PBHL 853 - HEALTH ECONOMICS II (APPLIED HEALTH ECONOMICS)
COURSE SYLLABUS
Spring Quarter 2015

Wednesdays, 1:00 - 3:50 pm
Nesbitt Hall, Room 320

Instructor

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Office Hours:
- By appointment on Tuesdays (9:00-11:45 am) - make appointments online:
  http://professor-kanter-office.lattiss.com/
  (If you can't be on campus during office hours, you can also schedule a telephone appointment during these office hour times. Just indicate that it is a telephone appointment and the best number to reach you.)
- After class on Wednesdays (4-5 pm) - no appointment necessary

1. Course Description

PBHL 853 (Health Economics II/Applied Health Economics) is the second course in a 2-course sequence in health economics. Topics covered in this course include supply side theoretical issues such as: market competition in medical care, managed care, market for physician services, healthcare workforce issues, the market for hospital services, and the market for pharmaceuticals. This course will also include an introduction to the empirical strategies used to estimate effects of health programs and policies. Stata software will be used. Knowledge of calculus and intermediate biostatistics coursework are recommended but not required. Students are expected to have facility with statistical programming software like SAS, Stata, or R. Prerequisites: PBHL 852 (Introduction to Health Economics/Health Economics I) and PBHL 520 (Biostatistics). There will be weekly problem sets, quizzes, as well as a midterm exam and a final exam.

2. Course Learning Objectives and Core Competencies

2.1. Course Learning Objectives
- Further develop an understanding of an economic approach to analyzing health care issues
- Know the factors affecting the supply of the healthcare workforce
- Understand the structure and functioning of managed care systems
- Understand key features of healthcare, hospital, and pharmaceutical markets
- Understand principles underlying and consequences of price and cost controls in healthcare
- Understand the structure and functioning of hospitals

- Understand key principles underlying the method of linear regression and interpret empirical health policy papers that use regression techniques
- Write functioning Stata programs that prepare a dataset for analysis, that compute summary statistics, and that specify and estimate simple models that can be used to answer health policy/services questions

2.2. Core Competencies
- Identify the main components and issues of the organization, financing, and delivery of health services and public health systems in the US
- Discuss the policy process for improving the health status of populations
- Apply "systems thinking" for resolving organizational problems
- Apply evidence-based principles and the scientific knowledge base to critical evaluation and decision-making in public health
- Identify unintended consequences produced by changes made to a public health system
- Analyze the effects of political, social and economic policies on public health systems at the local, state, national and international levels

3. Required Reading, Software, and Recommended Resources

3.1. Required Reading
Readings will be from a variety of sources and will be made available online through Blackboard. No textbook purchases are required. If you would like to purchase your own copies of the books that will be used as major reading sources, here is a list of books from which we will draw readings. If they are available through Drexel libraries, they will be placed on reserve at Hagerty.

- Feldstein, Paul J. 2015. *Health Policy Issues: An Economic Perspective, 6th Edition*. Health Administration Press. 2011 (5th) edition on reserve at Hagerty.
- Feldstein, Paul J. 2011. *Health Care Economics, 7th Edition*. Cengage Learning. On reserve at Hagerty.
- Johnson-Lans, Shirley. 2006. *Health Economics: A Primer*. Pearson.

- Remler, Dahlia K., and Gregg G. Van Ryzin. 2011. *Research Methods in Practice*. Sage. 2014 (2nd) edition available for purchase - either edition is fine.
- Allison, Paul D. 1999. *Multiple Regression: A Primer.* Pine Forge Press.

3.2. Software
Stata/IC 13 software is required for this class. You can purchase a 6-month student license for $69 at the Stata website: http://www.stata.com/order/new/edu/gradplans/student-pricing/
Note: Please make sure to purchase the Stata/IC (Intercooled) version and not the Small Stata version. We will have a Stata tutorial in Week 2, so please purchase and install Stata on your laptops by then.

3.3. Recommended Texts
3.3.1. Stata tutorials and guides
The best way to learn Stata is to jump in and try commands until your program works. There are introductory tutorials online and on Youtube that may be helpful to structure self-learning, and the <help> function provides background for specific commands. UCLA and Princeton have particularly helpful online tutorials to get you started:
http://data.princeton.edu/stata/
http://www.ats.ucla.edu/stat/stata/modules/default.htm

In addition, here are some books that students have found useful in the past.
- Acock, Alan C. *A Gentle Introduction to Stata, Revised Third Edition.* Stata Press.
- Baum, Christopher F. *An Introduction to Stata Programming.* Stata Press.

