' work in their own writing. For guidelines for correctly citing sources, go to <http://tutorial.lib.umn.edu/> and click on "Citing Sources".

In addition, original work is expected in this course. It is unacceptable to hand in assignments for this course for which you receive credit in another course unless by prior agreement with the instructor. Building on a line of work begun in another course or leading to a thesis, dissertation, or final project is acceptable. If you have any questions, consult the instructor.

VI. Course Withdrawal

School of Public Health students may withdraw from a course **through the second week** of the semester without permission. No "W" will appear on the transcript. **After the second week**, students are required to do the following:

- The student must contact and notify their advisor and course instructor informing them of the decision to withdraw from the course.
- The student must send an e-mail to the SPH Student Services Center (SSC). The email must provide the student name, ID#, course number, section number, semester, and year with instructions to withdraw the student from the course, and acknowledgement that the instructor and advisor have been contacted.
- The advisor and instructor must email the SSC acknowledging the student is canceling the course. All parties must be notified of the student's intent.
- The SSC will complete the process by withdrawing the student from the course after receiving all emails (student, advisor, and instructor). A "W" will be placed and remain on the student transcript for the course.
- After discussion with their advisor and notification to the instructor, students may withdraw up until the eighth week of the semester. There is no appeal process.

VII. Course Text and Readings

The primary text for this course is Santerre and Neun, *Health Economics: Theories, Insights, and Industry Studies*, 4th Edition, Mason, OH: Thomson, 2007. The supplemental text is my book on *The Theory of Demand for Health Insurance*, Stanford, CA: Stanford University Press, 2003. Additional readings listed are available at the electronic journals page at the University of Minnesota library site, or are available from Web CT.

VIII. Course Outline/Schedule

Date Topic Readings (O = optional reading) _____ .

9/4 Introduction and Overview

Santerre and Neun, Ch. 1.

Caitlin, Aaron, Cathy Cowan, Micah Hartman, Stephen Heffler and the National Health Expenditure Accounts Team. "National Health Spending in 2006: A Year of Change for Prescription Drugs," Health Affairs vol. 27, no. 1, January/February 2008, pp. 14-29.

Available from electronic journals.

(O = Optional) Pauly, Mark V. "When Does Curbing Health Costs Really Help the Economy?" Health Affairs vol. 14, no. 2, Summer 1995, pp. 68-82.

(O) Pauly, Mark V. "Is Medical Care Different?" in Competition in the Health Care Sector: Past, Present and Future ed. Warren Greenberg. Germantown, MD: Aspen Systems, 1978.

9/6 Importance of Prices in the Medical Sector

Santerre and Neun Ch. 8 (pp. 193-203).

Anderson, Gerard F., Uwe E. Reinhardt, Peter S. Hussey and Varduhi Petrosyan. "It's the Prices, Stupid: Why the United States Is So Different From Other Countries," Health Affairs vol. 22, no. 3, May/June 2003, pp. 89-105. Available from electronic journals.

Cutler, David M., Mark McClellan, Joseph P. Newhouse, Dahlia Remler. "Are Medical Prices Declining? Evidence from Heart Attack Treatments," Quarterly Journal of Economics vol. 113, no. 4, November 1998, pp. 991-1024. Available from electronic journals or on the WebCT web site as a PDF file.

(O) Anderson, Gerard F., Peter S. Hussey, Bianca K Frogner, and Hugh R. Waters. "Health Spending In the United States and the Rest of the Industrialized World," Health Affairs vol. 24, no. 4, pp. 903-914.

9/11 The Production of Health and Health Disparities

QUIZ #1

Santerre and Neun, Ch. 2.

Murray, Christopher J. L. et al. "Eight Americas: Investigating Mortality Disparities across Races, Counties, and Race-Counties in the United States," Public Library of Science Medicine vol. 3, no. 9, September 2006, pp. 1-12. Available from electronic journals.

(O) Fuchs, Victor R. "Who Shall Live?" Chapter 2 in Who Shall Live? New York: Basic Books, 1974, pp. 30-55. On reserve at Diehl library.

(O) Levy, Helen and David Meltzer. "What Do We Really Know About Whether Health Insurance Affects Health?" in Health Policy and the Uninsured, Catherine G. McLaughlin, ed. Washington, DC: The Urban Institute Press, 2004.

