

Course Syllabus

Lecture Time: Monday & Wednesday 8am-10 noon (lecture), and Friday 9-10 (discussion).
The room is 41-235.

Instructor's office hours: Wednesday 2-3pm and by appointment (825-2595 or sschweit@ucla.edu) at CHS 31-269. The Graduate Reader will be Danielle Rose Ash, who will schedule her own office hour.

Purpose of the Course:

HS 236 is designed to enable students to use the tools of economics in analyzing health services policy issues. Though many paradigms are useful in studying health policy, familiarity with the principles of economic analysis is essential for understanding alternative ways of organizing and financing health care. It is also essential to the understanding of likely results of changes in health policy. A wide variety of topics will be covered in the course, both institutionally and analytically. The topics covered are only a sampling of the breadth of application of economics to health services research. Many topics are not covered in the course, but all of those that are included are useful.

Prerequisite:

The prerequisite for the course is a recent course in micro economic theory, such as Economics 1 or 11. Material from this course will be utilized extensively in class discussions and will be covered in all the examinations. Microeconomic theory will be the basis of the discussion section meetings. Therefore, attendance in discussion sessions is especially important - and mandatory for all students without a very strong microeconomics background.

Course Readings:

The texts for the course are **(Ph)** Charles Phelps, Health Economics (3rd ed), (Reading, Massachusetts: Addison-Wesley), 2003 and **(Pa)** Michael Parkin, Microeconomics, 7th ed. (Reading Massachusetts: Addison-Wesley), 2003. Students are expected to purchase both the Phelps and Parkin texts.

Course Requirements and Grading:

Students will be expected to have read each session's chapters carefully. Students will be selected during the previous class session to report on and critique the relevant chapter. These brief oral presentations will teach the art of abstracting as well as critical thinking, and will assure a thorough understanding of the chapter.

There will be three examinations given, one each during weeks 3, 6, and 11. The exams will each count 26% of the grade.

Class participation (including discussion section) will constitute 10 percent of the grade, and exercises in the discussion session will count an additional 10 percent. One point of extra credit (up to a maximum of 5 points) will be given for each half-page abstract of health related articles

appearing in The Economist magazine, available outside 31-269C and in the AGSM and University Research Libraries. These summaries are to be turned in to the Graduate Reader. The extra credit points for the Economist abstracts will be added to one's total score at the end of the quarter before rankings and grades are determined.

Class Schedule and Readings:

Monday October 4	Introduction to Health Economics (Ph 1)
Wednesday October 6	Markets and Health Care (Ph 2)
Friday October 8	Introduction, Budget Constraints, Utility, Choice (Pa 1-2)
Monday October 11	Transforming Medical Care into Health (Ph 3)
Wednesday October 13	Demand for Health and Medical Care (Ph 4)
Friday October 10	Demand and Supply (Pa 3,4)
Monday October 18	Empirical Studies of Demand (Ph 5)
Wednesday October 20	First Midterm examination (2 hours)
Friday October 22	Utility, Demand, and Preferences (Pa 5, 7, 8)
Monday October 25	Health Insurance (Ph 10)
Wednesday October 27	Managed Care (Ph 11)
Friday October 29	Resource and Labor Markets (Pa 14)
Monday November 1	The Physician (Ph 6 and 7)
Wednesday November 3	Second examination (2 hours)
Friday November 5	Cost Curves (Pa 9-10)
Monday November 8	No class (APHA Annual Meetings)
Wednesday November 10	No class (APHA Annual Meetings)
Friday November 12	Monopoly, Competition, and Imperfect Competition (Pa 12, 13)
Monday November 15	Hospitals (Ph 8 and Ph 9)
Wednesday November 17	The Government's Role, and Medicare (Ph 12)
Friday November 19	Public Goods, Regulation, and Antitrust Law (Pa 14, 16)
Monday November 22	Medical Malpractice (Ph 13)
Wednesday November 24	Externalities and Market Failure (Ph 14)
Friday November 26	No section meeting: Thanksgiving
Monday November 29	Regulating Technology: The Case of Pharmaceuticals (Ph 15)
Wednesday December 1	Universal Health Insurance Issues (Ph16) (Last Lecture)
Friday December 3	Market Failure (Pa 15) (Last section meeting)
Monday December 6	Inequality and Redistribution (Pa 18) and Review
Wednesday December 8	Third examination (two hours)