Course Objectives.

1. From an institutional perspective, I want you to learn the basic structure of the U.S. health care system.

2. From an economic perspective, I want you to learn about the market imperfections present in health care markets and efforts that have been made to address them.

3. From a health care perspective, I want you to develop an understanding of the role health care plays in maintaining health, and an appreciation of quality issues in health care.

4. From a civic perspective, I want you to understand the role of government in the health economy.

5. Finally, from a business perspective, I want you to understand what it is like to run a health care business.

Text. The text is Getzen, Health Economics: Fundamentals and Flow of Funds, 3rd edition. Treat the book as a supplement to the lectures, rather than the other way around. We will cover most of the chapters in the book, as listed on the schedule at the end of this syllabus. This is supplemented with three readings on reserve at the library, occasional newspaper articles, and internet presentations. All readings are listed by class day on the schedule below. The second edition of the text is available as a used book. The chapters are in a slightly different order, and some of the material is out of date, so it is not a perfect substitute for the current edition.

Prerequisite. ECON 2306, Principles of Microeconomics, or equivalent. We will rely on our knowledge of micro consistently throughout the course, so please drop if you have not had microeconomics principles.

Plan for the Course. The course is split into three units, each of five weeks’ duration (see schedule below).

- **Unit 1: Producing Health and Insuring Health.** We will analyze the production of health, the demand for health care and health insurance, and problems in the insurance market that lead to inefficiencies.

- **Unit 2: Performance of Health Care Markets.** We will examine the structure, conduct, and economic performance of health care markets, and learn how these three are linked.

- **Unit 3: Performance of Health Care Systems.** We will discuss the U.S. health care system, compare it to other countries’ systems, explore the role of government in our health care system factually and theoretically, and discuss ideas for health care reform.

Grading Policy. You will have three end-of-unit tests that cover the main ideas in the readings and the lectures for that unit. Tests are roughly half multiple choice and half short answer. Each test will contain 35 points. In addition, there are six one-point quizzes on WebCT over assigned class readings, for a total of 111 possible points. But the grading scale is the standard one: 90+ is an A, 80-89 is a B, 70-79 is a C, 60-69 is a D, and 59 and below is an F. This means you get 11 bonus questions over the full semester.

The grading scale is fixed and grades will not be “bumped up” for subjective reasons. I wish I could but it is not practical with the total number of students I have. However, class attendance and effort should pay off on
the exams and quizzes. There is no attendance policy, but fractions of a point may be rounded up or down at my discretion, and this will work in favor of regular class attendees. Practice tests are available on my web site, to give you the flavor of my test questions.

**WebCT.** You can access our class WebCT site at http://www.uta.edu/webct. A link with instructions on how to log in can be found at the there. You will take quizzes on the WebCT site, and are responsible for getting them completed properly by the designated time. A practice quiz is available on the WebCT site for you to practice, if necessary. I encourage you to do this practice quiz.

Each quiz will have only two questions, and you have only five minutes to complete the quiz. Due dates for each quiz are as follows:

- 10:00 pm., Jan. 23: “Your Money or Your Life” excerpt, on library reserve
- 10:00 pm., Feb. 13: GM article and Wal-Mart article, handed out in class
- 10:00 pm., Mar. 4: “The Bell Curve,” on library reserve
- 10:00 pm., Mar. 4: Hospital/Factory articles, handed out in class
- 10:00 pm., Apr. 15: Diabetes article, on my web site
- 10:00 pm., May 1: Wal-Mart brief, on my web site

If you have read the reading conscientiously, you are likely to well on the quiz–my questions will not be picky.

**Academic Honesty.** Academic dishonesty is bad, bad, bad, and will not be tolerated in any form. All persons involved in academic dishonesty will be disciplined in accordance with University regulations and procedures. Discipline may include suspension or expulsion from the University. “Scholastic dishonesty includes but is not limited to cheating, plagiarism, collusion, the submission for credit of any work or materials that are attributable in whole or in part to another person, taking an examination for another person, any act designed to give unfair advantage to a student or the attempt to commit such acts.” (Regents' Rules and Regulations, Part One, Chapter VI, Section 3, Subsection 3.2, Subdivision 3.22)

**Grade Grievances.** You have one calendar year from the date the grade is assigned to initiate any grievance. The normal academic channels are department chair, academic dean, and the Provost.

