

HEALTH ECONOMICS
ECONOMICS 4210-005
CRN 82159
FALL 2015

Time: Tuesday and Thursday 9:30-10:45
Room: Aderhold Learning Center, Room 214
Professor: Charles Courtemanche
Office: Andrew Young School of Policy Studies 532
Phone: 404-413-0082
E-mail: ccourtemanche@gsu.edu
Office hours: By appointment

Description from Course Catalog:

This course analyzes resource allocation issues in the health care sector of the U.S. and other economies. The demand, production, cost, and financing of health care services are examined using a variety of conceptual and empirical models. The economic evaluation of alternative health care programs is also discussed.

Course Objectives:

By the end of the semester, you should understand:

- 1) Why traditional results from microeconomic theory often do not apply to health care.
- 2) The factors that influence the demand for health and health care by individuals, including demographic characteristics, health behaviors, and health insurance.
- 3) Unique aspects of the supply of health care, including supplier-induced demand, malpractice liability, and regulation.
- 4) The main issues regarding the ongoing debate about health care reform.

Text:

Phelps, Charles, 2013. *Health Economics*, 5th Edition. Addison-Wesley.

Prerequisite:

Econ 2106, Principles of Microeconomics

Grading:

Quizzes	20%
Homework	4%
Midterm Exam	36%
Final Exam	40%

Homework:

You will have four homework assignments spread out throughout the semester. They will consist of a combination of math problems, graphs, and short answer questions. I encourage you to work in groups on these assignments, but you must write up your answers separately. Since I expect you to work in groups, assignments will not be graded for accuracy; a valid attempt to answer all parts of all questions will receive full credit.

No homework will be accepted after the beginning of class on the due date. If you are unable to attend class on a homework due day, you should scan and email it to me before the class' start time or drop it off at my office.

Quizzes:

On each homework due date, we will begin class with a 10 minute quiz consisting of a subset of your homework problems. You may not use your textbook or notes on the quizzes, and all work must be independent. The quizzes will be graded for accuracy. No make-up quizzes will be allowed; in the event of an excused absence (e.g. illness accompanied by doctor's note) I will exclude that quiz from your score and use your average on the other three quizzes.

Exams:

You will have two exams, a midterm and final. The final exam will not be cumulative. The exams will consist of multiple choice, fill-in-the-blank, short answer, and math sections. Make-up exams will only be granted for well-documented excused absences, and you must make every possible effort to inform me *prior* to the exam if such a situation arises.

Class Attendance and Participation:

I expect regular class attendance. While attendance is not explicitly a part of your grade, it would be extremely difficult to do well in this course without regular attendance. Lectures will occupy most of our class time, but the timeliness and policy relevance of the topics will often lead to discussions, and I expect active participation in these. Additionally, I will often ask questions during lectures to make sure that you are understanding the material.

Honors Section:

The additional requirement for the honors section is a five-page (double-spaced) paper on a current health policy issue of the student's choosing, subject to the instructor's approval. The paper will be graded on a pass-fail basis.

Important Dates:

First Day of Class: 8/25

Last Day of Class: 12/3

No Class: 11/24 and 11/26 (Thanksgiving break)

Homework Due Dates: 9/15, 10/6, 11/3, 12/1 (all Tuesdays)

Midterm Exam: Tuesday 10/13

Final Exam: Thursday 12/10, 8:00-10:30

Course Outline:

- I. Introduction (Chapter 1)
- II. Demand for Health (Chapter 2)
- III. Demand for Health Care
 - A. Theory (Chapter 4)
 - B. Evidence (Chapter 5)
- IV. Health Insurance
 - A. General Model (Chapter 10)
 - B. Managed Care (Chapter 11)
 - C. Public Insurance (Chapter 12)
- V. Supply of Health Care
 - A. Supplier-Induced Demand (Chapter 7 pp. 202-208)
 - B. Medical Malpractice (Chapter 13)
 - C. Regulation (Chapter 15 pp. 427-450)
- VI. Health Care Reform (Chapter 16)

Academic Honesty:

Students are expected to abide by GSU's Policy on Academic Honesty (Section 409), available at <http://www2.gsu.edu/~wwwfhh/sec409.html>.

AYS Career Services & Student Life Office:

<http://aysps.gsu.edu/career>

The Andrew Young School provides career planning services & student leadership opportunities (student clubs & organizations) to all current AYS students and alumni. AYS Career Services can help students with resume writing, interviewing, job searching, internship development, preparing for graduation school, and networking. Students are invited to attend our career events and workshops, and individualized career counseling appointments can be arranged. To see what career panels, career fairs, and events are available this semester, please visit: <http://aysps.gsu.edu/career/calendar>. The office also supports all AYS student clubs and organizations – so read about the various groups within the college, and join one today: <http://aysps.gsu.edu/career/student-organizations>. *The AYS Career Services & Student Life office is located on the ground floor of the Andrew Young Building, in rooms G47-51.*

The course syllabus provides a general plan for the course; deviations may be necessary.