

ECON 3301-001. HEALTH ECONOMICS

TTh 7:00 - 8:20pm

COB 239

Fall, 2013

Instructor: Don Blackburn

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Office: COB 313

Office Hours: TTh 6:00 – 6:55pm, or by appointment

Course Description: An economic perspective on a variety of timely health policy issues, including: determinants of health status, impact of economic forces on the health sector, demand and supply of health services, the role of competition, new organizational entities, the changing regulatory climate, health expenditures, public and private insurance, incentives, provider education and labor markets, hospitals, prescription drugs, malpractice, externalities, long-term care, the Internet, and various proposals for reform.

Course Prerequisites: ECON 2306. PRINCIPLES OF MICROECONOMICS

Course Objectives:

This course will provide an overview of the field of Health Economics. At the end of the course you will have an understanding of the determinants of health status, the impact of economic forces on the health sector, the demand for and the supply of health services, the role of competition, organizational entities, and the changing regulatory climate, including the Patient Protection and Affordable Care Act of 2010. Recent trends and issues will be discussed.

Student Learning Outcomes:

The student will be able to:

- Analyze the production and consumption of health and medical care from an economic perspective.
- Explain the structure of the physician services, hospital services and pharmaceutical industries and markets from an economic perspective.
- Explain the impact of the third-party payor system on the health care industry.
- Identify and analyze the role of government in the health care industry.
- Analyze the benefits and costs of reforms to the health care system in the United States.

Texts:

Health Economics Theory, Insights, and Industry Studies, 6th Edition, Rexford E. Santerre and Stephen P. Neun, South-Western Cengage, 2013 (Recommended).

Health Care Reform Simplified: What Professionals in Medicine, Government, Insurance, and Business Need to Know, 2nd Edition, Dave Parks, Apress, 2012 (Recommended). This paperback or electronic format text can be ordered online at www.apress.com or through Amazon.com.

Course Outline:

Santerre

- Chapter 1 – Introduction
- Chapter 2 – Health and Medical Care: An Economic Perspective
- Chapter 3 – Cost and Benefit Evaluation Methods
- Chapter 4 – Health Care Systems and Institutions
- Chapter 5 – The Demand for Medical Care
- Chapter 6 – The Demand for Medical Insurance: Traditional and Managed Care Coverage
- Chapter 7 – Medical Care Production and Costs
- Chapter 8 – Structure, Conduct, Performance, and Market Analysis
- Chapter 9 – Government, Health, and Medical Care
- Chapter 10 – Government as Health Insurer
- Chapter 11 – The Private Health Insurance Industry
- Chapter 12 – The Physician Services Industry
- Chapter 13 – The Hospital Services Industry
- Chapter 14 – The Pharmaceutical Industry
- Chapter 15 – The Long-Term Care Industry
- Chapter 16 – Health Care System Reform

Parks

- Chapter 1 – Overview
- Chapter 2 – Early Changes
- Chapter 3 – New Choices
- Chapter 4 – Business Trends
- Chapter 5 – Insurance Shift
- Chapter 6 – New Medicine
- Chapter 7 – Old Growth
- Chapter 8 – Backlash
- Chapter 9 – Info Overload
- Chapter 10 – Who Pays?
- Chapter 11 – War on Reform

Chapters may not be covered in numerical order.

Current events will be introduced during the semester as appropriate.

This outline may be adjusted during the semester. Announcements will be made in class for any changes.

Course Schedule:

Weeks 1-4: Santerre Chapters 1-4; Parks Chapters 1-2

Weeks 5-8: Exam 1; Santerre Chapters 5-7; Parks Chapters 3-5

Weeks 9-12: Exam 2; Santerre Chapters 8-13; Parks Chapters 6-9

Weeks 13-16: Exam 3; Santerre Chapters 14-16; Parks Chapters 10-11; Class Project Presentations; Final Exam

This schedule may be adjusted during the semester. Announcements will be made in class for any changes.

