

Course Syllabus
Health Economics (ECON 531)
Department of Economics
University of South Carolina
Fall 2020

Class Information

Lectures

Time: Mondays & Wednesdays, 2:20 – 3:35pm
Location: See Blackboard for a hyperlink to the lectures

Instructor

Name: Lindsey Woodworth
E-Mail: lindsey.woodworth@moore.sc.edu
Office Hours: Mondays & Wednesdays, 9:30 – 11:30am
If you would like to meet during office hours, just send me an e-mail with your preferred time and the method by which you would like to meet (telephone or Zoom)

Instruction Overview

This is a synchronous course, so it is expected that you tune-in to lectures during the scheduled class time. Lectures will air on YouTube. See Blackboard for a link to the lectures.

The material will be presented in a semi-“podcast” fashion. The oral component will be heavier than the visual. You need to go to Blackboard and print off the class packet that has the “podcast” notes with blanks for you to fill in. As you listen along, make sure you fill in the blanks for studying purposes. You will not be required to turn in these notes, but they will be a very helpful study aide when it comes time to prepare for the exams.

Following the presentation of the material each class, there will be a 10 minute question intermission. During this time, you can submit your questions on the YouTube chat pane, and I will be available to provide live responses. Following the question intermission, the lecture will resume for an exercise period. During the exercise period, you will be required to complete a task and submit a response before the end of the scheduled class time that day. This will count for a participation score.

Required Text

“Health Economics”, by Jay Bhattacharya, Timothy Hyde & Peter Tu
(You actually need the textbook for this class/)

Course Description

This course is intended to provide students with an overview of the market for healthcare, including the factors that distinguish this particular market from many of the other markets studied in economics. Using this information, economic theories will be applied to the healthcare framework to analyze how healthcare is supplied, how insurance markets work, and how policy interventions might be expected to impact the delivery of healthcare. The institutional features of the health systems used in different parts of the world will be discussed and compared.

Learning Objectives

- Students will understand how and why healthcare markets are distinct from most other markets
- Students will understand the particular challenges that confront making insurance markets sustainable
- Students will understand the institutional features of the U.S. healthcare system
- Students will be able to compare and contrast health systems used in different parts of the world

Assignments and Exams

Participation (20% of course grade)

Towards the end of each class, there will be an exercise you need to complete. You must complete the exercise and submit a response in Blackboard before the end of the scheduled class time that day. Submitting a response on-time will earn you a participation point for the day. The exercise will not be grading for accuracy, but simply completion. Throughout the course of the semester you will get three “freebies”. After that, missing exercises will count against your participation score.

Exams (60% of course grade)

Three exams will be administered. Please see the schedule on the last page of the syllabus for the exam dates. The exams will not be cumulative. Each exam will be weighted equally (20% apiece). In the place of a final, you will be asked to complete a project. If for any reason you are unable to attend one of the exams, you must notify the instructor in advance. Requests to re-take an exam will only be considered in extreme circumstances. Permission will be granted at the discretion of the instructor. If you are requesting to re-take an exam due to illness, you must provide a doctor’s note. Make every effort to attend each exam.

Final Project (20% of course grade)

A final project will be assigned in the place of a final exam. More information on the final project will be provided later in the semester.

For Graduate Students Only

If you are enrolled in this course as a graduate student, you will need to complete one additional “homework” assignment. This is the only distinction in your course requirements relative to the course requirements for undergraduate students taking ECON 531.

Your grade on the additional assignment will be incorporated into the 20% weight on participation. (Effectively, this means your daily exercises will each count for less.)

Briefly, your additional assignment will be to first select one recent newspaper article that is related to healthcare. You will then need to write a 3-page report summarizing the article and tying the concepts the article discusses into the economic theories that have been presented in class. Please note that your newspaper article will need to be approved before you begin the project. More detailed instructions about the graduate student assignment are posted to Blackboard. Contact Professor Woodworth ASAP if you have any questions.

Grading

Letter grades will be assigned using the following rubric. The thresholds below represent hard cuts, so you should not anticipate rounding.

A	90-100%
B+	87-89.9̄%
B	80-86.9̄%
C+	77-79.9̄%
C	70-76.9̄%
D+	67-69.9̄%
D	60-66.9̄%
F	0-59.9̄%

If you wish to appeal a grade, please refer to the Darla Moore School of Business’ grade grievance policy for the correct protocol:

https://www.sc.edu/study/colleges_schools/moore/internal/student_resources/rights_and_responsibilities/grievances.php

Special Accommodations

If you are in need of special accommodations for a disability (or other reason), please let me know as soon as possible and I am happy to make arrangements.