3.3.2. Statistics/econometrics texts

For a more mathematical treatment of statistical methods, the following books are good references. You may want to start first with Remler and van Ryzin (full citation in 3.1) and work up from there.
- Agresti, Alan, and Barbara Finlay. 2008. *Statistical Methods for the Social Sciences, 4th Edition.* Pearson.
- Stock, James H., and Mark W. Watson. 2014. *Introduction to Econometrics, 3rd Edition.* Prentice Hall.
- Wooldridge, Jeffrey M. 2012. *Introductory Econometrics: A Modern Approach, 5th Edition*. Cengage.

3.3.3. General economics text

If you have not had previous economics coursework, you may find the following book helpful:
- Mankiw, N. Gregory. 2014. *Principles of Microeconomics, 7th Edition*. Cengage Learning. On (Econ) reserve at Hagerty.

4. Evaluation

The course grade will be based on 6 problem sets, 6 quizzes, a midterm exam, a final exam, and class (clicker) or bonus exercises.

Problem Sets #1-#6	24% (4% each)
Quizzes #1-#6	12% (2% each)
Midterm Exam	28% (Part A 16%, Part B 12%)
Final Exam	34% (Part A 16%, Part B 18%)
Class/Bonus Exercises	2%

4.1. Problem sets

There will be 7 problem sets assigned, 6 of which will count towards your course grade (lowest score dropped). Problem sets will be assigned every week except during exam weeks. They are due at the beginning of each class. You may consult with other students on your problem sets but each student must write up his or her own work.

One problem, not announced in advance, from each problem set will be selected for grading. Solutions to the problem sets will be posted weekly. Students are advised to review the solutions and check their answers for the problems that are not graded. Late problem sets will be accepted and graded but no points will be recorded.

4.2. Quizzes

There will be 7 quizzes, 6 of which will count towards your course grade (lowest score dropped). Quizzes will be given at the end of class every week except during exam weeks. There will be no makeup quizzes.

4.3. Midterm exam

There will be one midterm exam. The midterm exam will consist of two parts. Part A is the in-class portion of the exam. Part A will be conducted during class in the conventional way, with no notes or resources--electronic or otherwise--permitted during the exam. Part B is the take-home portion of the exam. Students are not allowed to consult with other classmates on Part B of the exams but are allowed to refer to class notes, library books, and web sources. Part B exams are due at the beginning of class on the day scheduled

for the Part A exam (you turn in Part B before taking the in-class Part A exam). Late Part B exams will be accepted and graded, but penalties will be levied for lateness. Penalties for late Part B exams are as follows: (a) within 24 hours: 25% penalty; (b) more than 24 hours late but less than 48 hours late: 50% penalty; (c) more than 48 hours late: no points.

4.4. Final exam

The final exam is cumulative. It consists of two parts and follows the same protocol as the midterm exam. Part A is the in-class portion of the final exam. Part A will be conducted during class in the conventional way, with no notes or resources--electronic or otherwise--permitted during the exam. Part B is the take-home portion of the exam. Students are not allowed to consult with other classmates on Part B of the exam but are allowed to refer to class notes, library books, and web sources. Late Part B exams will be accepted and graded, but penalties will be levied for lateness. Penalties for late Part B exams are as follows: (a) within 24 hours: 25% penalty; (b) more than 24 hours late but less than 48 hours late: 50% penalty; (c) more than 48 hours late: no points.

Part A of the final exam will be given in Week 10 during class. Part B of the final exam will be due at 12 noon on Friday, June 5.

4.5. Class/bonus exercises

On occasion, you will be asked to participate in class exercises or complete surveys. A small number of points will be given for participation in these activities.

4.6. Blind grading

Every effort will be made to grade problem sets and exams blind, i.e. the instructor will not know the identity of the student submitting the work when she does the grading. For this reason, please include, with your assignments, a cover sheet or header with the assignment title and *only* your ID number (no names). Please use the following format for your ID number: xxx-xxx-xx.

