Homework

There will be two homeworks each worth 5 percent of your grade. The homework will involve answering short and/or long questions. Homework is due in the beginning of class on the due date. You will lose a grade per day late.

Homework 1: Moral Hazard and Adverse Selection – Due Sept. 23rd

Homework 2: International Comparisons/Health Care Reform – Due approximately Nov. 9th (date may change but you will be given plenty of warning)

Missed Assignments & Exams

You may not miss an exam. No makeup exams will be given. If there is a proven emergency or other unusual circumstances (to be discussed with the instructor prior to an exam if possible), no make-up exam will be given but your grades will be reweighed.

Tentative Class Schedule

WEEK	TOPIC			
1 – Aug. 23	Introduction / Micro Review			
2 – Aug 30	Impact Evaluation			
3 - Sept 6	Health Production Functions and Demand for Health Care			
4 – Sept 13	Health Care Insurance, Moral Hazard, and Adverse Selection			
5 – Sept. 20	Health Care Insurance, Moral Hazard, and Adverse Selection / Managed Care			
6 – Sept. 27	Sept 30 - Midterm 1 (covers everything taught up to this week) Equity, Efficiency and Need			
7 – Oct 4	Government's Role in Health Care			
8 – Oct. 11	Government's Role in Health Care			
9 – Oct. 18	International Comparisons			
10 – Oct 25	October 28 _ Midterm 2			

Reading List by Topic

1. Introduction and Overview (FSG 1)

Mehrotra, Ateev, Adams Dudley, and Harod Luft, 2003. "What's Behind the Health Expenditure Trend," Annual Review of Public Health

Supplementary Readings

Karen Davis et al., Jan. 2007. "Slowing the Growth of U.S. Health Care Expenditures: What are the Options," Common Wealth Fund Report.

Mehrotra, Ateev, Adams Dudley, and Harod Luft, 2003. "What's Behind the Health Expenditure Trend," Annual Review of Public Health, 24, 385-412.

- 2. Micro Review (FSG 2)
- 3. Impact Evaluation (FSG 4)

Cutler, David. 1994. "A Guide to Health Care Reform," The Journal of Economic Perspectives 8(3), 13-29. (Read section Health Care That's Always There (p.18-20) and section Universal Health Care (p. 20-21)).

Cutler, David M., Mark McClellan, and Joseph P Newhouse. 2000. "How Does Managed Care Do It?," Rand Journal of Economics, 31(3), 226-248.

Newhouse, Joseph, 2004. "Consumer-directed health plans and the RAND Health Insurance Experiment," Health Affairs 23(6),107-113.

Miller RH, Luft HS, 2002. "HMO plan performance update: an analysis of the literature, 1997-2001," Health Affairs 21(4), 63-86.

Supplementary Reading

Pauly, Mark V., 1968, "The Economics of Moral Hazard: Comment", The American Economic Review 58(3), Part 1, 531-537.

6. Equity, Efficiency, and Need (FSG 18)

Reinhardt, Uwe. 2001. "Can Efficiency in Health Care Be Left to the Market?" Journal of Health Politics, Policy and Law, 26(5), 967-992

7. Government's Role in Health Care (FSG 19, 21)

Associated Press. April 18th, 2006 "Health Insurers are Near Monopolies"

8. International Comparisons (FSG 22)

Anderson, G, U. Reinhardt, P Hussey, and V Petrosyan. 2003. "It's The Prices, Stupid: Why The United States Is So Different From Other Countries," Health Affairs 22(3), 89-105.

Cutler, David M. 2002. "Equality, Efficiency, and Market Fundamentals: The Dynamics of International Medical-Care Reform," Journal of Economic Literature, 40(3), 881-906.

9. Health Sector Reform (FSG 22)

Readings to be assigned closer to date of class so they are up-to-date

10. Providers: Hospitals and Pharmaceuticals (FSG 13, 14, 17)

11. Health and Development (FSG 24)

Strauss, John and Duncan Thomas. 1998. "Health, Nutrition, and Economic Development" Journal of Economic Literature. 36(2), 766-817.

- Sala-i-Martin, Xavier. 2005. "On The Health Poverty Trap," in Guillem Lopez-Casasnovas, Berta Rivera and Luis Currais eds. Health and Economic Growth: Findings and Policy Implications. MIT Press. READ section 2.
- Miguel, Edward. 2005. "Health, Education and Economic Development," in Guillem Lopez-Casasnovas, Berta Rivera and Luis Currais eds. Health and Economic Growth: Findings and Policy Implications. MIT Press.
- Miguel, Ted and Micheal Kremer. 2004. "Worms: Identifying Impacts on Education and Health in the Presence of Treatment Externalities," Econometrica, 72 (1), 159-217.

Supplementary Readings

- Bloom, David, David Canning and Jaypee Sevilla. November 2001. The Effect of Health on Economic Growth: Theory and Evidence", NBER Working Paper 8587.
- Canning, David. 2006. "The Economics of HIV/AIDS in Low-Income Countries: The Case for Prevention," Journal of Economic Perspectives, 20 (3), 121-142.
- Edoardo Gaffeo. 2003. "The Economics of HIV/AIDS: A Survey," Development Policy Review, 21 (1), 27-49
- Asian Development Bank. 2004. "Chapter 3: HIV/AIDS and Economic Development," in Economics and Challenge of AIDS.

12. Cost-Benefit and Cost-Effectiveness Analysis (FSG 4)

Marthe Gold, David Stevenson, and Dennis Fryback, 2002. "HALYs and QALYs and DALYs, Oh My: Similarities and Differences in Summary Measures of Population Health," Annual Review of Public Health 23, 115-34.