#### UNIVERSITY OF COLORADO

# Department of Economics Economics 4999-011: Health Economics, Fall 2009

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**Office Hours:** Monday/Wednesday 11:00-noon in Economics 14C

**Course Website:** http://www.colorado.edu/ibs/hb/barham/courses/econ4999/

## **Course Description**

Health economics is a growing field and is an important aspect of public policy in developed and developing countries. The purpose of this course is to encourage students to read, think, and do research on issues in health economics. This course will cover issues that are pertinent to the US, other developed countries and developing countries. In order to help ready students for their working careers, students will be asked to use and improve their research and communication skills (writing and speaking) as well as their ability to work in groups. These skills will be developed while they learn about topics in health economics.

## **Course Organization**

This course will comprise three parts. Part 1 will cover about a third of the time. During this time I will lecture on some of the basic concepts that underpin Health Economics. During part 2 of the course, which will last approximately 5 weeks, you will work on your research and presentation skills by doing a group paper and lecture. Finally, for part 3 you will write 3 short research papers on the health care system of a country and give a presentation.

# **Prerequisites**

While there are no official course pre-requisites, students will be expected to be comfortable with the material from introductory and intermediate microeconomics or willing to put in some extra time to learn the material necessary. Some familiarity with calculus will be helpful for comprehending some of the reading material but is not required. An exposure to regression analysis will also be useful for understanding the material but is not required. Students who are unsure about their preparation for the course should speak with me.

# **Textbook & Reading**

There is no required text for this course. Your readings are on the course website. They are password protected. I will be providing you with the user name and password in class.

# **Evaluation**

Evaluation for this course will be based on a mid-term exam, individual project and group project. There will be no make-up exam so make sure you are there. The projects are described at the end of the course outline.

Written projects are due in class unless otherwise indicated below. There will be severe penalty for late projects: you will lose a full grade level for each day beyond the due date (i.e. an "A" paper that is

handed in a day late will receive a "B"). Note I count the first day late to be after class on the day it is due.

PROJECT	DUE DATE	PERCENTAGES
Mid-Term Exam		30 %
Individual Project		30 %
Country Choice	August 31 <sup>st</sup> decided in class	
Stage 1	Sept 9 due in class	6
Stage 2	Sept 23 due in class	6
Stage 3	Oct 19 copy in mail box and	8
	send an electronic copy	
Oral Presentation		10
Group Project		20%
Group paper	2 days before oral presentation-	10
	send to me by email	
Oral Presentations	TBD	10
<b>Participation</b>		20 %
Group Participation		8
Class Participation		12

# **Participation Points and Attendance**

*Group Participation Points (worth 8 percent of your entire grade)* 

To prevent free riding, each member of a group will be asked to grade the *effort* of the other group members. After you have finished your group lecture I will ask you each to email me participation grades from each of your group members so it is anonymous. These grades are then mixed in with my grades for participation making it difficult for your group members to know what score you gave.

#### Other Class Participation Points

These are gained throughout the class and a worth a total of 12 percent of your grade.

5 percent will be given during the group presentations. You must prepare two questions for each lecture and hand the questions into me at the beginning of class. You can use the group paper to develop your questions. You will be awarded participation points for handing in your questions. You will receive 0 points if you are not at class. You will receive 1 point for being at class but not handing in any questions, you will receive 1 points for handing in 2 relevant questions and you will receive 3 points for handing in 2 relevant questions. If you miss more than one class during the group presentations you will get a zero for the participation points for this section. You must sign the sign-in sheet to be counted as present.

4 percent will be given during the individual presentations. If you miss more than one class during the individual presentations you will get a zero for the participation points for this section. You must sign the sign-in sheet to be counted as present.

3 percent I assign based on who has asked questions and actively participated in the class throughout the year.