4.7. Makeup exams

Makeup exams for this class are highly unusual and granted only under extenuating circumstances with extensive documentation (e.g. hospital discharge notice, obituary notice). In any case, you must notify the instructor within 24 hours of a missed exam.

4.8. Re-grades

Although care is taken in grading, mistakes in grading assignments and exams can on rare occasions occur. If you feel an error was made in grading, please do the following:

(1) Make a photocopy of your graded assignment, as re-grades will only be examined at the end of the quarter, after the final exam, and you may need the graded assignment to study.
(2) If you believe an error was made in grading, submit a written explanation of why you believe an error was made--i.e. why your original answer was the correct answer compared to the solution or reference document--and submit a hard copy of your explanation and the graded assignment. These documents should be submitted (in-person or in mailbox) by 12 noon the day *before* the in-class Final Exam, Part A.
(3) A request for a re-grade can result in a lower score based on your explanation or justification.
(4) Because of the re-grade policy, please type or use a pen on all problem sets, quizzes, and exams to preserve your ability to appeal for a re-grade.

All appeals for re-grades must go through this formal process. No informal (i.e. in-person) appeals will be accepted.

4.9. Grading scale

A+	98-100
A	94-97
A-	90-93
B+	88-89
B	84-87
B-	80-83
C+	78-79
C	74-77
C-	70-73

5. Class policies and expectations of student conduct

5.1. Class attendance
Attendance will not be taken. Nevertheless, it is strongly recommended that you attend class and be well-prepared to engage in class discussions and activities because attendance in class will be crucial in preparing you for the exams and assignments. In addition, there may be in-class quizzes and activities that count towards your course grade. If you have to miss class for any reason, you are responsible for reviewing the material covered and for turning assignments in when they are due. If what you need is not available on Blackboard, please request materials and information from a fellow student.

5.2. Holidays
Please inform the instructor at the beginning of the quarter of any anticipated (exam) absences because of religious holidays, and we will negotiate reasonable accommodations for those absences.

5.3. Civility in discourse and courtesy towards fellow classmates
Please respect each person and his/her ideas and questions. Please turn off all cell phones and do not listen to music, play games, web-surf, or read outside materials during class.

5.4. Academic conduct
Students are expected to know, understand, and abide by the academic integrity policy as specified in the Code of Conduct in the Drexel University Official Student Handbook, pp. 110-113: http://www.drexel.edu/studentaffairs/community_standards/studentHandbook/

Unless otherwise instructed, all of your work in this course should represent your own completely independent work. Any student found to have committed acts of misconduct (including but not limited to cheating, plagiarism, misconduct of research, breach of confidentiality, or illegal or unlawful acts) will be subject to the sanctions and procedures outlined in the Code of Conduct.

6. Drexel University policies

6.1. Accommodation for disabilities
Student with disabilities requesting accommodations and services at Drexel University need to present a current Accommodation Verification Letter (AVL) to faculty before accommodations can be made. AVL's are issued by the Office of Disability Resources (ODR). For additional information, contact ODR at

www.drexel.edu/odr, 3201 Arch St., Street, Suite 210, Philadelphia, PA 19104, 215.895.1401 (V), or 215.895.2299 (TTY).

6.2. University course drop policy
Please note that "dropping" a course and "withdrawing" from a course are distinct actions and are governed by different policies. (See "Course Withdrawal Policy" below.)

For both graduate and undergraduate students, courses may only be dropped during the "drop period" lasting from the beginning of the enrollment period through the end of the second week of the quarter. Dropping a course results in the course being removed from the student's academic record without a "W" appearing on the transcript—specifically, neither the course nor the grade of "W" appears on the student's transcript. Freshmen and new first-term transfer students must meet with their academic advisors to drop courses during the first quarter. Undergraduate upper-class and graduate students may use BannerWeb to drop courses; no approvals are required for upper-class and graduate students.

Students drop a course for the term in which they are enrolled by using BannerWeb for students. Approval of the instructor is not required to drop a course (but is required to withdraw from a course).

For "accelerated courses," which normally last five weeks, the drop period is limited to the first week of the course. Thus, for accelerated courses given during weeks one through five of the regular term, the drop period is week one; for accelerated courses given during weeks six through ten of the regular term, the drop period is week six (of the regular term).