(O) Grossman, Michael. "On the Concept of Health Capital and the Demand for Health," Journal of Political Economy vol. 80, 1972, pp. 223-255.

9/13 Demand for Medical Care: Theory, Empirical Evidence and Attrition Bias in the RAND Health Insurance Experiment

Santerre and Neun, Ch. 5.

Manning, Willard G., et al. "Health Insurance and the Demand for Medical Care: Evidence from a Randomized Experiment," American Economic Review vol. 77, no. 3, June 1987, pp. 251-277. Available from electronic journals or on the WebCT web site as a PDF file.

Nyman, John A. "American Health Policy: Cracks in the Foundation," Journal of Health Policy, Politics and Law vol. 32, no. 5, October 2007, pp. 759-784.

Newhouse et al., "Attrition in the RAND Health Insurance Experiment: A Response to Nyman," Journal of Health Politics, Policy and Law, vol. 33, no. 2, March 2008, pp. .

Nyman, John A. "Health Plan Switching and Attrition Bias in the RAND Health Insurance Experiment," Journal of Health Politics, Policy and Law, vol. 33, no. 2, March 2008, pp. 309-313.

(O) Manning, W. G., Jr., Naihua Duan, E. B. Keeler. "Attrition Bias in a Randomized Trial of Health Insurance," University of Minnesota, Minneapolis, April 1993. Available at Joseph Newhouse's Harvard University website (www.hcp.med.harvard.edu/files/Attrite_2/pdf [accessed on December 10, 2007]).

(O) Rice, Thomas. "An Alternate Framework for Evaluating Welfare Losses in the Health Care Market," Journal of Health Economics vol. 11, no. 1, 1992, pp. 85-92.

(O) Lohr, Kathleen N. et al. "Use of Medical Care in the RAND Health Insurance Experiment, Diagnosis- and Service-Specific Analyses in a Randomized Controlled Trial," Medical Care vol. 24, no. 9, Supplement, September 1986, pp. S1-S87.

(O) Arrow, Kenneth. "Uncertainty and the Welfare Economics of Medical Care," American Economic Review vol. 53, no. 3, 1963, pp. 941-973.

9/18 Conventional Insurance Theory: von Neumann-Morgenstern Utility Function, Expected Utility, and Pauly's Moral Hazard Welfare Loss

QUIZ #2

Santerre and Neun, Ch. 6, pp. 129-141.

Nyman, Chs. 1 and 2.

(O) Pauly, Mark. "The Economics of Moral Hazard: Comment," American Economic Review vol. 58, June 1968, 531-537.

(O) Friedman, Milton and L. J. Savage. "The Utility Analysis of Choices Involving Risk," Journal of Political Economy vol. 56, no. 4, August 1948, pp. 279-304.

(O) Feldman, R. and B. Dowd. "A New Estimate of the Welfare Loss of Excess Health Insurance," American Economic Review vol. 81, 1991, 297-301.

(O) Feldstein, M. 1973. "The Welfare Loss of Excess Health Insurance," Journal of Political Economy vol. 63, 1973, pp. 251-280.

(O) Manning, W. and S. Marquis. "Health Insurance: The Tradeoff between Risk Pooling and Moral Hazard," Journal of Health Economics vol. 15, 1996, pp. 609-640.

9/20 New Insurance Theory: Anomalies and Income Transfer Effect

Santerre and Neun, Ch. 6, pp. 142-149.

Nyman, Ch. 3.

(O) Nyman, John A. "The Value of Health Insurance," in The Elgar Companion to Health

Economics, Andrew M. Jones, ed., Cheltenham, UK: Elgar, 2006.

(O) Nyman, John A. "Health Insurance Theory: The Case of the Missing Welfare Gain," European Journal of Health Economics, 2008.

(O) Nyman, John A. "The Economics of Moral Hazard Revisited," Journal of Health Economics vol. 18, no. 5, December 1999, pp. 811-824.

(O) Nyman, John A. and Roland Maude-Griffin. "The Welfare Economics of Moral Hazard," International Journal of Health Care Finance and Economics, vol. 1, no. 1, March 2001, pp.23-42.

9/25 New Insurance Theory: Quid Pro Quo Specification of the Expected Utility Problem and the Access Motive

Guest lecturer: Peter Graven

QUIZ #3

Nyman, Chs. 4 and 5.