# **Tentative Schedule**

WEEK	DATE	TOPIC	
		Tuesday	Thursday
1	Aug 24, 26	Syllabus Review and Introduction	Research Methods
2	Aug. 31 Sept 2	Health Production Functions Demand for Health Care	Health Production Functions Demand for Health Care
3	Sept 7, 9	Labor Day no class	Health and Economic Development
4	Sept 14, 16	Equity, Efficiency and Need	Rational for Government Intervention
5	Sept 21, 23	Health Insurance	Health Insurance
6	Sept 28, 30	Health Insurance	Health Insurance
7	Oct 5, 7	Health Sector Reform	Health Sector Reform
8	Oct 12, 14	MID-TERM EXAM	Groups Professor in classroom
9	Oct 19, 21	Groups meet with Professor in classroom	To be determined
10	Oct 26, 28	Group Lecture	Group Lecture
11	Nov 2, 4	Group Lecture	Group Lecture
12	Nov 9, 11	Group Lecture	Group Lecture
13	Nov 16, 18	Individual presentations	Individual presentations
14	Nov 23, 25	FALL BREAK	
15	Nov 30, Dec 2	Individual presentations	Individual presentations
16	Dec 7, 9	Individual presentations	Individual presentations

# **Group Project**

The objective of this project is to research a particular topic in health economics. You will form groups of approximately 4 people. There are some topics which are developing country focused and others that are developed country focused. Your research output will take the form of a group paper (to be made available to students 2 days before you lecture) and a group lecture – your group will teach a class. Each group member should participate in the preparation of the paper and must give part of the group lecture. You may want to prepare some thought provoking questions to help engage the class.

#### Please note that wikipedia may not be used as a reference.

#### **Office Meeting:**

I will meet with each group at least a week before they are to give their oral presentation. During this meeting you should have already done some research so you can come with reading your have found an an outline of what you want to say and who will take which part. We will go over your outline together and discuss what you think you would like to say in your lecture.

#### **Group Paper:**

You will prepare a paper on your topic as a group. Your paper must be properly referenced. You will base you oral presentation on this paper. I suggest no more than 30 pages long double spaced. To get full points you need to email me your paper 2 days before you give the lecture. Otherwise the late penalties described about will be applied. Feel fee to give the class a couple of readings if you think that would help the class participate.

#### **Group Lecture:**

Each group will teach a class based on the research they did in their paper using a power point or other type of presentation software. Each person in your group needs to participate in giving the lecture. You should plan on talking for an hour and leave 15 to minutes for class discussion and wrap up.

#### **Suggested List of Topics (others welcome):**

- 1. Drug Policy in the Developed World
- 2. Drug Policy in the Developing World
- 3. The Economics of HIV/AIDS
- 4. Social Insurance in the US: Medicaid and the Managed Care Revolution
- 5. Pay-for-Performance
- 6. Health Savings Accounts

# **Individual Project**

The objective of this project is to become the expert on the health system of a country of your choice, to describe the health challenges facing the country, and prescribe a potential policy solution. You may not choose the US. **Please note that wikipedia may not be used as a reference**. The project will consist of 4 stages:

#### **Stage 1: Performance of the Health Care System**

Produce a paper that is a maximum of 4 double spaced pages plus tables (i.e. tables are not included in the page limit). The paper must be properly referenced including the data sources. I will give you three data sources during the research methods class. You must base your paper on one or more of these data sources. You are welcome to find other sources as well. In this summary you want to

use health data to report on the performance of the health care system. Make sure to describe the data in words in the text of your paper. Based on the data and your readings outline some of the challenges you think this country faces. You must include data on:

- Trends in expenditures (per capita, GDP, public versus private, and other variants)
- Trends in mortality/life expectancy: by age (infant, under 5, and adult) and gender
- Trends in morbidity: find statistics on the diseases that are relevant for your country and make the case why the diseases you choose are relevant.
- Trends in health care resources: doctors and nurses per capita, hospital beds per capita, medical equipment per capita.
- Trends refers to examining data between the years 1960 to 2008 (when possible) not just the past 10 years.
- For all tables make comparisons between your country and other countries in the region and other countries at a similar income level (www.worldbank.org/data/countryclass/classgroups.htm).

#### **Stage 2: Overview of the Health Care System**

Produce a paper that is a maximum of 8 double spaces pages plus bibliography (i.e. bibliography is not included in the page limit). Your bibliography should include at least 3 references. The paper must be properly referenced. It should outline the country's health care system. Below are the general areas you should cover. Note depending on your country you may not be able to cover all these topics. However, you may find something else interesting to put in instead.

