

Revised March 27, 2020

Economics 379 (L01) The Economics of Health

Instructor:	Prof. Mingshan Lu	Lecture Location:	ICT 114
Phone:	403-220-5488	Lecture Days/Time:	MWF 10:00-10:50
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Office:	SS 328		
Office Hours:	MWF 09:30-10:00	Winter 2020	

Course Description:

This is a general introductory course in health economics. Students will learn how to apply economic analysis tools to understanding the economics of health and health care markets. This highly interactive course is designed to help student to establish a conceptual framework to evaluate health care system and policy, to be able to understand and participate in evidence-based decision making in health care.

Course Learning Outcomes:

- (1) Understand and apply basic economic concepts and theories in health care: such as opportunity cost, economic efficiency, asymmetric information, moral hazard, etc.
- (2) Understand the role of government in health care industry and able to apply it: when and in which direction the government should intervene the markets, as well as how to evaluate the impact of relevant government's policies on markets.
- (3) Understand consumer and provider decision making and behavior in the health care market.
- (4) Understand how to analyze the economics incentives of different payment mechanisms.
- (5) Apply economic analysis to real world issues related with health and health care you encounter in the future.

Course Outline (tentative):

1. Overview	Chapters 1
2. Government intervention and issues in Canadian health care system	Chapters 19-22
3. Economic evaluation of health care	Chapter 4
4. The supply and demand of health	Chapters 5-7
5. The supply and demand of health insurance	Chapter 8
6. Consumer choice and demand	Chapters 9
7. Asymmetric information and agency	Chapter 10
8. Physicians	Chapter 15
9. The organization of health insurance market	Chapter 11
10. Nonprofit firms and hospitals	Chapters 13-14
11. The Pharmaceutical Industry	Chapter 17

Prerequisites/corequisites:

Economics 201/203, or with consent of the instructor.

Recommended Textbook(s):

The Economics of Health and Health Care, 8th edition, by Folland, Goodman and Stano, Prentice Hall Canada. (Earlier edition is fine too.)

Books on Reserve:

Folland, Goodman and Stano. *The Economics of Health and Health Care*, Prentice Hall (latest edition)

Hurley, J. (2010). *Health Economics*, 1st ed, McGraw-Hill.

Phelps, Charles E. *Health Economics*. Routledge; 6 edition (Dec 11 2017).

Barbara McPake, Charles Normand, Samantha Smith, Anne Nolan. *Health Economics: An International Perspective*, Routledge; Newest Edition.

Thomas E. Getzen. *Health Economics and Financing*. John Wiley & Sons; Newest Edition

Zweifel, Peter, Breyer, Friedrich, Kifmann, Mathias. *Health Economics*, Springer-Verlag Berlin Heidelberg. Newest Edition.

Paul J. Feldstein. *Health Policy Issues: An Economic Perspective*. Health Administration Press; Newest edition

Culyer, A.J. & J.P. Newhouse (eds) *Handbook of Health Economics (Vol. 1A and 1B)*, Elsevier, 2000.

Newhouse, J.P. *Free for all? Lessons from the Rand Health Insurance Experiment*, Harvard University Press, 1993.

Evans, Robert. *Strained Mercy: The economics of Canadian health care*, Toronto: Buttersworth, 1984.

Lu, M. & J. Egon (eds.) *Financing Health Care: New Ideas for a Changing Society*, 1st edition, Wiley – VCH, Weinheim.

Drummond, Michael F., Bernard O'Brien, Greg Stoddart, and George Torrance. *Methods for the Economic Evaluation of Health Care Programmes*. Oxford University Press: 1997.

Joshua D. Angrist and Jörn-Steffen Pischke, *Mastering 'Metrics: The Path from Cause to Effect*, Princeton University Press: 2014.

Abhijit Banerjee, Esther Duflo, *Poor Economics: A Radical Rethinking of the Way to Fight Global Poverty*. Publicaffairs: 2012

Desire2Learn:

This course will make use of the Desire2Learn (D2L) platform. Students who are registered in the course can log on at <http://d2l.ucalgary.ca> through their student centre. Please note that D2L features a class e-mail list that may be used to distribute course-related information. These e-mails go to your University of Calgary e-mail addresses only.

Grade Determination and Final Examination Details:

There will be two tests, as well as a term paper project. The term project requirements includes two preliminary drafts of the term project, presentation & discussion at class mini-conference (in class during the last two weeks), as well as a final term paper. There is no final examination.

Grading weights will be as follows.

CLASS PARTICIPATION	10%
TEST (February 24 th 2020)	30%
Homework Assignment (Due: April 13 th , 2020)	30%
TERM PROJECT	
Term Project Paper (due 11:59pm April 19 th , 2020)	30%

The official grading system will be used. See <http://www.ucalgary.ca/pubs/calendar/current/f-1-1.html>.

