

ECONOMICS 3141: Health Economics
Fall 2022
T/TH 1:00-2:15 PM, Friday 144

Instructor: Dr. Lisa Schulkind
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Office Hours: T 2:30-4:00, TH 11:15-12:45

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COURSE DESCRIPTION AND OBJECTIVES

This course is designed to provide students with the tools needed in order to engage as an informed participant in debates about health policy. The first part of the course will provide an introduction to health economics and to cost-benefit analysis. From there, we will cover the theory and evidence related to the production of and demand for health capital and insurance theory. Next, we will examine the reasons why, and the extent that governments intervene in health care markets. Finally, we will cover the different types of health care systems that exist around the world and health care reform.

Prerequisites: Minimum Grade of C in: (ECON 2102 or ECON 1202) and (ECON 2101 or ECON 1201) and (MATH 1220 or MATH 1241) and (STAT 1220 or STAT 1221 or STAT 1222)

REQUIRED TEXT

Sherman Folland, Allen C. Goodman and Miron Stano, *Health Economics: The Economics of Health and Health Care*, 8th Edition (2017).

Publisher: Routledge

ISBN: 9781138208049

GRADING

25% - Problem Sets

15% - Class Participation

60% - Exams

Scale: A: 90%-100%, B: 80%-89%, C: 70%-79%, D: 60%-69%, F: below 60%
Rounding of final course averages will follow the standard practice (only .5 or above will be rounded up to the next whole number).

Class Participation: Class participation is an important part of the learning process. I expect you to be in class and to be prepared and engaged while you are there. Being in class is crucial to success in the class, and it will be counted as part of your participation grade. Another way to show that you are engaged is to watch the weekly roundup video each week and fill in the feedback surveys. More details will be provided on the first day of class.

Problem Sets: I will assign approximately 7 problem sets throughout the semester. They will be posted on Canvas, and are primarily intended to provide opportunities to practice using the information learned in class and in the readings. You are encouraged to work with classmates, but

must hand in your own (non-photocopied or copied) assignment. Your answers should be your own, and in questions where I ask for examples, they should NOT be the same as your classmates'. If this is not clear, ask me for clarification *before* the assignment is due. They will be graded as (put significant effort into all questions, according to my subjective evaluation), - (put significant effort into at least half of the questions) and o (significant effort not displayed or didn't hand in). **Due dates will be posted on Canvas.** Late assignments can receive a maximum grade of - and must be handed in by the last day of class (12/6) to receive credit. No exceptions. Answer keys will be posted and students are encouraged to attend office hours to ask questions.

Exams:

There will be four exams given throughout the semester: three during the semester and one during finals week. The lowest score will be dropped.

COURSE OUTLINE

This is meant as a rough guide. Exam dates will not change without advanced notice, but we might cover topics slightly slower or faster than expected. Any changes will be announced in class.