(O) Nyman, John A. "The Value of Health Insurance: The Access Motive," Journal of Health Economics vol. 18, no. 2, April 1999, pp. 141-152.

(O) Kahneman, Daniel and Amos Tversky. "Prospect Theory: An Analysis of Decision under Risk," Econometrica 47, 1982, 263-291.

9/27 New Insurance Theory: Estimates of the Welfare Loss and Gain, Why Consumers Sometimes Do Not Purchase Health Insurance, and Implications for Policy

Nyman, Chs. 6-10.

(O) Miller, Wilhelmine, Elizabeth Richardson Vigdor, Willard G. Manning. "Covering the Uninsured: What Is It Worth?" Health Affairs Web Exclusive, 31 March, 2004, pp. W4-157-W4167.

(O) Franks, Peter, Carolyn M. Clancy, Marthe R. Gold. "Health Insurance and Mortality: Evidence From a National Cohort," Journal of the American Medical Association vol. 270, no. 6, Aug 11, 1993, pp. 737-741.

(O) Newhouse, Joseph P. "The Erosion of the Medical Marketplace," in Advances in Health Economics and Health Services Research vol. 2, ed. Richard Scheffler. Westport, CT: JAI Press, 1981.

10/2 Insurance Theory: Loose Ends and Discussion

Santerre and Neun, Ch. 6, pp. 149-162.

10/4 The Private Health Insurance Industry

QUIZ #4

Santerre and Neun, Ch. 11.

Miller, Robert H. and Harold Luft. HMO Plan Performance Update: An Analysis of the Literature, 1997-2001. Health Affairs vol. 21, no. 4, 2002, pp. 63-86. Available from electronic journals.

(O) Manning, Willard G. et al. "A Controlled Trial of the Effect of a Prepaid Group Practice on Use of Services," New England Journal of Medicine vol. 310, no. 23, June 7, 1984, pp. 1505-1510.

(O) Bowman, Karlyn. "Health Care Attitudes Today," American Enterprise Institute for Public Policy Research, Papers and Studies, read it at www.aei.org/ps/psbowman.htm.

(O) Morgan, Robert O., Beth A. Virnig, Carolee A. DeVito, and Nancy Persily. "The Medicare-HMO Revolving Door--The Healthy Go In and the Sick Go Out," New England Journal of Medicine, vol. 337, no. 3, July 17, 1997, pp. 169-175.

(O) Baker, Laurence C., "The Effect of HMOs on Fee-for-Service Health Care Expenditures: Evidence from Medicare," Journal of Health Economics, vol. 16, no. 4, August 1997, pp. 453-481.

(O) Newhouse, Joseph P., William B. Schwartz, Albert P Williams, Christina Witsberger. "Are Fee-for-Service Costs Increasing Faster Than HMO Costs?" Medical Care vol. 23, no. 8, August 1985, pp. 960-966.

(O) Wickizer, Thomas M. "The Effect of Utilization Review of Hospital Use and Expenditures: A Review of the Literature and an Update on Recent Findings," Medical Care Review vol.47, no. 3, Fall 1990, pp. 327-363.

(O) Khandker, Rezual K. and Willard G. Manning. "The Impact of Utilization Review of Costs and Utilization," in Health Economics Worldwide, P. Zweifel and H.E. Frech, III, eds. (The Netherlands: Kluwer Academic Publishers, 1992), pp. 47-62.

(O) Scheffler, Richard M., Sean D. Sullivan and Timothy Haochung Ko. "The Impact of Blue Cross and Blue Schield Utilization Management Programs, 1980-1988," Inquiry vol. 28, Fall 1991, pp. 263-275.

(O) Feldman, Roger. "The Ability of Managed Care to Control Health Care Costs: How Much Is Enough?" Journal of Health Care Finance, vol. 26, no. 3 , Spring 2000, pp. 15-25.

(O) Rosenthal, Meredith B. and Joseph P. Newhouse. "Managed Care and Efficient Rationing," Journal of Health Care Finance, vol. 28, no. 4, Summer 2002, pp. 1-10.

10/9 Physicians: Costs, Licensure, and Induced Demand

Santerre and Neun, Ch. 12, pp. 339-355.

Moseley, J. Bruce, Kimberly O'Malley, Nancy J. Peterson, Terri J. Menke, Baruch A. Brody, David H. Kuykendall, John C. Hollingsworth, Darol M. Ashton, and Nelda P. Wray. "A Controlled Trial of Arthroscopic surgery for Osteoarthritis of the Knee," New England Journal of Medicine vol. 347, no. 2, July 11, 2002, pp. 81-88. Available from electronic journals or on the WebCT web site as a PDF file.

