



蘇州大學  
Soochow University

## **ECO 582 Health Economics**

**Winter 2024**

**Course Credits:** 4

**Contact Hours:** 56 hours

**Instructor:** TBA

**Email:** TBA

### **COURSE OBJECTIVES**

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The healthcare sector is substantial, expensive, and crucial, with health being a significant source of uncertainty and risk for individuals and societies worldwide. Governments play a pivotal role in funding and shaping healthcare systems. This course is designed to provide students an economic approach to the analysis of the healthcare sector, equip students with analytical and conceptual tools. Topics covered include the demand for health care; the roles of hospitals, physicians, the supply of health care; adverse selection and moral hazard; healthcare interventions and policies.

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

1. Gain insights into healthcare issues and problems from an economic perspective;
2. Explore and analyze the determinants of healthcare demand and the supply side of healthcare;
3. Explore the behavior of agents involved in health care provision and consumption.
4. Examine various healthcare systems, including nationalized, social health insurance, and private systems, focusing on access, quality, and pricing;
5. Apply economic evaluation tools, such as cost-benefit analysis and/or cost-effectiveness analysis, to assess the efficiency of healthcare interventions and policies.

### **PREREQUISITES**

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ECO 110 Microeconomics



## GRADING

Grades will be determined by accumulating points, with 100 points being the maximum, as follows:

| ITEM         | POINTS     |
|--------------|------------|
| Problem Sets | 40 Points  |
| Midterm Exam | 20 Points  |
| Presentation | 15 Points  |
| Final Exam   | 25 Points  |
| Total        | 100 Points |

Late submissions will be graded at the end of the course. Grades will be assigned according to the following rule:

$$A \geq 90 > B \geq 80 > C \geq 70 > D \geq 60 > F.$$

We reserve the right to make adjustments to the overall grading policy.

## COURSE MATERIALS

### **Required Texts:**

Jay Bhattacharya, Timothy Hyde, Peter Tu, *Health Economics*, Bloomsbury Publishing, 2018.

### **Recommended (Optional) Texts or Other Materials:**

Supplementary readings will be assigned in alignment with class activities and discussions.

## COURSE TOPICS

| MODULE   | TASKS  |
|----------|--|
| Module 1 | <b>Topics:</b><br>Topic 1: Overview of Health Economics<br>Topic 2: Demand for Health and Healthcare<br>Topic 3: The Grossman Model<br>Topic 4: Socioeconomic Disparities in Health<br>Problem Set#1 |



|          |  |
|----------|--|
| Module 2 | <b>Topics:</b><br>Topic 5: Supply of Health Care<br>Topic 6: Physicians, Hospitals, and Health Professionals<br>Topic 7: Market Structure in Healthcare<br>Topic 8: Demand for Insurance<br>Problem Set#2  |
| Module 3 | <b>Topics:</b><br>Topic 9: Adverse Selection: Akerlof's Market for Lemons<br>Topic 10: Adverse Selection: the Rothschild-Stiglitz Model<br>Topic 11: Adverse Selection in Real Markets<br>Topic 12: Moral Hazard<br>Problem Set#3<br><b>Assessments:</b><br>Midterm Exam |
| Module 4 | <b>Topics:</b><br>Topic 13: Pharmaceuticals and the Economics of Innovation<br>Topic 14: Technology and the Price of Health Care<br>Topic 15: Health Technology Assessment:<br>Cost-effectiveness Analysis<br>Topic 16: Cost-benefit Analysis<br>Problem Set#4           |
| Module 5 | <b>Topics:</b><br>Topic 17: The Health Policy Conundrum<br>Topic 18: The Beveridge Model: Nationalized Health Care<br>Topic 19: The Bismarck Model: Social Health Insurance<br>Topic 20: The American Model<br>Presentation<br><b>Assessments:</b><br>Final Exam         |

## ATTENDANCE

1) Class attendance is required. Missing classes without permission will lead to decrease in overall grade.

Missing less than two classes: no penalty.

Missing more than two classes: 7% will be taken off from the overall grade.

If the instructor reports a student's frequent missing of class to the Soochow University Academic Administration Office, the student might get a written warning and might be prohibited from attending final exam.



2) Participants in this course are expected to arrive in class promptly and adequately prepared. The primary objective of this course is to critically engage with the readings and the subject matter. Therefore, course participants are expected to have completed the reading prior to class and prepare thoughtful reflections/commentaries to share with fellow colleagues.

### **LEARNING REQUIREMENTS**

- 1) Late assignments are not acceptable and are subjected to grade deductions.
- 2) Assignments submitted in the wrong format will be counted as not submitted.
- 3) Failure to submit or fulfill any required course component results in failure of the class.
- 4) Make-up for midterm and final exams only with valid excuses, as defined by the University.
- 5) In order to earn a Certificate of Completion, participants must thoughtfully complete all assignments by stated deadlines and earn an average quiz score of 50% or greater.

### **TECHNOLOGY POLICY**

The use of electronic devices in class is distracting, both for the user and for the rest of the class. Only non-programmable calculators can be used in the tests and exam. Any attempts to use cell phones and other electronic communication devices will be seemed as cheating. Laptops are discouraged, unless you use them for activities DIRECTLY related to the course (e.g., note taking, reading course documents).

### **ACADEMIC INTEGRITY POLICY**

Soochow University highly values the academic integrity and aims to promote the academic fairness, honesty and responsibility. Any academic dishonesty behaviors and any attempts to cheats and plagiarism will be reported to the university administration office. A written warning and the relevant penalties will be imposed. The record might be shown on the official university transcript.

### **DISABILITY ACCOMMODATION**



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Soochow University is committed to maintaining a barrier-free environment so that students with disabilities can fully access programs, courses, services, and activities at Soochow University. Students with disabilities who require accommodations for access to and/or participation in this course are welcome.

Note:

Please contact the University Administrative Office immediately if you have a learning disability, a medical issue, or any other type of problem that prevents professors from seeing you have learned the course material.