

Economics 384: Health Economics

Professor Rehavi

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Include ECON 384 as the beginning of the subject of all emails if you would like a timely reply.

Office: Buchanan Tower 906

Office Hours: TBA

Course Information:

Lecture:

- Tuesday/Thursday: 12:30-2pm
- Location: Buchanan D217

Course Description: An economic perspective on challenges in health finance and health policy. Topics will include models of the consumer-patient, the physician-entrepreneur, and the third-party regulatory and payment agency. **Some topics will involve mathematical analysis.**
Prerequisites: All of ECON 101 and 102.

Textbook (recommended but **not** required):

Authors: Folland, Goodman and Stano

Title: “The Economics of Health and Health Care” (6th or 7th Edition)

Course Website: www.connect.ubc.ca

Midterm: Thursday, February 12th in Lecture

Grading:

Problem Sets (5)	20%
Participation	5%
Midterm (February 12 th)	25%
Final Exam	50%

Late Problem Sets: Problem Sets are due at the start of lecture. No late problem sets will be accepted. If you have a documented illness or family emergency that causes you to miss 1 or more assignments, the other assignments will be weighted up to compensate.

Collaboration on Assignments: All homework must represent your own work and be written up in your own words.

Preliminary Schedule: will be updated on Fridays to reflect course pacing

Week 1:

Overview
Review Economic Efficiency (Chapter 2)

Week 2:

Externalities
Economic Evaluation with Certainty (Chapter 4)

Week 3:

Economic Evaluation with Certainty Cont. (Chapter 4)
Valuing Length and Quality of Life

Week 4:

Estimating Benefits
Economic Evaluation with Uncertainty (Textbook pp. 150-153)

Week 5:

Production of Health (Chapter 5)
Demand for Health (Chapter 7)

Week 6:

Review/catch-up
MIDTERM

Week 7:

Health Insurance (Chapter 8)
Adverse Selection (Chapter 10)

Week 8

Moral Hazard (Chapter 10.1, Chapter 8.2.3)
Rand Health Insurance Experiment
Health Care financing and systems around the world (Chapter 22)

Week 9 and ½ of Week 10

Provider Incentives and Contracts (Chapter 15)
Government Regulation and Competition (Chapter 20)

Weeks 10-12

Special Topics: Prescription Drugs, Behavioral Economics (addictive goods, commitment devices and habits)