- 1. History: when the system was created and what lead to its creation.
- 2. Funding: which areas are publicly or privately funded or both? And services are funded.
- 3. Delivery: Who delivers the health care? The private sector or the public sector?
- 4. Insurance: What type of insurance system is available (universal, employment-based), are there uninsured? Are there tax break systems such as Health Savings Accounts?

### **Stage 3: Problems and Solutions**

Produce a paper which is a maximum 6 double spaced pages plus bibliography. In this summary you want to outline one or two important health care problem the country is facing. Use statistics to describe the program and how this health problem differs or is the same to other countries in the region or from a similar income level. Then either:

- 1. Suggest a change in health care policy (health care reform) and the economic rational for this reform, or
- 2. Describe how the country is tackling this problem and provide a critique using economic rational.

#### **Stage 4: Oral Presentation**

You should plan a presentation reviewing the three stages of your project. Usually there are 4 presentations in a day and you each have 15 minutes plus a few minutes for questions.

## **Students with Disabilities**

If you qualify for accommodations because of a disability, please submit to me a letter from Disability Services by Sept 2nd so that your needs may be addressed. Disability Services determines accommodations based on documented disabilities. Contact: 303-492-8671, Willard 322, and htp://www.Colorado.EDU/disabilityservices

If you have a temporary medical condition or injury, see guidelines at <a href="http://www.colorado.edu/disabilityservices/go.cgi?select=temporary.html">http://www.colorado.edu/disabilityservices/go.cgi?select=temporary.html</a>

## **Religious Observances**

Campus policy regarding religious observances requires that faculty make every effort to reasonably and fairly deal with all students who, because of religious obligations, have conflicts with scheduled exams, assignments, or required attendance. If you have a conflict due to a religious obligation, please see me by Sept. 2nd so that alternate arrangements can be made. Policies regarding religious practice are available at www.colorado.edu/policies/fac\_relig.html.

## **Academic Misconduct**

All students of the University of Colorado at Boulder are responsible for knowing and adhering to the academic integrity policy of this institution. Violations of this policy may include: cheating, plagiarism, aid of academic dishonesty, fabrication, lying, bribery, and threatening behavior. All incidents of academic misconduct shall be reportd to the Honor Code Council (<a href="https://www.colorado.edu">honor@colorado.edu</a>; 303-735-2273). Students who are found to be in violation of the academic integrity policy will be subject to both academic sanctions from the faculty member and non-academic sanctions (including but not limited to university probation, suspension, or expulsion). Other information on the Honor Code can be found at <a href="http://www.colorado.edu/academics/honorcode/">http://www.colorado.edu/academics/honorcode/</a>

## **Sexual Harassment**

The University of Colorado at Boulder policy on Discrimination and Harassment, the University of Colorado policy on Sexual Harassment and the University of Colorado policy on Amorous Relationships apply to all students, staff and faculty. Any student, staff or faculty member who believes s/he has been the subject of sexual harassment or discrimination or harassment based upon race, color, national origin, sex, age, disability, creed, religion, sexual orientation, or veteran status should contact the Office of Discrimination and Harassment (ODH) at 303-492-2127 or the Office of Judicial Affairs at 303-492-5550. Information about the ODH, the above referenced policies and the campus resources available to assist individuals regarding discrimination or harassment can be obtained at http://www.colorado.edu/odh

# **Learning Environment**

Students and faculty each have responsibility for maintaining an appropriate learning environment. Those who fail to adhere to such behavioral standards may be subject to discipline. Professional courtesy and sensitivity are especially important with respect to individuals and topics dealing with differences of race, culture, religion, politics, sexual orientation, gender, gender variance, and nationalities. Class rosters are provided to the instructor with the student's legal name. I will gladly honor your request to address you by an alternate name or gender pronoun. Please advise me of this preference early in the semester so that I may make appropriate changes to my records. See policies at <a href="http://www.colorado.edu/policies/classbehavior.html">http://www.colorado.edu/policies/classbehavior.html</a> and at <a href="http://www.colorado.edu/studentaffairs/judicialaffairs/code.html#student\_code">httml#student\_code</a>