

**University of Florida
College of Public Health & Health Professions Syllabus**

Course Number: HSA 6436 (credit hours: 3)

Course Name: Health Economics

Semester: 2019 Spring

Class Times: Tuesday, 9:35M-12:35PM

Class Room: G301A

Delivery Format: On-Campus

Course Website available in Canvas

Instructor Name: Jinhai (Stephen) Huo, PhD, MD, MsPH

Room Number: HPNP 3111

Phone Number: 352-273-5335

Email Address: JHuo@ufl.edu

Office Hours: By appointment

Teaching Assistant: Samantha Larson, MPH

Preferred Course Communications (e.g., email, office phone): Email

Prerequisites: None

PURPOSE AND OUTCOME

Course Overview

This course introduces the student to the literature and analyses in health economics. The course includes both the theory of microeconomic analysis and some of its empirical applications in the health services area, including an introduction to analyses of the demand for and supply of health services. This course also introduces the concepts and methods for the economic analysis of health care decision alternatives. Topics will include cost-benefit, cost-effectiveness, and cost-utility analyses. It emphasizes the application of these methods to the evaluation of alternative health programs.

Course Objectives and Goals	MHA Program Competency
<p>Upon completion of the course, students should be able to:</p> <ul style="list-style-type: none"> • Use microeconomic theory to better understand issues associated with the organization, financing and delivery of health care. • Better comprehend and critically read the literature in health economics and health services research. • Describe the major economic dimensions and trends of the U.S. health care system. • Understand the economic forces that influence the economic dimensions and trends in the health care sector. • Describe and critique the leading economic theories of consumer and producer behavior in the health care sector. • Examine major health policy issues from an economic perspective. • Understand and describe the conceptual bases and the application of cost-benefit analysis (CBA), cost-effectiveness analysis (CEA), cost utility analysis (CUA), and cost-of-illness studies. 	<p>Perform environmental scans and needs assessment in support of program and organizational development (HEC-1).</p> <p>Incorporate evidenced-based approaches and external assessments in the design and implementation of programs that improve population health, and organizational, financial and clinical performance (HOP-2).</p> <p>Apply general and health economics concepts to the analyses of pricing, service demand, and risk (BAT-4).</p>

DESCRIPTION OF COURSE CONTENT

Topical Outline/Course Schedule

Week	Date(s)	Topic(s)
1	Jan 08	INTRODUCTION TO THE COURSE HEALTH ECONOMICS
2	Jan 15	SUPPLY AND DEMAND – 1 Production of Health & Production of Health Care No Class (Activity - Putting Families First)
3	Jan 22	SUPPLY AND DEMAND – 2 Demand for Health Capital & Consumer Choice and Demand (Paper Presentations)
4	Jan 29	DEMAND AND SUPPLY OF HEALTH INSURANCE (Paper Presentations)
5	Feb 05	ASYMMETRIC INFORMATION AND AGENCY THE PHARMACEUTICAL INDUSTRY (Paper Presentations)
6	Feb 12	HOSPITALS AND LONG-TERM CARE (Paper Presentations)
7	Feb 19	THE PHYSICIAN'S PRACTICE HEALTH CARE LABOR MARKETS AND PROFESSIONAL TRAINING No Class (Activity - Putting Families First)
8	Feb 26	Mid-Term Exam
9	Mar 05	Spring Break
10	Mar 12	GOVERNMENT INTERVENTION IN HEALTH CARE MARKETS SOCIAL INSURANCE (Paper Presentations)
11	Mar 19	ECONOMIC EVALUATION (Paper Presentations)
12	Mar 26	COST ANALYSIS (Paper Presentations)
13	Apr 02	CEA, CUA, and CBA No Class (Activity - Putting Families First)
14	Apr 09	Student Project Presentations
15	Apr 16	Student Project Presentations
16	Apr 23	Final Exam
17	Apr 30	Final Exam Returned/ Course Evaluation

Course Materials and Technology

Required Textbook:

Folland, Sherman, Allen C. Goodman, and Miron Stano. *The Economics of Health and Health Care*. Prentice Hall; 7th edition. ISBN-10: 0132773694. ISBN-13: 978-0132773690

Drummond MF, Sculpher MJ, Claxton K, Stoddart GL, Torrance GW. *Methods for The Economic Evaluation of Health Care Programmes*. Oxford University Press; 3rd Edition. ISBN-13: 978-0198529453

Other Reading: (All reading materials below are accessible through Google Scholar, Google on campus, or Canvas)

Week 1 INTRODUCTION TO THE COURSE

Required Readings:

Folland Chapter 1

Week 2 SUPPLY AND DEMAND – 1

Required Readings:

Merlino, James I., and Ananth Raman. "Health care's service fanatics." *Harvard business review* 91, no. 5 (2013): 108-116.

Aspinall, Mara G., and Richard G. Hamermesh. "Realizing the promise of personalized medicine." *Harvard business review* 85, no. 10 (2007): 108.

Sahni, Nikhil R., Robert S. Huckman, Anuraag Chigurupati, And David M. Cutler. 2017. "The IT Transformation Health Care Needs." *Harvard Business Review* 95 (6): 128–38.

Week 3 SUPPLY AND DEMAND – 2

Required Readings:

Folland Chapter 7, 9

Herzlinger, Regina E. "Let's Put Consumers in Charge of Health Care." *Harvard Business Review* 80, no. 7 (July 2002): 44–55.

Hemp, Paul. 2004. "Presenteeism: At Work -- But Out of It." *Harvard Business Review* 82 (10): 49–58.

Week 4 DEMAND AND SUPPLY OF HEALTH INSURANCE

Required Readings:

Folland Chapter 8

Porter, Michael E., And Robert S. Kaplan. 2016. "How to Pay for Health Care." *Harvard Business Review* 94 (7/8): 88–102.

McDonald, Patricia A., Robert S. Mecklenburg, and Lindsay A. Martin. "The Employer-Led Health Care Revolution." *Harvard business review* 93, no. 7-8 (2015): 38-50.

Porter, Michael E., and Elizabeth Olmsted Teisberg. "Redefining competition in health care." *Harvard business review* (2004): 64-77.

Week 5 ASYMMETRIC INFORMATION AND AGENCY & THE PHARMACEUTICAL INDUSTRY

Required Readings:

Folland Chapter 10, 17

Garnier, Jean-Pierre. 2008. "Rebuilding the R&D ENGINE in Big Pharma." *Harvard Business Review* 86 (5): 68–76.

Jimenez, Joseph. "The CEO of Novartis on growing after a patent cliff." *Harvard business review* 90, no. 12 (2012): 39-42.

Spear, Steven J. "Fixing health care from the inside, today." *Harvard business review* 83, no. 9 (2005): 78.

Week 6 HOSPITALS AND LONG-TERM CARE**Required Readings:**

Folland Chapter 14

McCreary, Lew. "Kaiser Permanente's innovation on the front lines." *Harvard business review* 88, no. 9 (2010): 92-94.

Bohmer, R. M. "Fixing health care on the front lines." *Harvard business review* 88, no. 4 (2010): 62-69.

Govindarajan, Vigay, and Ravi Ramamurti. 2018. "Transforming Health Care from the Ground up: Top-down Solutions Alone Can't Fix the System." *Harvard Business Review*, no. 4: 96.

Week 7 THE PHYSICIAN'S PRACTICE & HEALTH CARE LABOR MARKETS AND PROFESSIONAL TRAINING**Required Readings:**

Folland Chapter 15, 16

Lee, Thomas H., and Kelly W. Hall. "Turning Doctors into Leaders." *Harvard Business Review* 88, no. 4 (April 2010): 50–58

Lee, Thomas H., And Angela L. Duckworth. 2018. "Organizational Grit." *Harvard Business Review* 96 (5): 98–105.