(O) Friedman, Milton. "Occupational Licensure," Capitalism and Freedom. Chicago: University of Chicago Press, 1962, pp. 137-160.

(O) Hillman AL, Pauly MV, Kerstein JJ. "How do financial incentives affect physicians' clinical decisions and the financial performance of health maintenance organization," New England Journal of Medicine vol. 321, July 13, 1989, pp. 86-92.

(O) Hillman AL et al. "Frequency and costs of diagnostic imaging in office practice—a comparison of self-referring and radiologist-referring physicians," New England Journal of Medicine vol. 323, December 6, 1990, pp. 1604-1608.

(O) Hickson, Gerald B., William A. Altmeier, and James M. Perrin. "Physician Reimbursement by Salary or Fee-for-Service: Effect on Physician Practice Behavior in a Randomized Prospective Study," Pediatrics vol. 80, no. 3, September 1987, pp. 344-350.

(O) Reinhardt, Uwe E. Physician Productivity and the Demand for Health Manpower. Cambridge, MA: Ballinger, 1975.

(O) Escarce, José J. "Medicare Patients' Use of Overpriced Procedures before and after the Omnibus Budget Reconciliation Act of 1987," American Journal of Public Health vol. 83, no. 3, March 1993, pp. 349-355.

(O) Rossiter, Louis F. and Gail R. Wilensky. "A Reexamination of the Use of Physician Services: The Role of Physician-Initiated Demand," Inquiry vol. 20, Summer 1983, pp. 162-172.

(O) Roemer, Milton I. "Bed Supply and Hospital Utilization: A Natural Experiment," Hospitals vol. 35, no. 21, November 1, 1961, pp. 36-42.

10/11 Physicians: Price Discrimination and Malpractice

QUIZ #5

Santerre and Neun, Ch. 12, pp. 355-377.

(O) Kessel, Rubin A. "Price Discrimination in Medicine," Journal of Law and Economics vol. 1, no. 2, 1958, pp. 20-58.

10/16 Physicians: Small Area Variation, Specialization, and Another Perspective

Wennberg, J. E., McPherson, K., and P. Caper. "Will Payment Based on Diagnosis-related Groups Control Hospital Costs?" New England Journal of Medicine vol. 311, no. 5, 1984, pp. 295-330. Available from electronic journals.

Nyman, John A., Willard G. Manning, Simonetti Samuels, and Bernard F. Morrey. "Can Specialists Reduce Costs? The Case of Referrals to Orthopaedic Surgeons," Clinical Orthopaedics and Related Research vol. 350, 1998, pp. 257-267. Available from electronic journals.

Gawande, Atul. "Piecework." The New Yorker April 4, 2005. Available from electronic journals or on the WebCT web site as a PDF file.

(O) Nyman, John A., Steven Hillson, Tamara Stoner, and Andrea DeVries. "Do Specialists Order Too Many Tests? The Case of Allergists and Pediatric Asthma," Annals of Allergy, Asthma, & Immunology vol. 79, no. 6, November 1997, pp. 496-503

10/18 **MIDTERM**

10/23 Hospitals: Efficiency and Public Policy/Structure of Industry and the Theory of Non-Profits

Santerre and Neun, Ch. 7.

(O) Zwanziger, Jack and Glenn A. Melnick. "The Effects of Hospital Competition and the Medicare PPS Program on Hospital Cost Behavior Hospital in California," Journal of Health Economics 7(4), December 1988, pp. 301-320.

(O) Grannemann, Thomas W., Randall S. Brown and Mark V. Pauly. "Estimating Hospital Costs: A Multiple Output Analysis," Journal of Health Economics vol. 5, no.2, June 1986, pp. 107-128.

10/25 Hospitals: Performance

Santerre and Neun, Ch 13.

QUIZ #6

(O) Newhouse, Joseph P. "Toward a Theory of Non-Profit Institutions: An Economic Model of a Hospital," American Economic Review vol. 60, no. 1, 1970, pp. 64-74.

(O) Harris, Jeffrey E. "The Internal Organization of Hospitals: Some Economic Implications," Bell Journal of Economics vol. 8, no. 2, Autumn 1977, pp. 467-482.