Grading and Methods of Evaluation:

Exams: Four exams will be given. Exams 1-3 and the Final Exam are **each** 15% of your grade (60% total). Dates for these Exams and the date and time of the Final Exam are:

Exam 1: Tuesday, February 12, 2013

Exam 2: Tuesday, March 19, 2013

Exam 3: Tuesday, April 16, 2013

Final Exam: Thursday, May 9, 2013 (8:15pm-10:45pm)

The dates and content of the 3 Exams are dependent on class progress and may be adjusted during the semester. Announcements will be made in class for any Exam content and date changes. The date of the Final Exam is set by the University.

Scantron 882-E or 882-ES forms are required for each in-class Quiz, for each of the Exams and for the Final Exam. You are responsible for providing these forms and a #2 pencil for marking the forms. You may use a calculator for any quiz or exam but may not share a calculator. **Cell phones, iPads, PDAs, computers and music devices may not be used as calculators.**

Class Participation: Class participation, quizzes and any homework assignments are 20% of your grade. Quizzes will be administered through Blackboard or in class. In-class quizzes may be announced or unannounced. The two lowest quiz grades may be dropped. Quizzes taken through Blackboard are closed book and are to be individual effort.

Class Project: A class project is 20% of your grade. The project will be discussed and assigned in class. The project will be a team effort and will be presented in class by the project team. The dates for these presentations are:

Tuesday, April 23, 2013

Thursday, April 25, 2013

Tuesday, April 30, 2013

These dates include class periods during Final Review Week.

Cell phones, iPads, iPods or other music devices, pagers, recording devices, PDAs and computers are not allowed in class. They must be turned off or silenced and not be on the desk

surfaces. Accommodation of students using electronic versions of text materials will be on an individual basis.

Grades: A = 89.50-100 B = 79.50-89.49 C = 69.50-79.49 D = 59.50-69.49 F = 59.49 and below

Make-up Exam Policy: Quizzes will not be made up. If you miss an exam for a valid reason beyond your control, you may be allowed to substitute the Final Exam percentage grade for the missed exam. **YOU MAY SUBSTITUTE THE FINAL EXAM SCORE FOR ONLY ONE MISSED EXAM DURING THE SEMESTER.** If at all possible, notify me **BEFORE** the exam class, but in no case later than the next class period. I reserve the right to determine validity of and require documentation proof for the absence excuse.

Attendance Policy: Students are expected to attend each class and are expected to **arrive on time** and come to each class having read the text materials for that class and with any other assignments completed. Students who miss a class are responsible for securing any and all coursework missed.

Expectations for Out-of-Class Study: Beyond the time required to attend each class meeting, students enrolled in this course should expect to spend at least an additional 9 hours per week of their own time in course-related activities, including reading required materials, completing assignments, taking notes, preparing for exams, etc.

Blackboard: This class will use Blackboard, an electronic learning software platform, for the distribution of course information and for quizzes. Go to <http://elearn.uta.edu/> to log in. Be sure to check the class Blackboard site on a regular basis for announcements and other material related to class.

Grade Grievances: An appeal of a grade in this course must follow the procedures and deadlines for grade-related grievances as published in the current undergraduate catalog.

Drop Policy: ABSOLUTELY NO DROPS AFTER THE OFFICIAL LAST DAY TO DROP. It is the student's responsibility to complete the course or withdraw from the course in accordance with University Regulations. Students are strongly encouraged to verify their grade status before dropping a course. Students may drop or swap (adding and dropping a class concurrently) classes through self-service in MyMav from the beginning of the registration period through the late registration period. After the late registration period, students must see their academic advisor to drop a class or withdraw. Undeclared students must see an advisor in the University Advising Center. Drops can continue through a point two-thirds of the way through the term or session. It is the student's responsibility to determine the official last day to drop and to officially withdraw if they do not plan to attend after registering. **Students will not be automatically dropped for non-attendance.** Repayment of certain types of financial aid administered through the University may be required as the result of dropping classes or withdrawing. For more information, contact the Office of Financial Aid and Scholarships (<http://www.uta.edu/ses/fao>).

College Policy: Students who have not paid by the census date and are dropped for non-payment cannot receive a grade for the course in any circumstances. Therefore a student dropped for non-payment who continues to attend the course will not receive a grade for the course.

Academic Integrity: All students enrolled in this course are expected to adhere to the UT Arlington Honor Code:

I pledge, on my honor, to uphold UT Arlington's tradition of academic integrity, a tradition that values hard work and honest effort in the pursuit of academic excellence.

