

Economics 384: Health Economics

Professor Rehavi

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

Office: Buchanan Tower 1017

Office Hours: Mondays: 11-11:45am

Wednesdays: 3-4pm, Buchanan 1017

Course Information:

Lecture:

- M/W/F 10-11am
- Location: Chemistry D300

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: Friday, February 15th, 2013

There will be no lecture Friday, March 8th.

Grading:

Problem Sets (lowest score will be dropped)	20%
Participation	5%
Midterm (February 15 th)	25%
Final Exam	50%

Late Problem Sets: No late problem sets will be accepted. Problem Sets are due at the start of lecture. You may choose to skip 1 problem set for any reason (e.g. illness). However, I strongly encourage you to complete all problem sets as they are the best preparation for the exams. If you complete all of the problem sets, your lowest problem set grade will be dropped before calculating your final grade. If you have an extended serious illness or a documented family emergency that causes you to miss more than 1 assignment 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

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

Week 7:

Review/catch-up
MIDTERM

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

Addictive Goods: Alcohol, Cigarettes and Drugs (Chapter 24)
Taxes, regulation and commitment devices