(O) Pauly, Mark and Michael Redisch. "The Not-for-Profit Hospital as a Physicians' Cooperative," American Economic Review vol. 63, no. 1, March 1973, pp. 87-99.

(O) Sloan, Frank A. "Not-for-profit Ownership and Hospital Behavior," Handbook of Health Economics, Volume 1, edited by A. J. Culyer and J. P. Newhouse. Amsterdam: Elsevier, 2001.

(O) Frank, Richard G. and David S. Salkever. "Nonprofit Organizations in the Health Sector," Journal of Economic Perspectives vol. 4, no. 4, Fall 1994, pp. 129-144.

10/30 Labor Market Issues: Shortages, Surpluses, Monopsony and the Shortage of Nurses

Guest Lecturer: Holly Rodin, Ph.D.

Buerhaus, Peter I., Douglas O. Staiger, David I. Auerbach. "Is the Current Shortage of Hospital Nurses Ending?" Health Affairs vol. 22, no. 6, 2003, pp. 191-198. Available from electronic journals.

Hirsch, Barry and Edward Schumacher. "Monopsony Power and Relative Wages in the Labor Market for Nurses," Journal of Health Economics vol. 14, 1995, pp. 443-476. Available from electronic journals. [Focus on theory and empirical conclusions.]

(O) Yett, Donald E. An Economic Analysis of the Nursing Shortage. Lexington, MA: Lexington Books, 1975.

11/1 Managed Care and Market Models: Another View of Prices

QUIZ #7

Santerre and Neun, Ch. 8, pp. 203-226.

Cutler, David M., Mark McClellan, and Joseph P. Newhouse. "How Does Managed Care Do It?" Rand Journal of Economics vol. 31, no. 3, Autumn 2000, pp. 526-548. Available from electronic journals.

(O) Brooks, John M., Avi Dor, and Herbert S. Wong. "Hospital-insurer Bargaining: An Empirical Investigation of Appendectomy Pricing," Journal of Health Economics vol. 16, no. 4, August 1997, pp. 417-434.

11/6 Pharmaceuticals

Santerre and Neun, Ch. 14.

Elliot, Carl. "The Drug Pushers," The Atlantic Monthly, April 2006, pp. 2-13. Available from electronic journals.

11/8 The Market for Long-Term Care

QUIZ # 8

Santerre and Neun, Ch. 15.

Nyman, John A. "Prospective and 'Cost-Plus' Medicaid Reimbursement, Excess Medicaid Demand, and the Quality of Nursing Home Care," Journal of Health Economics vol. 4, no. 3, September 1985, pp. 237-259. Available from electronic journals.

(O) Nyman, John A., Dennis L. Bricker. "Profit Incentives and Technical Efficiency in the Production of Nursing Home Care," Review of Economics and Statistics vol. 74, no. 1, November 1989, pp. 586-94.

(O) Nyman, John A. "The Marginal Cost of Nursing Home Care," Journal of Health Economics vol. 7, 1988, pp. 393-412.

11/13 The Market for Long-Term Care and Long-term Care Insurance

Nyman, John A. "The Private Demand for Nursing Home Care," Journal of Health Economics vol. 8, no. 2, June 1989, pp. 209-231. Available from electronic journals.

Nyman, John A. and Robert A. Connor. "Do Case-mix Adjusted Nursing Home Reimbursements Actually Reflect Costs? Minnesota's Experience," Journal of Health Economics vol. 13, no. 2, July 1994, pp. 145-162. Available from electronic journals.

(O) Pauly, Mark V. "The Rational Non-Purchase of Long-term Care Insurance," Journal of Political Economy vol. 98, no. 1, 1990, pp. 153-68.

(O) Brown, Jeffrey and Amy Finkelstein. "Why is the Market for Long-term Care Insurance So Small?" Journal of Public Economics, vol. 91, no. 10, November 2007, pp. 1967-1991.

11/15 The Case for Government Intervention

QUIZ #9

Santerre and Neun, Ch. 9.

(O) Bator, Francis M. "The Anatomy of Market Failure," Quarterly Journal of Economics, August 1958, pp. 351-379.

11/20 More on Government Intervention

No new readings.

(O) Lanning, Joyce A., Michael A. Morrissey, and Robert L. Ohsfeldt. "Endogenous Hospital Regulation and Its Effects on Hospital and Non-hospital Expenditures," Journal of Regulatory Economics vol. 3, 1991, pp. 137-154.

