Course Description
This course presents an analytical perspective of the health care system and provides an insight on how healthcare markets differ from other markets. Uncertainty and asymmetric information that characterize health care markets limit the applicability of economic tools to analyze issues that deal with delivery, access and cost of health care. However, economic models provide important insights and are used to understand and predict the behavior of patients, providers and insurers in the system. In this course we will closely look at the flow of funds and services between patient, provider and third party payer. Some of the topics discussed in this class include demand for health care, social and private health insurance and managed care, role of hospital as a “doctors workshop”, physicians, pharmaceutical companies, and importance of economic models in understanding health care markets.

Oncourse will be used extensively to communicate and maintain information related to the course.

Pre-requisites
An introductory micro-economics course (e.g., E201) is a required prerequisite. It will be assumed that students are familiar with basic micro-economic principles. Chapter 2 in the textbook offers a quick review of the topics about which you will need to be familiar. Chapter 3 in the textbook offers a quick review and introduction to statistical tools used in health literature.

Textbook

Important:
The 7th edition is recommended, but the 6th edition is also acceptable. Students who purchase older editions of the text book MUST compare it with the edition. I will sometimes do chapter end problems in class or assign them for home work. It is the students responsibility that they obtain the assigned problem from the edition.

Grading:
Class grade will be based on five assignments (30 points), two exam (50 points), a writing project (20 points), and participation in class (5). Participation points serve as extra credit. The final grade will be determined as the sum of all grades out of a total of 100 possible points.
Home Works: (30%).
You will have six assignments (best of 5 count) worth 6 points each. The assignments will be posted on oncourse and must be submitted electronically under the assignment tab on oncourse by 11 p.m. on due date. No late assignments will be accepted.

Exam: (50%).
There will be two exams given during the course. The exams consist of multiple choice questions, short answer questions and problems. Exams will be based on power point notes, readings, assignments and assigned chapters in the textbooks.

Writing project: (20%).
Students will form groups of up to 4 people and it is expected that all members participate equally. Each group will examine a specific health policy proposal or initiative and write a research paper from a health economics perspective. Possible research topics include, but are not limited to: efforts to cover the uninsured; Medicare prescription drug coverage; SCHIP reauthorization; expansion of consumer- directed health plans; cancer screen guidelines; providing long term care for the aging population; cost-containment strategies (DRG, RBRVS…); pay-for-performance. The research paper should contain at least the following elements:

- Motivation: why do you want to examine this issue?
- Background: what do we know about this issue in general?
- Objective: what is the goal of the proposal/initiative? who is the target population?
- Implementation: what financing or regulatory tools can be applied?
- Market impact: what economic incentives does the proposal/initiative provide (intended and unintended)? How does it change the allocation of resources? What are the implications on efficiency and equity?

A narrow focus is strongly recommended. Students are encouraged to discuss possible research topics with the instructor early on in the course. This writing assignment may require extensive research using resources available at the library and on the web. All works cited must be properly acknowledged by including a complete bibliography at the end of the paper. The research paper must be typed, double-spaced, with normal margins, pitch, etc., and should not exceed 10 pages. A 15 minute presentation is programmed for the end of the semester.

Rubric for Writing Assignment:
- Abstract and introduction…..2 points
- Grammatical and spelling…..2 points
- Content facts …..8 points
- Conclusion….2 points
- Citation….2 points
- Presentation…..4

Participation: (5%).
Participation in class will count towards extra credit. Participation in class includes discussion of readings, attendance and punctuality.
Grade distribution:

<table>
<thead>
<tr>
<th>Point Range</th>
<th>Letter Grade</th>
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<th>Letter Grade</th>
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<tbody>
<tr>
<td>100 and above</td>
<td>A+</td>
<td>76 and above</td>
<td>C</td>
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<tr>
<td>95 and above</td>
<td>A</td>
<td>73 and above</td>
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<td>93 and above</td>
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<td>90 and above</td>
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<td>83 and above</td>
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<td>59 and below</td>
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<td>80 and above</td>
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Important Information

This syllabus, all homework assignments, class notes, and other course materials will be posted in Oncourse. It is mandatory to check the course website with regular frequency, and to be alert of e-mails that are sent to your IUPUI student e-mail account.

