## PADP 8610: Economics of Health Policy

Professor: Emily Lawler
University of Georgia
Office: Baldwin Hall 280B
Public Administration and Policy
Email: emily.lawler@uga.edu
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**Classes:** Thursdays, 3:55-6:45pm, Baldwin Hall 104 **Office Hours:** Tuesdays, 2-3pm, or by appointment

## **Description**

This course provides an overview of the role of economics in health, health care, and health policy. We will survey major topics in health economics including the demand for health and health care, the supply of health care, the market for health insurance, and the role of the government in health care. Students completing this course will have an understanding of the basic tools in economics relevant to health policy.

By the end of the course, students should be able to:

- Apply economic concepts to the analysis of markets for health and health care;
- Identify the economic rationale for government intervention in health care markets;
- Understand the economic incentives facing individuals and public and private entities interacting in the health care system, and
- Evaluate the intended and unintended effects of health policies from an economic perspective.

#### **Required Text**

Health Economics, by Jay Battacharya, Timothy Hyde, and Peter Tu. Palgrave Macmillan, 2014 ("BHT")

Other required readings are noted in the course schedule and available on the course website.

#### **Grading**

Class attendance is not required, though there is little prospect of success without it.

Assignments	Weight
Weekly Reading Questions	5
2. Group Article Presentation and Discussion	10
3. Problem Sets	15
4. Midterm Exam	25

5. Final Exam	25
6. Policy Memo	20
TOTAL	100

#### **Assignment Descriptions**

#### 1. Weekly Reading Questions (5%)

In preparation for class, students will prepare two questions based on the assigned reading for that day. One of these questions can request clarification on a concept or pose a question for class discussion. For the other question, students should create an exam question based on the reading and answer it. This exam question can be a) true/false, explain, b) short answer, or c) multiple choice. You will receive a grade on a 0-2 point scale: 0 if not turned in on time; 1 if turned in but do not demonstrate engagement with the reading; 2 if questions are thoughtful (as judged by the instructor). Questions are due in eLC at 11:59pm the day before class. Your lowest grade in this category will be dropped.

## 2. Group Article Presentation and Discussion (10%)

Each group will have responsibility for leading the discussion of one of the academic articles in class. Prior to the group's assigned week, the group should come to class prepared to 1) present a brief summary of the article and 2) lead a discussion of the article with the rest of the class. The summary of the article need not be comprehensive for multi-topic review papers. It is fine to choose 2-3 of the topics to present and discuss. The presentation of the paper and discussion should last around 20 minutes total.

#### 3. **Problem Sets (15%)**

Take-home problem sets will be assigned throughout the semester. These problem sets are designed to test your understanding of class material and prepare you for midterm and final exams. Problem sets will typically be 2-3 short questions covering and building on theoretical and statistical concepts covered in class and assigned readings. Unless otherwise stated, you are encouraged to work in small groups of up to 3 people on these assignments. Turn in only one assignment for the group, with everyone's names clearly listed. Problem sets are due by the beginning of class the week after they are assigned. Late assignments will not be graded except in extreme cases with prior approval from the instructor. Your lowest grade in this category will be dropped.

#### 4. Exams (25% each)

There will be two in-class exams, each counting for 25% of the course grade. Exams will cover content in lectures and required readings. These will assess both your knowledge of specific facts/concepts and your ability to apply concepts in different contexts. Some of the questions will require calculations, so bring a calculator. Any known scheduling problems should be brought to

my attention as soon as possible. If you miss the midterm exam without a pre-approved excuse or medical emergency, you will receive a zero. If you have an approved absence, then the final exam will count for 50% of the course grade. No make-up exam will be given.

## 5. Health policy memo (20%)

This paper will count for 20% of the course grade. The goal of the assignment is to provide a short (3 pages, single-spaced) economic evaluation of some existing or proposed *health* policy. More detailed information on the assignment will be provided separately.

#### **Academic Integrity**

All students are responsible for maintaining the highest standards of honesty and integrity in every phase of their academic careers. Any form of cheating, including plagiarism without a clear citation, will not be tolerated and will result in a zero on the assignment or exam, and possible additional action. The potential penalties for academic dishonesty are severe and ignorance is not an acceptable defense.