Topic 1: Introduction to Health Economics

Approximate Dates: Weeks 1 and 2

Textbook: Chapters 1, 2

Additional Readings: 1

Topic 2: Cost Benefit Analysis

Approximate Dates: Weeks 3 and 4

Textbook: Chapters 4

Additional Readings: 2, 3

Exam #1: Thursday September 22

Topic 3: Production of and Demand for Health

Approximate Dates: Weeks 5-7

Textbook: Chapters 5, 7

Additional Readings: 4, 5

Topic 4: Insurance Theory

Approximate Dates: Weeks 8-9

Textbook: Chapter 8

Exam #2: Thursday October 27

Topic 5: Government Intervention in Health Care Markets

Approximate Dates: Week 10-11

Textbook: Chapter 19

Topic 6: Social Insurance

Approximate Dates: Week 12

Textbook: Chapters 20

Additional Readings: 6

Exam #3: Thursday November 17

Topic 7: Comparative Health Systems and Health Care Reform

Approximate Dates: Week 13 - 15

Textbook: Chapters 21, 22

Exam #4 (Final): Thursday December 16 11:00am-1:30pm

CLASS POLICIES

- Academic Integrity:** All students are required to read and abide by the Code of Student Academic Integrity. Violations of the Code of Student Academic Integrity, including plagiarism, will result in disciplinary action as provided in the Code. Definitions and examples of plagiarism are set forth in the Code and on the Student Conduct and Academic Integrity website. The Code is available from the Dean of Students Office or online at legal.uncc.edu/policies/up-407. Additional resources are available on the Student Conduct and Academic Integrity website.
- Accommodation Policy:** UNC Charlotte is committed to access to education. If you have a disability and need academic accommodations, please provide a letter of accommodation from Disability Services early in the semester. For more information on accommodations, contact the Office of Disability Services at 704-687-0040 or visit their office in Fretwell 230.
- Exam Policy:** There will not be any regularly scheduled makeup exams. If you cannot be there on exam days, do not take this class. If you miss an exam for any reason, you will receive a zero. Remember, your lowest score will be dropped. If you must miss *more than one* exam for official university business or a documented serious illness or family emergency, contact me prior to the examination time or as soon as you are reasonably able to do so and we will discuss the possibility of a makeup exam or alternative grade weighting. These options will be provided at my discretion. This will only be considered if BOTH missed exams are for approved reasons.
- Re-grade Policy:** If you would like your exam re-graded, you must submit a re-grade request, *in writing, within one week* of receiving your graded exam. Your request should point out the question(s) where you think you deserve additional credit, along with an explanation. Please note that your *entire exam* will be reviewed, and your final score may go *up or down*.
- “No Screen”:** While in class, I expect you to follow my “no screen” policy. I do not want to see any cell phones. Leave them in your

backpack/purse/pocket (with the sound turned off) during class. Laptops/Tablets should only be used when you are actively using them to take notes or access course material. Otherwise, please turn them off.

- Discrimination:** All students and the instructor are expected to engage with each other respectfully. Unwelcome conduct directed toward another person based upon that person's actual or perceived race, actual or perceived gender, color, religion, age, national origin, ethnicity, disability, or veteran status, or for any other reason, may constitute a violation of University Policy 406, The Code of Student Responsibility. Any student suspected of engaging in such conduct will be referred to the Office of Student Conduct.
- Diversity:** The Belk College of Business strives to create an inclusive academic climate in which the dignity of all individuals is respected and maintained. Therefore, we celebrate diversity that includes, but is not limited to ability/disability, age, culture, ethnicity, gender, language, race, religion, sexual orientation, and socio-economic status.
- Gender:** This course affirms people of all gender expressions and gender identities. If you prefer to be called a different name than what is indicated on the class roster, please let me know. Feel free to correct me on your preferred gender pronoun. If you have any questions or concerns, please do not hesitate to contact me.

REQUIRED COURSE READINGS

[1] Chapter 1 Appendix from: Rexford E. Santerre and Stephen P. Neun, *Health Economics: Theory, Insights and Industry Studies*, 6th Edition (2012).

[2] Cutler, David M., and Mark McClellan. "Is Technological Change in Medicine Worth It?" *Health Affairs* 20 (Sept/Oct 2001), pp. 11-29.

- [3] Cutler, David M., 2007. "The lifetime costs and benefits of medical technology," *Journal of Health Economics*, Elsevier, vol. 26(6), pages 1081-1100, December.
- [4] Cutler, David M. & Grant Miller, 2005. "The Role of Public Health Improvements in Health Advances: The Twentieth-Century United States," *Demography*, vol. 42(1), pages 1-22, February.
- [5] Seema Jayachandran & Adriana Lleras-Muney & Kimberly V. Smith, 2010. "Modern Medicine and the Twentieth Century Decline in Mortality: Evidence on the Impact of Sulfa Drugs," *American Economic Journal: Applied Economics*, American Economic Association, vol. 2(2), pages 118-46, April.
- [6] David Card & Carlos Dobkin & Nicole Maestas, 2009. "Does Medicare Save Lives?," *The Quarterly Journal of Economics*, MIT Press, vol. 124(2), pages 597-636, May.