(O) Salkever, David S. and Thomas W. Bice. Hospital Certificate-of-Need Controls: Impact on Investment, Costs, and Use. Washington: American Enterprise Institute, 1979.

11/27 Government as Health Insurer: Medicare and Medicaid

QUIZ #10

Santerre and Neun, Ch. 10.

11/29 Cost-effectiveness Analysis in Health Care

Santerre and Neun, Ch. 3.

Nyman, John A. Nathan A. Barleen, Bryan E. Dowd, Daniel W. Russell, Stephen Joel Coons, Patrick W. Sullivan. "Quality-of-Life Weights for the US Population: Self-reported Health Status and Priority Health Conditions, by Demographic Characteristics," Medical Care vol. 45, no. 7, July 2007, pp. 618-628. Available from electronic journals.

(O) Cutler, David M., Allison B. Rosen, and Sandeep Vijan. "The Value of Medical Spending in the United States, 1960-2000," NEJM vol. 355, no. 9, August 31, 2006, pp. 20-27.

Gold, Marthe R. et al., eds. Cost-Effectiveness in Health and Medicine. New York: Oxford University Press, 1996.

(O) Drummond, Michael F., Mark J Sculpher, George W. Torrance, Bernie O'Brien, Greg L. Stoddard. Methods for the Economic Evaluation of health Care Programmes. Third Edition. Oxford: Oxford University Press, 2005.

(O) Nyman, John A., et al. "Cost-effectiveness of Gemfibrozil for Coronary Heart Disease Patients with Low Levels of High-Density Lipoprotein Cholesterol," Archives of Internal Medicine vol. 161, no. 2, Jan. 28, 2001, pp. 177-184.

12/4 International Comparisons and the Uninsured in America

Santerre and Neun, Ch. 4.

Nolte, Ellen and C. martin McKee. "Measuring the Health of Nations: Updating an Earlier Analysis," Health Affairs vol. 27, no. 1, January/February 2008, pp. 58-71.

12/6 Reform: History and 2 Proposals

Santerre and Neun, Ch. 16.

The Physicians' Working Group for Single-Payer National Health Insurance. "Proposal of the Physicians' Working Group for Single-Payer National Health Insurance," JAMA vol 290, no. 6, August 13, 2003, pp. 798-805. Available on Web CT web site as a PDF file.

Gruber, Jonathan and L. Levitt. "Tax Subsidies for Health Insurance: Cost and Benefits," Health Affairs vol. 19, 2000, pp. 72-85.

(O) The Kaiser Commission on Medicaid and the Uninsured: Chartbook (Health Insurance Coverage in America: 2002 Update); 2003. Available at: <http://www.kff.org/content/2003/4070>. Accessibility verified July 22, 2003.

(O) Henry J. Kaiser Family Foundation Kaiser Health Poll Report, January/February 2003 Edition. Public opinion on the uninsured. Available at: <http://www.kff.org/healthpollreport/templates/summary.php?feature=feature3>. Accessibility verified July 11, 2003

12/11 Reform: Consumer Driven Health Care, and Prices Again

Pauly, Mark V. and John C. Goodman. "Tax Credits for Health Insurance and Medical Savings Accounts," Health Affairs 14(1), Spring 1995, pp. 125-139.

Nyman, John A. "Consumer-Driven Health Care: Moral Hazard, the Efficiency of Income Transfers, and Prices," Connecticut Journal of Insurance Law vol. 13, no. 1, 2006-2007. (Copies will be made available in class.)

Porter, Michael E. and Elizabeth Olmsted Teisberg. "Redefining Competition in Health Care," Harvard Business Review June 2004, pp. 65-76.

12/19 **FINAL EXAM** (10:30am-12:30pm Wednesday, December 19)

It is University policy to provide, on a flexible and individualized basis, reasonable accommodations to students who have a documented disability (e.g., physical, learning, psychiatric, vision, hearing, or systemic) that may affect their ability to participate in course activities or to meet course requirements. Students with disabilities are encouraged to contact Disability Services to have a confidential discussion of their individual needs for accommodations. Disability Services is located in Suite 180 McNamara Alumni Center, 200 Oak Street. Staff can be reached by calling 612/626-1333 (voice or TTY)."

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