Notes:

1. Grade for class participation is based on the THREE random attendance checks during the first half of the term.
2. Homework assignment should be submitted on D2L via Dropbox.

Students must receive a passing grade on TERM PROJECT to pass the course as a whole.

Tests and exams will involve multiple choice questions.

THERE WILL BE NO MAKEUP OR DEFERRED QUIZZES/TESTS/EXAMS under any circumstances, nor may the quizzes/tests/exams be written early. Students unable to write the quizzes/tests/exams because of documented illness, family emergency, religious observance, or university-sanctioned event will have the weight shifted to the remaining grading determinants (i.e. course participation, test taken, and term project); otherwise a grade of zero will be assigned.

As per the Writing Across the Curriculum Statement in the Calendar, writing and grading thereof will be a factor in the evaluation of student work. See <https://www.ucalgary.ca/pubs/calendar/current/e-2.html>.

Any student work which remains undistributed after the last day of classes will be available to students through the instructor's office during the instructor's office hours.

Reappraisal of Grades and Intellectual Honesty:

For Reappraisal of Graded Term Work, see Calendar I.2

<http://www.ucalgary.ca/pubs/calendar/current/i-2.html>

For Reappraisal of Final Grade, see Calendar I.3

<http://www.ucalgary.ca/pubs/calendar/current/i-3.html>

Statement of Intellectual Honesty, see Calendar K.4

<http://www.ucalgary.ca/pubs/calendar/current/k-4.html>

Plagiarism and Other Academic Misconduct, see Calendar K.5

<http://www.ucalgary.ca/pubs/calendar/current/k-5.html>

Academic Accommodations:

Students seeking an accommodation based on disability or medical concerns should contact Student Accessibility Services. SAS will process the request and issue letters of accommodation to instructors. Students who require an accommodation in relation to their coursework based on a protected ground other than disability should communicate this need in writing to their Instructor. The full policy on Student Accommodations is available at <http://www.ucalgary.ca/policies/files/policies/student-accommodation-policy.pdf>.

Freedom of Information and Protection of Privacy (FOIP) Act:

Personal information is collected in accordance with FOIP. Assignments can only be returned to the student and will be accessible only to authorized faculty and staff. For more information, see <http://www.ucalgary.ca/legalservices/files/legalservices/faq-students.pdf> and http://www.ucalgary.ca/legalservices/files/legalservices/faq-faculty_0.pdf.

Internet and Electronic Communication Device information:

The use of cell phones for any purpose in class is prohibited. Computers and tablets may be used for note taking only unless otherwise authorized by the instructor.

Copyright Legislation:

See the University of Calgary policy on Acceptable Use of Material Protected by Copyright at www.ucalgary.ca/policies/files/policies/acceptable-use-of-material-protected-by-copyright.pdf. Students who use material protected by copyright in violation of this policy may be disciplined under the Non-Academic Misconduct Policy.

Important Dates:

Please check: <http://www.ucalgary.ca/pubs/calendar/current/academic-schedule.html>.

Student Organizations:

Faculty of Arts Students' Association (F.A.S.A.):

Economics Department Representative

Office: SS 803, E-mail: econrep@fasaucalgary.ca and Web: www.fasaucalgary.ca.

Society of Undergraduates in Economics:

<https://www.ucalgarysue.com/>.

Society of Undergraduates in Economics is a student run organization whose main purpose is to assist undergraduate economics students to succeed both academically and socially at the University of Calgary. Services include access to the exam bank, career events such as Industry Night and information sessions, mentorship programs, and social events for members. They invite you to join by contacting SUE at societyofundergradsineconomics@gmail.com.

Faculty of Arts Program Advising and Student Information Resources:

- Have a question, but not sure where to start? The Arts Students' Centre is your information resource for everything in Arts! Drop in at SS102, call them at 403-220-3580, or email them at artsads@ucalgary.ca. You can also visit the Faculty of Arts website at

<http://arts.ucalgary.ca/undergraduate>, which has detailed information on common academic concerns, including program planning and advice.

- For registration (add/drop/swap), paying fees and assistance with your Student Centre, contact Enrolment Services at 403-210-ROCK [7625] or visit them in the MacKimmie Library Block.

Student Support and Resources:

- See <https://www.ucalgary.ca/registrar/registration/course-outlines> for information on campus mental health resources, the Student Ombuds' Office, Student Success Centre, Safewalk, and Emergency Evacuation and Assembly.
- Online writing resources are available at <https://ucalgary.ca/student-services/student-success/writing-support>.

Notes:

Students are responsible for all assigned material, e.g., supplementary material posted on D2L, regardless of whether or not the material was covered in class.

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2020-03-16