Health Economics I is a 4-credit hours introduction to the field of health economics. The course will train students in the techniques of microeconomic and micro-econometric analysis, with an emphasis on applications to inform health policy issues. Topics include the demand for health, economic epidemiology, demand for medical care, demand for insurance, risk selection and health plan performance, outcome assessment, and determinants of medical innovation. The material for this class will be delivered through lectures, assigned readings, student presentations and in-class discussions. Students will be able to demonstrate the depth of their knowledge through a final exam. While there is a textbook, most of the lectures will be dedicated to the assigned readings, which will be posted to the Blackboard course site.

**Prerequisites**

Graduate courses numbered 500 or higher in microeconomic theory and econometrics are strongly recommended.

**Course Objectives**

Upon completion of this course, students should be able to:

1. Apply economic tools to health care and health policy issues, including applied microeconomic theory and econometrics.

2. Identify and summarize the salient features of leading health economics research, including: research questions; data sources; summary of methods; key findings; policy relevance; and weaknesses.

3. Explicate what the key topics in health economics, as noted in course outline.

**Reading Materials**

The reading materials for this course include a textbook and additional materials culled from the health economics literature, as noted in the Course Outline. In addition, there are some other background sources that are useful. Health economics sometimes requires some knowledge of the details of diseases and their treatments, as well as of the important institutions in health care delivery and its regulation. Two good sources include the Kaiser Family Foundation (kff.org) and *Health Affairs*. 
Finally, many government agencies provide useful material. The Congressional Budget Office evaluates many health care reform proposals using their in-house economic models. The General Accounting Office publishes a large number of reports with detailed background information on Federal policy issues. The Agency for Healthcare Research and Quality publishes reports on the studies that they fund, and the Bureau of Labor Statistics reports on health insurance and employment (see also the reports published regularly by the Employee Benefits Research Institute). The Medicare Payment Advisory Commission summarizes current financing problems and reform options for the Medicare program. All of these reports are available for free, or virtually free, and can provide good introductions to policy issues and proposals to deal with them. The National Center for Health Statistics publishes reports regularly related to the health, health care, health insurance, and health behavior of the U.S. population; one good "snapshot" annual report is Health United States.

**Textbook:**

**Course Outline**
The course outline **will be posted on Blackboard.** Aside from chapters in the textbook, additional readings will be assigned throughout the course, and will be posted to the Blackboard course site. Please check there regularly for updates.

**Class Attendance and Missed Work**

**Attendance Policy:**
It is not possible to meet the course objectives without regular attendance and spending time before class familiarizing oneself with the required readings.

1. Students are expected to attend and participate in all lectures and interactive problem-solving sessions.

2. Students are expected to carry out all assigned work and to take examinations at the class period designated by the instructor.

3. Class begins promptly. If the instructor does not convene class within twenty (20) minutes after the hour, it may be assumed that class is canceled for that day.

4. Unresolved problems regarding class attendance, grading policies or other issues involving the class should be discussed with the instructor. If the student is not satisfied with the results of these discussions, he or she should follow Student Handbook procedures for handling course-related disputes.
Make-Up Work:

1. There will be no make-up work;
2. Student presentations may not be rescheduled;
3. There will be no Replacement Examinations offered in this class.

Exceptions may be made in the case of documented emergencies—e.g., a police report; a death certificate, or letter from a licensed physician mailed to the instructor. Make up events may require in-person presentation to a committee of USC faculty rather than in-class. The following are not extraordinary exceptions: transportation problems; absence due to out-of-town travel; other pressing deadlines, etc.

Methods of Evaluation

The grade will be based on an in-class presentation, class participation, a midterm exam, and a final exam. The Instructor may choose to substitute a final paper for a final exam.

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<tr>
<th>Component</th>
<th>Percentage</th>
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<tr>
<td>Final Examination</td>
<td>40% of grade</td>
</tr>
<tr>
<td>Class Participation</td>
<td>20%</td>
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<tr>
<td>Midterm Examination</td>
<td>20%</td>
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<tr>
<td>In-Class Presentation</td>
<td>20%</td>
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For class participation, students are expected to come to class prepared to demonstrate that they have read the required readings, and they must lead class discussions. The in-class presentation will require students to choose an external reading assignment from a list of possible papers. The students will then be expected to present to the entire class the salient features of the article, paying particular attention to:

1. Research questions;
2. Data sources;
3. Summary of methods;
4. Key findings;
5. Policy relevance;
6. Weaknesses of the paper

Regrades:

If a student has a complaint regarding the grading of any examination, he or she should submit the complaint (in writing) along with the examination to the instructor. If the student has made marks on the returned exam, the written complaint should note it, so that the instructor will not wonder whether the student has attempted to change the response for a higher grade. The instructors will keep a copy of your exam when it’s returned. The student must submit this information within one week following the return of the work in question. If the student does not attend class the day the exam is returned, the student still has only one week to request a regrade. **Regrades sometimes result in a score decrement.**
**Academic Integrity**

USC seeks to maintain an optimal learning environment. General principles of academic honesty include the concept of respect for the intellectual property of others, the expectation that individual work will be submitted unless otherwise allowed by an instructor, and the obligations both to protect one’s own academic work from misuse by others as well as to avoid using another’s work as one’s own. All students are expected to understand and abide by these principles. *Scampus*, the Student Guidebook, contains the Student Conduct Code in Section 11.00, while the recommended sanctions are located in Appendix A. Students will be referred to the Office of Student Judicial Affairs and Community Standards for further review, should there be any suspicion of academic dishonesty.

**Special Needs or Students with Disabilities**

It is the policy of the University to provide accessibility to its programs and activities and reasonable accommodation for persons defined as having disabilities under Section 504 of the Rehabilitation Act of 1973, as amended, and the Americans with Disabilities Act of 1990. Students should contact the instructor at the beginning of the quarter so that accommodations can be arranged. Any student requesting academic accommodations based on a disability is required to register with Disability Services and Programs (DSP) each semester. A letter of verification for approved accommodations can be obtained from DSP. Please be sure the letter is delivered to the instructors as early in the semester as possible. DSP is located in STU 301 and is open 8:30 a.m.–5:00 p.m., Monday through Friday. The phone number for DSP is (213) 740-0776.

**Emergency Preparedness/Course Continuity**

In case of emergency, and travel to campus is difficult, USC executive leadership will announce an electronic way for instructors to teach students in their residence halls or homes using a combination of Blackboard, teleconferencing, and other technologies. Instructors should be prepared to assign students a "Plan B" project that can be completed at a distance. For additional information about maintaining your classes in an emergency please access: [http://cst.usc.edu/services/emergencyprep.html](http://cst.usc.edu/services/emergencyprep.html)