Week 8 Mid-Term Exam**Week 9 Spring Break****Week 10 GOVERNMENT INTERVENTION IN HEALTH CARE MARKETS & SOCIAL INSURANCE****Required Readings:**

Government Intervention in Health Care Markets
Social Insurance

Folland Chapter 19, 20 Ames, Brent C., And Gregory P. Poulsen. 2016. "The Case for Capitation. (Cover Story)." *Harvard Business Review* 94 (7/8): 102–11.

Dafny, Leemore S., And Thomas H. Lee. 2016. "Health Care Needs Real Competition." *Harvard Business Review* 94 (12): 76–87.

Week 11 ECONOMIC EVALUATION**Required Readings:**

Drummond Chapter 2, 3

Herzlinger, Regina E. "Why innovation in health care is so hard." *Harvard business review* 84, no. 5 (2006): 58.

Govindarajan, Vijay, and Ravi Ramamurti. "Delivering world-class health care, affordably." *Harvard Business Review* 91, no. 11 (2013): 117-122.

Week 12 COST ANALYSIS

Required Readings:

Drummond Chapter 4

Kaplan, Robert S., and Michael E. Porter. "How to solve the cost crisis in health care." *Harvard Business Review* 89, no. 9 (2011): 46-52.

Kaplan, Robert S., and Derek A. Haas. "How not to cut health care costs." *Harvard business review* 92, no. 11 (2014): 116-22.

Week 13 CEA, CUA, and CBA

Required Readings:

Drummond Chapter 5, 6, 7

Meliones, Jon. "Saving Money, Saving Lives." *Harvard Business Review* 78, no. 6 (November 2000): 57–67.

Schwartz, Jason L., and Adel Mahmoud. "When not all that counts can be counted: economic evaluations and the value of vaccination." *Health Affairs* 35, no. 2 (2016): 208-211.

Week 14 Student Presentation

Week 15 Student Presentations

Week 16 Final Exam

Week 17 Final Exam Returned/ Course Evaluation

Instructional Methods: Lecture in classroom

Disclaimer

This syllabus represents my current plans and objectives. As we go through the semester, those plans may need to change to enhance the class learning opportunity. Such changes, communicated clearly, are not unusual and should be expected.

For technical support for this class, please contact the UF Help Desk at:

- Learning-support@ufl.edu
- (352) 392-HELP - select option 2
- <https://lss.at.ufl.edu/help.shtml>

ACADEMIC REQUIREMENTS AND GRADING

Your grade will be based on your performance on mid-term exams (40%), final exam (30%), a presentation of assigned reading (10%), and a presentation of your project (20%).

1. Mid-term exam (40%)

An in-class closed-book exam cover the contents from week 1 to 7.

2. Final exam (30%)

An in-class closed-book exam cover the contents from week 10 to 13.

3. A presentation of reading summaries (10%)

Every student will be assigned a reading to present in class. At each class two or three students will present their assigned readings separately. The student who present on that day should play leadership role in the discussion of the article assigned in the class. The selected student will prepare questions for class discussion for each article. The articles eligible for class discussion have already been selected for each week – see “Course Materials and Technology” section for complete list of articles for each week. Use PowerPoint Slides for a 15 minutes presentation is required per article, followed by 5-10 minutes discussion. The presentation slides should be submitted before the date of the class presentation.

4. A presentation of your project (20%)

Each student will be required to prepare a presentation that identifies and discusses **a real case** in health care system using health economics theory that is introduced in the course (e.g., value of technology and innovation, pharmaceuticals, health system reform, competition and collaboration, etc.). Students can choose health care cases from the news media (Reuters, CNN, BBC, The New York Times, Fox news, Yahoo news, UF Health news, etc.). Critically reviews the relevant publications in this area is necessary when present the case analysis. Use PowerPoint Slides for a 15 minutes presentation is required, followed by 5 minutes discussion. No term paper is required for this cases analysis project. The final project presentation slides should be submitted before the date of the final presentation. The presentation slides can follow below structure:

1. Introduction /case background
2. Analysis of the issues, causes, factors
3. Relevant theories that help explain the case
4. Causes OR Implications of the problems/ issues (if applicable)
5. Identified solutions; best solution chosen (if applicable)
6. Conclusion; Recommendations / implementation plan
7. Reference list

Attendance is mandatory. All students are expected to read each assigned article and participate actively in the discussion. Please prepare discussion questions as you will be called upon for questions as time permits each week. Students who contribute more to class discussion will earn more bonus points on final grades.