I promise that I will submit only work that I personally create or contribute to group collaborations, and I will appropriately reference any work from other sources. I will follow the highest standards of integrity and uphold the spirit of the Honor Code.

Instructors may employ the Honor Code as they see fit in their courses, including (but not limited to) having students acknowledge the honor code as part of an examination or requiring students to incorporate the honor code into any work submitted. Per UT System *Regents' Rule* 50101, §2.2, suspected violations of university's standards for academic integrity (including the Honor Code) will be referred to the Office of Student Conduct. Violators will be disciplined in accordance with University policy, which may result in the student's suspension or expulsion from the University.

It is the philosophy of The University of Texas at Arlington that academic dishonesty is a completely unacceptable mode of conduct and will not be tolerated in any form.

Scholastic dishonesty includes but is not limited to cheating, plagiarism, collusion, the submission for credit of any work or materials that are attributable in whole or in part to another person, taking an examination for another person, any act designed to give an unfair advantage to a student or the attempt to commit such acts.

Electronic Communication Policy: UT Arlington has adopted MavMail as its official means to communicate with students about important deadlines and events, as well as to transact university-related business regarding financial aid, tuition, grades, graduation, etc. All students are assigned a MavMail account and are responsible for checking the inbox regularly. There is no additional charge to students for using this account, which remains active even after graduation. Information about activating and using MavMail is available at <http://www.uta.edu/oit/cs/email/mavmail.php>.

Student Feedback Survey: At the end of each term, students enrolled in classes categorized as lecture, seminar, or laboratory shall be directed to complete a Student Feedback Survey (SFS). Instructions on how to access the SFS for this course will be sent directly to each student through MavMail approximately 10 days before the end of the term. Each student's feedback enters the SFS database anonymously and is aggregated with that of other students enrolled in the course. UT Arlington's effort to solicit, gather, tabulate, and publish student feedback is required by state law. Students are strongly urged to participate. For more information, visit <http://www.uta.edu/sfs>.

Final Review Week: A period of five class days prior to the first day of final examinations in the long sessions shall be designated as Final Review Week. The purpose of this week is to allow students sufficient time to prepare for final examinations. During this week, there shall be no scheduled activities such as required field trips or performances; and no instructor shall assign any themes, research problems or exercises of similar scope that have a completion date during or following this week *unless specified in the class syllabus*. During Final Review Week, an instructor shall not give any examinations constituting 10% or more of the final grade, except makeup tests and laboratory examinations. In addition, no instructor shall give any portion of the final examination during Final Review Week. During this week, classes are held as scheduled. In addition, instructors are not required to limit content to topics that have been previously covered; they may introduce new concepts as appropriate.

Americans with Disabilities Act: The University of Texas at Arlington is on record as being committed to both the spirit and letter of all federal equal opportunity legislation, including the *Americans with Disabilities Act (ADA)*. All instructors at UT Arlington are required by law to provide "reasonable accommodations" to students with disabilities, so as not to discriminate on the basis of that disability. Any student requiring an accommodation for this course must provide the instructor with official documentation in the form of a letter certified by the staff in the Office for Students with Disabilities, University Hall 102. Only those students who have officially documented a need for an accommodation will have their request honored. Information regarding diagnostic criteria and policies for obtaining disability-based academic accommodations can be found at www.uta.edu/disability or by calling the Office for Students with Disabilities at (817) 272-3364.

Student Support Services: UT Arlington provides a variety of resources and programs designed to help students develop academic skills, deal with personal situations, and better understand concepts and information related to their courses. Resources include tutoring, major-based learning centers, developmental education, advising and mentoring, personal counseling, and federally funded programs. For individualized referrals, students may visit the reception desk at University College (Ransom Hall), call the Maverick Resource Hotline at 817-272-6107, send a message to resources@uta.edu, or view the information at www.uta.edu/resources.

Bomb or Other Threats: If anyone is tempted to call in a bomb or other threat, be aware that UTA will attempt to trace the phone call and prosecute all responsible parties. Every effort will be made to avoid cancellation of presentations or tests caused by bomb threats. Unannounced alternate sites will be available for these classes. Your instructor will make you aware of alternate class sites in the event that your classroom is not available.