The UGA Student Honor Code states: "I will be academically honest in all of my academic work and will not tolerate academic dishonesty of other." *A Culture of* Honesty, the University's policy and procedures for handling cases of suspected dishonesty, can be found at https://honesty.uga.edu/Academic-Honesty-Policy/

#### **Email**

You are welcome to email me whenever you have a question or need clarification about something related to class. Note that you are expected to abide by professional standards in all written and spoken communications, including email; I will not respond to emails without a subject line or appropriate salutation. Please allow sufficient time (24 hours) for a response. I will do my best to reply as soon as possible but oftentimes I might be traveling, in day-long meetings, or engaged in other activities that take me away from email.

#### **Accommodations for Disabilities**

If you plan to request accommodations for a disability, please register with the Disability Resource Center (DRC). The DRC can be reached by visiting Clark Howell Hall, by calling 706-542-8719 (voice) or 706-542-8778 (TTY), or by visiting <a href="http://drc.uga.edu">http://drc.uga.edu</a>

## **Prohibition on Recording Lectures**

In the absence of written authorization from the UGA Disability Resource Center, students may <u>not</u> make a visual or audio recording of any aspect of this course. Students who have a recording accommodation agree in writing that they:

- Will use the records only for personal academic use during the specific course.
- Understand that faculty members have copyright interest in their class lectures and that they agree not to infringe on this right in any way.
- Understand that the faculty member and students in the class have privacy rights and agree not to violate those rights by using recordings for any reason other than their own personal study.
- Will not release, digitally upload, broadcast, transcribe, or otherwise share all or any part of the recordings. They also agree that they will not profit financially and will not allow others to benefit personally or financially from lecture recordings or other course materials.
- Will erase/delete all recordings at the end of the semester.
- Understand that violation of these terms may subject them to discipline under the Student Code of Conduct or subject them to liability under copyright laws.

#### **Mental Health and Wellness Resources:**

If you or someone you know needs assistance, you are encouraged to contact Student Care and Outreach in the Division of Student Affairs at 706-542-7774 or visit <a href="https://sco.uga.edu">https://sco.uga.edu</a>. They will help you navigate any difficult circumstances you may be facing by connecting you with the appropriate resources or services.

- UGA has several resources for a student seeking mental health services (<a href="https://www.uhs.uga.edu/bewelluga/bewelluga">https://www.uhs.uga.edu/bewelluga/bewelluga</a>) or crisis support (<a href="https://www.uhs.uga.edu/info/emergencies">https://www.uhs.uga.edu/info/emergencies</a>).
- If you need help managing stress anxiety, relationships, etc., please visit BeWellUGA (<a href="https://www.uhs.uga.edu/bewelluga/bewelluga">https://www.uhs.uga.edu/bewelluga/bewelluga</a>) for a list of FREE workshops, classes, mentoring, and health coaching led by licensed clinicians and health educators in the University Health Center.
- Additional resources can be accessed through the UGA App.

# **Course Schedule Overview**

The following is a tentative schedule of the topics to be covered in each class; deviations announced to the class by the instructor may be necessary.

Jan 12	Introduction		Ch. 1
Jan 19	Demand for health care		2
Jan 26	Demand for health		3
Feb 2	Economics of health disparities	Group 1	4
Feb 9	Risk and demand for health insurance	Group 2	7
Feb 16	Adverse Selection	Group 3	8, 9, 10
Feb 23	Moral Hazard	Group 4	11
Mar 2	Health Insurance Intermediation		15
Mar 9	Spring Break – No Class		
Mar 16	Midterm exam		
Mar 23	Technology Assessment & Cost- Effectiveness Analysis		13, 14
Mar 30	Physician Labor Markets and Agency	Policy memo proposal due	5
Apr 6	Hospitals		6
Apr 13	Pharmaceuticals and Innovation		12
Apr 20	Externalities and Economic Epidemiology		20, 21
Apr 27	Comparative Health Systems	Policy memo due	16, 17, 18
May 4	Final exam		