Grading

Requirement	Due date	% of final grade
Mid-term exam	Feb 26	40%
Final exam	Apr 23	30%
A presentation of reading summaries	Each class	10%
A presentation of your project	Apr 09, 16	20%

Point system used (i.e., how do course points translate into letter grades).

Points earned	95-100	90-94.99	87-89.99	83-86.99	80-82.99	77-79.99	73-76.99	70-72.99	67-69.99	63-66.99	60-62.99	Below 60
Letter Grade	A	A-	B+	B	B-	C+	C	C-	D+	D	D-	E

You must include the letter grade to grade point conversion table below. Letter grade to grade point conversions are fixed by UF and cannot be changed.

Letter Grade	A	A-	B+	B	B-	C+	C	C-	D+	D	D-	E	WF	I	NG	S-U
Grade Points	4.0	3.67	3.33	3.0	2.67	2.33	2.0	1.67	1.33	1.0	0.67	0.0	0.0	0.0	0.0	0.0

For greater detail on the meaning of letter grades and university policies related to them, see the Registrar's Grade Policy regulations at:

<http://catalog.ufl.edu/ugrad/current/regulations/info/grades.aspx>

Policy Related to Make up Exams or Other Work

There will be **NO** makeup exams except for extreme circumstances (e.g. admitted to hospital) with valid evidence of the extreme circumstance.

Policy Related to Required Class Attendance

Please note all faculty are bound by the UF policy for excused absences. For information regarding the UF Attendance Policy see the Registrar website for additional details:

<https://catalog.ufl.edu/ugrad/current/regulations/info/attendance.aspx>

The course instructor must be given notice before the start time of class via email or Canvas message. The time stamp of the email will be used to determine if the notification was before the start of the class.

Excused absences must be consistent with university policies in the Graduate Catalog (<http://gradcatalog.ufl.edu/content.php?catoid=10&navoid=2020#attendance>) and require appropriate documentation. Additional information can be found here:

<https://catalog.ufl.edu/ugrad/current/regulations/info/attendance.aspx>

Policy Related to Guests Attending Class:

Only registered students are permitted to attend class. However, we recognize that students who are caretakers may face occasional unexpected challenges creating attendance barriers. Therefore, by exception, a department chair or his or her designee (e.g., instructors) may grant a student permission to bring a guest(s) for a total of two class sessions per semester. This is two sessions total across all courses. No further extensions will be granted. Please note that guests are **not** permitted to attend either cadaver or wet labs. Students are responsible for course material regardless of attendance. For additional information, please review the Classroom Guests of Students policy in its entirety. Link to full policy:

<http://facstaff.php.ufl.edu/services/resourceguide/getstarted.htm>

STUDENT EXPECTATIONS, ROLES, AND OPPORTUNITIES FOR INPUT

Expectations Regarding Course Behavior

Students are expected to:

- Attend all classes
- Complete reading assignments before class
- Participate in class discussions
- Be an active member of your group
- Exhibit professional behavior
- Laptops may be used in class only for taking notes, viewing slides, or accessing course assigned materials
- Cell phones not allowed to use during class time.

Communication Guidelines

Students will be expected to communicate via the Canvas messaging system.

Academic Integrity

Students are expected to act in accordance with the University of Florida policy on academic integrity. As a student at the University of Florida, you have committed yourself to uphold the Honor Code, which includes the following pledge:

“We, the members of the University of Florida community, pledge to hold ourselves and our peers to the highest standards of honesty and integrity.”

You are expected to exhibit behavior consistent with this commitment to the UF academic community, and on all work submitted for credit at the University of Florida, the following pledge is either required or implied:

“On my honor, I have neither given nor received unauthorized aid in doing this assignment.”

