

Econ4415/6485 Course Syllabus: Health Economics

General Information

- **Instructor:** Dr. Lizhong Peng
- **Email:** lpeng@westga.edu (please email me directly via this address)
- **Office:** Miller Hall 1316
- **Hours:** Tuesday/Thursday 8:00-9:30, 12:30-2:00, and 3:30-5:30; or by appointment.
- **Classes:** lectures are being held between 11:00-12:15 on Tuesdays and Thursdays in Miller Hall 2214.

Textbook & Materials

- Suggested Textbook: Bhattacharya, Hyde and Tu, *Health Economics*, 2nd edition
- Other Course Material: course information will also be available on the CourseDen webpage. This page will provide important announcements and access to course materials (e.g. lecture slides, problem sets, and reading assignments). Please be sure to check this page on a regular basis.

Course Description

This course provides an introduction to the study of health economics. We will cover a wide range of important topics in the field, while focusing on the healthcare system in the United States. The first half of the course will be devoted to applying standard microeconomic theory to studying the behavior of various economic agents in the healthcare market (e.g. patients, physicians, hospitals, and insurance companies, etc.). In the second half of the course, we will examine the evolution of healthcare industry in the U.S. as well as the effects and implications of various government policies (such as Medicare, Medicaid, and the Affordable Care Act).

Grades & Examinations

Grades will be determined as follows:

- 20% Problem sets
- 40% Two Midterm Exams
- 30% Final Exam (cumulative)

- 10% Class Attendance and Participation

Homework. There will be **five** homework assignments throughout the semester. Each assignment must be submitted in class on the due date (which will be announced in class). In addition to counting towards your term grade, the homework assignments will serve as good preparation for the exams. **Please note that I do not accept late homework.**

Exams. There will be **two** in-class midterm exams and a **cumulative** final exam. All exams are **closed-book** exams. **Please note that I generally do not administer make-up exams.** Make-ups for any exam require verifiable documentation (e.g. doctor's notes) and are granted solely based on my discretion (you will also use a different version of the test in such cases). Otherwise, a "zero" will be entered for the missed exam. The dates of the exams are listed below:

- **Midterm Exam 1: Thursday, February 20, 2020**
- **Midterm Exam 2: Thursday, April 9, 2020**
- **Final Exam: please check UWG SCOOP for the final exam schedule**

Attendance Policy

Students are encouraged to attend every lecture. Active participation in lectures will significantly improve your class participation grade. I will take attendance several times during the semester, which will determine your participation grade for the course.

Academic Integrity

All homework, quizzes, and exams are to be completed on your own. Any academic misconduct may result in a "**zero**" for the assignment or an "**F**" in the course.

Common Syllabus Language

IMPORTANT! Please review carefully the common syllabus language contained in the following link: <https://www.westga.edu/UWGSyllabusPolicies/>

Course Outline

This outline is **tentative**. We may add or remove topics as the course goes. Any adjustments, particularly later in the semester, will be noted.

- **Topic 1: Introduction**

- The scope of health economics
- An overview of U.S. healthcare system
- **Topic 2: Economic Models of Health**
 - Demand for health care
 - Demand for health: Grossman model
- **Topic 3: Health Insurance I: Theory**
 - Demand for health insurance
 - Adverse selection
 - Moral hazard
- **Topic 4: Health Insurance II: Private Insurance**
 - Private insurance market in the U.S.
 - Payment models
 - Managed care
- **Topic 5: Health Insurance III: Public Insurance**
 - Medicare
 - Medicaid
- **Topic 6: The Affordable Care Act I: An Overview**
 - Background of the ACA
 - Individual and employer mandates
 - Medicaid expansions
 - Repeal of the ACA
- **Topic 7: The Affordable Care Act II: Theory and Evidence**
 - Coverage effects of the ACA
 - Health and labor market effects
- **Topic 8: Physician and Hospital Markets**
 - Hospital industry
 - Physician markets
- **Topic 9: Public Health Policy**
- **Additional Topics (time permitting)**