**Missing Exams.** Let’s not go down this road unless we really, really need to. Big stuff like death or serious illness (yours or family) is excused with appropriate documentation; other stuff is at my discretion. The test dates are firm so you can set your schedule around them.

**Drop Policy.** It is the student's responsibility to complete the course or withdraw from the course in accordance with University Regulations. The drop date is just after the second test is returned to you.

**Nonpayment of Fees.** Students who have not paid by the census date and are dropped for non-payment cannot receive a grade for the course in any circumstances. Therefore, a student dropped for non-payment who continues to attend the course will not receive a grade for the course. Emergency loans are available to help students pay tuition and fees. Students can apply for emergency loans by going to the Emergency Tuition Loan Distribution Center at E.H. Hereford University Center (near the southwest entrance).

**Bomb Threats.** If anyone is tempted to call in a bomb threat, be aware that UTA will attempt to trace the phone call and prosecute all responsible parties. Every effort will be made to avoid cancellation of presentations and tests caused by bomb threats. Unannounced alternate sites will be available for these classes. Your instructor will make you aware of alternate class sites in the event that your classroom is not available.

**ADA Compliance.** It is my obligation and my pleasure to provide reasonable accommodation to students with
disabilities, so as not to discriminate on the basis of that disability. Student responsibility primarily rests with informing faculty at the beginning of the semester and in providing authorized documentation through designated administrative channels.

**Cell Phones.** All beepers, pagers and cell phones must either be turned off prior to class starting or placed in silent mode. Violators’ phones will receive an emergency tracheotomy.

**Schedule.** The schedule intersperses traditional lectures with class demonstrations of relevant concepts using the internet or supplementary readings, identified below. Remember, due dates for the WebCT quizzes on these supplementary readings are listed above.

**Unit 1: Producing and Insuring Health**

*The Production of Health*
- Jan. 17: The Production of Health (Section 2.7)
- Jan. 24: Historical and International Perspectives on Health Production (Ch. 16, internet presentation, and “Your Money or Your Life” excerpt, on library reserve)

*Economic Objectives in Health Production and the Use of Medical Care*
- Jan. 29: Creating Value in Health Care (Ch. 3)
- Jan. 31: Costs and Benefits in Health Care (Ch. 3 and “Your Money or Your Life”)
- Feb. 5: The Demand for Health Care (“Your Money or Your Life”)

*Health Insurance*
- Feb. 7: The Supply of and Demand for Health Insurance (Ch. 4,5)
- Feb. 9: Managed Care (Ch. 5)
- Feb. 14: More Managed Care (GM article and Wal-Mart article)

- Feb. 16: Test 1

**Unit 2: Performance of Health Care Markets**

*Markets for Health Services*
- Feb. 21: The Physician Services Market: Structure and Pricing (Ch. 6)
- Feb. 26: The Physician Services Market: Licensure, Quality, and Quantity (Ch. 6, 7)
- Feb. 28: The Hospital Services Market: Structure and Pricing (Ch. 8, 9)
- Mar. 5: Hospitals: Quality and Quantity (“The Bell Curve,” on library reserve; Hospital/Factory articles)
- Mar. 7: Long Term Care (Ch. 10)
- Mar. 19: The Pharmaceuticals Market (Ch. 11)

*Structure, Conduct, and Performance in Health Care Markets*
- Mar. 21: Competition and Pricing (no reading–draws on Chapters 6-11)
- Mar. 26: Information and Quality (Texas Health Care Information Collection–internet presentation)
- Mar. 28: Incentives and Quantity (no reading–draws on Chapters 5-11)

- Apr. 2: Test 2
Unit 3: Performance of Health Systems

Comparative Health Systems
Apr. 4: Health Systems (Section 1.2) and History of the U.S. Health System
Apr. 9: International Health Systems Comparison (Ch. 17)
Apr. 11: More International Health Systems (no reading–internet presentation)

Assessing and Improving Health Systems
Apr. 16: Markets and Health System Performance: A New Model (Diabetes article on my web site)
Apr. 18: Government in the Health Economy: A Theoretical Perspective (Ch. 14, 15)
Apr. 23: Government in the Health Economy–Specific Examples (no reading)
Apr. 25: History of Government Involvement in the Health Economy (no reading)

Health System Reform
Apr. 30: Public Health System Reform (Ch. 18, “The Health of Nations,” library reserve–hard copy only)
May 2: Private Health System Reform (The Wal-Mart brief available on my web site)

May 7: Non-cumulative Final Exam, 11:00-1:30 pm