It is your individual responsibility to know and comply with all university policies and procedures regarding academic integrity and the Student Honor Code. Violations of the Honor Code at the University of Florida will not be tolerated. Violations will be reported to the Dean of Students Office for consideration of disciplinary action. For additional information regarding Academic Integrity, please see Student Conduct and Honor Code or the Graduate Student Website for additional details:

<https://www.dso.ufl.edu/sccr/process/student-conduct-honor-code/>
<http://gradschool.ufl.edu/students/introduction.html>

Please remember cheating, lying, misrepresentation, or plagiarism in any form is unacceptable and inexcusable behavior.

Online Faculty Course Evaluation Process

Students are expected to provide feedback on the quality of instruction in this course by completing online evaluations at <https://evaluations.ufl.edu>. Evaluations are typically open during the last two or three weeks of the semester, but students will be given specific times when they are open. Summary results of these assessments are available to students at <https://evaluations.ufl.edu/results/>.

SUPPORT SERVICES

Accommodations for Students with Disabilities

If you require classroom accommodation because of a disability, you must register with the Dean of Students Office <http://www.dso.ufl.edu> within the first week of class. The Dean of Students Office will provide documentation of accommodations to you, which you then give to me as the instructor of the course to receive accommodations. Please make sure you provide this letter to me by the end of the second week of the course. The College is committed to providing reasonable accommodations to assist students in their coursework.

Counseling and Student Health

Students sometimes experience stress from academic expectations and/or personal and interpersonal issues that may interfere with their academic performance. If you find yourself facing issues that have the potential to or are already negatively affecting your coursework, you are encouraged to talk with an instructor and/or seek help through University resources available to you.

- The Counseling and Wellness Center 352-392-1575 offers a variety of support services such as psychological assessment and intervention and assistance for math and test anxiety. Visit their web site for more information: <http://www.counseling.ufl.edu>. On line and in person assistance is available.
- You Matter We Care website: <http://www.umatter.ufl.edu/>. If you are feeling overwhelmed or stressed, you can reach out for help through the You Matter We Care website, which is staffed by Dean of Students and Counseling Center personnel.

- The Student Health Care Center at Shands is a satellite clinic of the main Student Health Care Center located on Fletcher Drive on campus. Student Health at Shands offers a variety of clinical services. The clinic is located on the second floor of the Dental Tower in the Health Science Center. For more information, contact the clinic at 392-0627 or check out the web site at: <https://shcc.ufl.edu/>
- Crisis intervention is always available 24/7 from:
Alachua County Crisis Center
(352) 264-6789
<http://www.alachuacounty.us/DEPTS/CSS/CRISISCENTER/Pages/CrisisCenter.aspx>

Do not wait until you reach a crisis to come in and talk with us. We have helped many students through stressful situations impacting their academic performance. You are not alone so do not be afraid to ask for assistance.

Inclusive Learning Environment

Public health and health professions are based on the belief in human dignity and on respect for the individual. As we share our personal beliefs inside or outside of the classroom, it is always with the understanding that we value and respect the diversity of background, experience, and opinion, where every individual feels valued. We believe in, and promote, openness and tolerance of differences in ethnicity and culture, and we respect differing personal, spiritual, religious and political values. We further believe that celebrating such diversity enriches the quality of the educational experiences we provide our students and enhances our own personal and professional relationships. We embrace The University of Florida's Non-Discrimination Policy, which reads, "The University shall actively promote equal opportunity policies and practices conforming to laws against discrimination. The University is committed to non-discrimination with respect to race, creed, color, religion, age, disability, sex, sexual orientation, gender identity and expression, marital status, national origin, political opinions or affiliations, genetic information and veteran status as protected under the Vietnam Era Veterans' Readjustment Assistance Act." If you have questions or concerns about your rights and responsibilities for inclusive learning environment, please see your instructor or refer to the Office of Multicultural & Diversity Affairs website: www.multicultural.ufl.edu

Note: This syllabus is subject to revision in the event of extenuating circumstances.
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