

Economics 679(L01) /MDCH 661 HEALTH ECONOMICS I

Instructor:	Prof. Mingshan Lu	Lecture Location:	SS423
Phone:	403-220-5488	Lecture Days/Time:	MW 12:30-13:45
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Office:	SS328		
Office Hours:	by appointment	Winter 2020	

Course Description:

Health care industry is a multi-billion dollar industry; it is largely complex and constantly evolving. Health care reform is one of the most critical and challenging issues facing countries around the world; countries including Canada are experimenting with various approaches to make the existing system work more efficiently. These on-going efforts will generate profound impacts on all sectors in the health care industry for many years to come.

This course introduces students to the fundamental trade-offs and principles common to global health care systems. Students will learn how to apply basic economic concepts, theories, and analytical tools to understanding the special features of health care markets as well as the role of government interventions. Specifics of health care financing policy and reforms from the Canadian health care system as well as other systems that are of particular interest will be discussed. 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.

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All students with an interest in health economics, health services research, and health policy are encouraged to enroll; background in health care field or advanced economics is not required.

Course Outcomes:

This course is geared to graduate students with research interests in the fields of health economics, health services research, and health care policy. It is specifically designed to help students to apply the concepts and methodologies of health economics in health care. Throughout the term, students will be exposed to various applied health economics issues with high policy relevance. The course is designed to provide guidance for the students to explore, select and develop their own research project, which will lead to a research proposal or research paper delivered at the end of the term.

Course Outline (tentative; subject to change)

	<i>Topics to cover</i>
Week 1	Introduction: Canadian Health Care System
Week 2	Why is Health Care Industry Different?
Week 3	RAND Health Insurance Experiment
Week 4	Efficiency
Week 5	Equity
Week 6	Reading Week
Week 7	Does Treatment Work? – Determinants of Health
Week 8	Physicians: Payment Systems and Economic Incentives
Week 9	Hospitals
Week 10	Payment Systems and Economic Incentives
Week 11	Marketing in Health Care
Week 12	Term Project Class Presentation
Week 13	Term Project Class Presentation

Prerequisites/corequisites:

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

Required Textbook(s):

None.

Recommended Textbook(s):

None. (For each topic covered, journal publications will be provided as reading materials.)

Books on Reserve:

Folland, Goodman and Stano. The Economics of Health and Health Care, 8th edition, Prentice Hall Canada.

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

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

Evans, Robert Strained Mercy: The Economics of Canadian Health Care, Toronto: Buttersworth, 1984.

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

Lisa I. Iezzoni, Risk Adjustment for Measuring Health Care Outcomes, 4th Edition, Health Administration Press, 2013.

Joshua D. Angrist, Jörn-Steffen Pischke, Mastering 'Metrics: The Path from Cause to Effect", Princeton University Press, Dec 21 2014.

Drummond M et al. Methods for the economic evaluation of health care programmes. 3rd ed. Oxford. Oxford University Press. 2005

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/Assessment:

There will be one test, as well as a term paper project (which includes presentation & discussion at a class mini-conference, and a final report). There is no final examination.

Grading weights will be as follows:

CLASS PARTICIPATION	15%
Take Home Exam	50%
TERM PROJECT	
Term Project Report (due April 19 th , 2020)	35%

Grade for class participation is based on attendance, interactions/contributions in class discussions, and demonstrated familiarity with course readings. Details on term project requirements will be discussed in Day 1 of the class; detailed instructions will be posted on the course D2L website.

Grade Determination and Final Examination Details

Department of Economics Criteria for Letter Grades. Economics professors use the following criteria when assigning letter grades:

Grade	Grade Point Value	Description
A+	4.00	Outstanding
A	4.00	Excellent-superior performance, showing-comprehensive understanding of subject matter

A-	3.70	Very good performance
B+	3.30	Good performance
B	3.00	Satisfactory performance
B-	2.70	Minimum pass for students in the Faculty of Graduate Studies
C+	2.30	All grades below "B-" are indicative of failure at the graduate level and cannot be counted toward Faculty of Graduate Studies course requirements. Individual programs may require a higher passing grade.

Grading Scale

A+	95 – 100	B	73 – 76	C-	60 – 62
A	85 – 94	B-	70 – 72	D+	56 – 59
A-	80 – 84	C+	67 – 69	D	50 – 55
B+	77 – 79	C	63 – 66	F	0 – 49

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

Tests and exams WILL NOT involve multiple choice questions. Non-programmable calculators WILL NOT be allowed during the writing of tests or final examinations.

The in-class test is tentatively set on March 30th, 2020; the exact date for the test will be announced at least one week in advance.

Absence from a Test/Exam

THERE WILL BE NO MAKEUP OR DEFERRED QUIZZES under any circumstances, nor may the quizzes be written early. Students unable to write the quizzes because of documented illness, family emergency, religious observance, or university-sanctioned event will have the weight shifted to the class participation and term project; otherwise a grade of zero will be assigned.

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 Dishonesty, 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. This course has a “no-electronic device” rule.

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 Grad Studies website: <http://grad.ucalgary.ca/home>

Graduate Students Association: <http://gsa.ucalgary.ca/>

Professional Development for Grad Students

Workshops and resources can be found at <http://www.ucalgary.ca/mygradskills/>

Economics Graduate Association: <http://econ.ucalgary.ca/ega/>

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>.
- 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.

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.

ML

2020-03-16