Please also register any disabilities with the Student Disabilities Resource Center:

https://sc.edu/about/offices_and_divisions/student_disability_resource_center/request_accommodations/index.php

Academic Honesty and Classroom Behavior

Students caught cheating will be given a zero.

The community of scholars at the University of South Carolina is dedicated to personal and academic excellence. Choosing to join the community obligates each member to the Carolinian Creed. Academic dialogue and civil discourse are the cornerstone of the educational system and crucial to individual growth. Students are encouraged to practice personal and academic integrity, respect the rights and dignity of all persons, respect the rights and property of others, discourage bigotry, while striving to learn from differences in people, ideas, and opinions, and demonstrate concern for others, their feelings, and their need for conditions which support their work and development.

If you are unclear about the activities that constitute cheating, please refer to the University of South Carolina Honor Code: <http://www.sc.edu/policies/ppm/staf625.pdf>

COVID Information and Extras

Time Zones – If you will be residing in a time zone that precludes participation in synchronous activities, you need to communicate this to Professor Woodworth no later than Thursday, August 27, and provide documentation of your location. After this, an alternative arrangement will be discussed.

To-Do Before Class – At the start of the semester, you will need to download “Respondus Lockdown Browser + Respondus Monitor” (these two download together). They are free and invoked through Blackboard.

Need Help? – Any student who has difficulty affording groceries or accessing sufficient food to eat every day, or who lacks a safe and stable place to live and believes this may affect their performance in the course, is urged to contact the Division of Student Affairs and Academic Support at 777-4193. If you are comfortable doing so, please notify your instructors so we can find resources that may be helpful.

Copyrights – Lectures and course materials may be protected by copyright. You are encouraged to take notes and utilize course materials for your own educational purpose. However, you are not to reproduce or distribute any course content without my expressed written permission. This includes sharing course materials to online social study sites (e.g., CourseHero) or posting video content to any external website or service. Students who publicly reproduce, distribute or modify course content may be in violation of the university Honor Code’s Complicity policy, which prohibits sharing academic work with another student (either in person or electronically) without the permission of the instructor. Sharing course materials without permission may result in an F for the course. Furthermore, sharing any video content with those not registered for the class will violate the privacy of your classmates and may lead to your being subject to legal action as a result.

Infected? – If you test positive for COVID-19, please complete the COVID-19 Student Report Form: https://cm.maxient.com/reportingform.php?UnivofSCAcadSupport&layout_id=9

Course Outline

The course material will be presented in the following order. For the parts of each chapter that are required reading, please see the class packet.

Introduction

Chapter 1 – Why health economics?

Supply and Demand in Healthcare

Chapter 2 – Demand for health care

Chapter 3 – Demand for health: The Grossman model

Chapter 5 – The labor market for physicians

Chapter 6 – The hospital industry

Insurance

Chapter 7 – Demand for insurance

Chapter 8 – Adverse selection: Akerlof's market for lemons

(Here, we may do a re-cap of Consumer Choice Theory if necessary)

Chapter 9 – Adverse selection: The Rothschild-Stiglitz model

Chapter 11 – Moral hazard

Economics of Health Innovation

Chapter 13 – Technology and the price of healthcare

Chapter 14 – Health technology assessment

Health Policy

Chapter 15 – The health policy conundrum

Chapter 16 – The Beveridge model: Nationalized healthcare

Chapter 17 – The Bismarck model: Social health insurance

Chapter 18 – The American model

Important Dates

Week 1

Mon, August 24
Wed, August 26

Week 2

Mon, August 31
Wed, September 2

Week 3

Mon, September 7 – *Asynchronous class*
Wed, September 9

Week 4

Mon, September 14
Wed, September 16 – *Exam 1*

Week 5

Mon, September 21
Wed, September 23

Week 6

Mon, September 29
Wed, September 30

Week 7

Mon, October 5
Wed, October 7

Week 8

Mon, October 12 – *Exam 2*
Wed, October 14

Week 9

Mon, October 19
Wed, October 21

Week 10

Mon, October 26
Wed, October 28

Week 11

Mon, November 2
Wed, November 4 – *Exam 3*

Week 12

Mon, November 9
Wed, November 11

Week 13

Mon, November 16
Wed, November 18

Week 14

Mon, November 23
Wed, November 25 – *Class cancelled*

Week 15

Mon, November 30

DUE DATE/TIME FOR FINAL PROJECT:

Fri, December 11 @ 12:30pm