

University of Missouri
Economics 4357/7357: Health Economics
Fall Semester 2017

Meeting Time: MW 4:00PM - 5:15PM

Meeting Place: Switzler 001

Course Instructor: Jeff Milyo
Office: 235 Professional Building
Hours: By appointment
Phone: 882 – 3459
Email: milyoj@missouri.edu

Course Overview:

This course analyzes the economics of public health and health care in the United States with particular attention to the role of government. Topics covered include trends in health care costs and public health, social determinants of health; the demand for health and health care; the market for health insurance; the supply-side of the health care industry; disparities in health outcomes and access to care; and evaluations of recent state and federal reforms.

Prerequisites: Econ 4351 or Econ 3251, and Stat 2500 (or permission)

Readings:

Text Book: Phelps, 2013. *Health Economics*. 5th Edition. Boston, MA: Pearson.

Additional required readings will be distributed in class or on the course website. In addition, class lectures will often refer to current events and policy debates; for this reason, students are strongly encouraged to read a national newspaper.

Course materials including handouts, supplemental readings, homework assignments and any important course announcements will be posted on the Canvas site.

Expectations and Decorum:

Students are expected to attend all lectures and complete all assignments. In the case of unavoidable absence, be sure to obtain lecture notes from classmates. Also, please refrain from creating negative externalities. For example, mute electronic devices and avoid entering or exiting during class time, except as required by the norms of polite society.

Grading:

Course grades are based on the average score of three in-class exams. In addition, students may complete two short reaction paper for up to 3 points extra credit (per paper). Students enrolled in Econ 7357 must also complete a well-written literature review or research note for graduate credit.

Grades will be assigned according to the following schedule:

A+ = 97-100	B+ = 87-89	C+ = 77-79	D+ = 67-69
A = 93-96	B = 83-86	C = 73-76	D = 63-66
A- = 90-92	B- = 80-82	C- = 70-72	D- = 60-62
			F = 59 and lower

Exams:

Exams are taken in class and are closed book. Exams usually include several sections in order of ascending difficulty (e.g., definitions\true-false, multiple choice, short answer problems and short essay problems). There are no make-up exams; absence from an exam will be excused only in the case of a medical or personal emergency (see below).

Reaction Papers:

A reaction paper is 3-4 page essay that applies, critiques or extends some lesson from class discussion or readings. For example, a reaction paper may update or reanalyze data presented in class, critically review a recent study, or analyze a news report on events directly related to some aspect of health economics. Reaction papers are scored based on: 1) the quality of the writing, 2) the quality of the analysis, and 3) the originality, creativity and presentation.

Reaction papers should be double-spaced and single-sided with 12 point font and one-inch margins all around. Your writing must be free of all spelling and grammatical errors, as well as clear, concise and correct. Use social science conventions for in-text references, footnotes and bibliography (e.g., see sections D-G, J & L in the *American Economics Review* style guide, available at:

<https://www.aeaweb.org/journals/aer/submissions/accepted-articles/styleguide>).

Emergency Related Issues:

In case of an emergency that affects your attendance (e.g., military call-ups, severe and contagious illness, or a death in the family), you will be excused from participation or an exam if and only if you provide me with your justification via e-mail and submit proper documentation in a timely manner (e.g. military order in advance, doctor's note or published obituary). However, you do not need to contact me during your emergency, but please do so as soon as it is practicable.

Economics 4357/7357 – Class Schedule

Week	Dates	Topic	Chapters
Week 1	No class on 8/21 (Eclipse) 8/23	Introduction to Health Economics: Morality and Markets	Chapter 1 (pp. 1-12 only)
Week 2	8/28 to 8/30	Economics of Insurance	Chapter 10 (pp. 269-288 only)
Week 3	No class on 9/4 (Labor Day) 9/6	Medical Spending and Prices in the U.S. and International Comparisons	Chapter 1 & 16 (pp. 468-475 only)
Week 4	9/11 to 9/13	Health Behavior and Health Externalities Alcohol, Obesity, Tobacco and Vaccines	Chapters 2 & 14
Week 5	9/18 to 9/20	Social Determinants of Health: Income, Education and Inequality	TBA
Week 6	9/25 to 9/27	First Exam on Wednesday 9/27	
Week 7	10/2 to 10/4	Productivity of Healthcare & The Demand for Health and Medical Care	Chapter 3-5
Week 8	10/9 to 10/11	The Market for Health Insurance & the Health Consequences of Insurance <i>First Optional Reaction Paper Due 10/11</i>	Chapters 10-11
Week 9	10/16 to 10/18	The Supply Side: Physicians and Hospitals	Chapter 6-9
Week 10	10/23 to 10/25	Second Exam on Wednesday 10/25	
Week 11	10/30 to 11/1	Disparities in Health & Health Care	TBA
Week 12	11/6 to 11/8	Medicare and Medicaid	Chapters 12
Week 13	11/13 to 11/15	Healthcare Reforms	Chapter 16 (pp. 476-495)
		Thanksgiving Recess	
Week 14	11/27 to 11/29	Medical Malpractice and Technological Change	Chapter 13 & 15
Week 15	12/4 No class on 12/6	Third Exam on Monday 12/4 <i>Second Optional Reaction Paper Due 12/4</i>	

Academic Integrity

Academic integrity is fundamental to the activities and principles of a university. All members of the academic community must be confident that each person's work has been responsibly and honorably acquired, developed, and presented. Any effort to gain an advantage not given to all students is dishonest whether or not the effort is successful. The academic community regards breaches of the academic integrity rules as extremely serious matters. Sanctions for such a breach may include academic sanctions from the instructor, including failing the course for any violation, to disciplinary sanctions ranging from probation to expulsion. When in doubt about plagiarism, paraphrasing, quoting, collaboration, or any other form of cheating, consult the course instructor.

Accommodation of Disabilities

If you anticipate barriers related to the format or requirements of this course, if you have emergency medical information to share with me, or if you need to make arrangements in case the building must be evacuated, please let me know as soon as possible.

If disability related accommodations are necessary (for example, a note taker, extended time on exams, captioning), please register with the [Disability Center](#), S5 Memorial Union, 882-4696, and then notify me of your eligibility for reasonable accommodations. For other MU resources for students with disabilities, click on "Disability Resources" on the MU homepage.

Intellectual Pluralism

The University community welcomes intellectual diversity and respects student rights. Students who have questions or concerns regarding the atmosphere in this class (including respect for diverse opinions) may contact the Departmental Chair or Divisional Director; the Director of the [Office of Students Rights and Responsibilities](#) (<http://osrr.missouri.edu/>); or the [MU Equity Office](#) (<http://equity.missouri.edu/>), or by email at equity@missouri.edu. All students will have the opportunity to submit an anonymous evaluation of the instructor(s) at the end of the course.

Academic Inquiry, Course Discussion and Privacy

University of Missouri System Executive Order No. 38 lays out principles regarding the sanctity of classroom discussions at the university. The policy is described fully in Section 200.015 of the Collected Rules and Regulations. In this class, students may make audio or video recordings of course activity unless specifically prohibited by the faculty member. However, the redistribution of audio or video recordings of statements or comments from the course to individuals who are not students in the course is prohibited without the express permission of the faculty member and of any students who are recorded. Students found to have violated this policy are subject to discipline in accordance with provisions of [section 200.020](#) of the Collected Rules and Regulations of the University of Missouri pertaining to student conduct matters.