Schedule of Classes

<table>
<thead>
<tr>
<th>Topic</th>
<th>Class starts</th>
<th>Textbook Chapter †</th>
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</thead>
<tbody>
<tr>
<td>1 Introduction to Health Economics</td>
<td>Aug 19</td>
<td>Chapter 1</td>
</tr>
<tr>
<td>2 Economic Tools</td>
<td>Aug 26</td>
<td>Chapter 2</td>
</tr>
<tr>
<td>3 Labor Day</td>
<td>Sept 2</td>
<td>No class (HW 1)</td>
</tr>
<tr>
<td>4 Production of Health</td>
<td>Sep 9</td>
<td>Chapter 5, 6</td>
</tr>
<tr>
<td>5 Demand for Health</td>
<td>Sep 16</td>
<td>Chapter 7 (HW 2)</td>
</tr>
<tr>
<td>6 Health Insurance</td>
<td>Sep 23</td>
<td>Chapter 8</td>
</tr>
<tr>
<td>7 MID TERM EXAM</td>
<td>Sep 30</td>
<td>Ch. 1-2, 5-8</td>
</tr>
<tr>
<td>8 Fall Break</td>
<td>Oct 7</td>
<td>No Class</td>
</tr>
<tr>
<td>9 Consumer Choice</td>
<td>Oct 14</td>
<td>Chapter 9</td>
</tr>
<tr>
<td>10 Organization of Health Insurance</td>
<td>Oct 21</td>
<td>Chapter 11 (HW 3)</td>
</tr>
<tr>
<td>11 Managed care</td>
<td>Oct 28</td>
<td>Chapter 12</td>
</tr>
<tr>
<td>12 Hospitals</td>
<td>Nov. 4</td>
<td>Chapter 14 (HW 4)</td>
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ADMINISTRATIVE WITHDRAWAL:
A basic requirement of this course is that you will participate in all class meetings and conscientiously complete all required course activities. Keep in touch with me if you are unable to attend, participate, or complete an assignment on time. If you miss more than half of the required activities within the first 25% of the course without contacting me, you may be administratively withdrawn from this course. Administrative withdrawal may have academic, financial, and financial aid implications. Administrative withdrawal will take place after the full refund period, and if you are administratively withdrawn from the course you will not be eligible for a tuition refund. If you have questions about the administrative withdrawal policy at any point during the semester, please contact me.

STUDENTS WITH DISABILITIES:
Students needing accommodations because of a disability will need to register with Adaptive Educational Services (AES) and complete the appropriate forms issued by AES before accommodations will be given. The AES office is located in Taylor Hall, UC 100. You can also reach the office by calling 274-3241. Visit http://aes.iupui.edu/ for more information.

STUDENT COURSE EVALUATION:
The Department of Economics evaluates all courses. Student course evaluations will be conducted in a manner that maintains the integrity of the process and the anonymity of respondents.

ACADEMIC MISCONDUCT
Students are responsible for upholding and maintaining academic and professional honesty and integrity (IUPUI Code of Student Rights, Responsibilities, and Conduct, available at http://www.iupui.edu/code/, Part II Student Responsibilities, G).

Plagiarism is the most common academic misconduct violation, and some students, who have been disciplined for plagiarism, have said they were not aware that they had plagiarized their work. Be aware that ‘not knowing’ does not excuse academic misconduct – every student is responsible for knowing the rules.

The IU School of Education’s ‘How to Recognize Plagiarism’ is an on-line tutorial that can
help you ensure that your work is not plagiarized? This tutorial can be accessed at http://www.indiana.edu/~istd/. If you have any questions about what constitutes academic misconduct for a course you are taking, be sure to ask the instructor for an explanation.

**CIVILITY AND DISORDERLY CONDUCT**
Students are expected to conduct themselves in a courteous and civil manner in interactions with professors and fellow students. This requires each person to be courteous, tolerant, and respectful during interactions with one another in all interactions, including face-to-face interactions, e-mail, and telephone conversations. Students should read the IUPUI Code of Student Rights, Responsibilities, and Conduct, which can be accessed at http://www.iupui.edu/code/ in order to understand their responsibilities as a student.

**COMMUNICATION BETWEEN FACULTY AND STUDENTS**
Consistent with campus policy, a student’s campus email address is the official means of communication between current students and staff. Please refer to course syllabi for instructors’ preferences (Oncourse, Webmail, etc.) regards communication with faculty. This policy applies to current students only. Students can forward IUPUI email to another account and still meet the requirements of this policy. Instructions for forwarding IUPUI email to another account can be found at http://uits.iu.edu/scripts/ose.cgi?berh.def.help.

**COURSE WITHDRAWALS:**
Students who stop attending class without properly withdrawing from the class will receive a grade of F. It is important to withdraw from a course within specified timeframes (see chart below). Poor performance in a course is not grounds for a late withdrawal.

Withdrawal forms will not be processed in the Office of the Registrar after the last day of classes. Any requests for a late withdrawal after the last day of classes must go through the grade appeal process, but each student should remember that in accordance with campus policy, the School of Liberal Arts does not permit a student to withdraw from a course if he/she has completed the course requirements. Visit the Office of the Registrar’s website at http://registrar.iupui.edu/withdraw.html for more information.

**WITHDRAWAL DEADLINES**
Course deleted from record, no grade assigned, 100% refund  
(Advisor signature IS NOT required) Week 1 (last day)
Withdawal with automatic grade of W  
(Advisor signature IS required) Week 2– Week 7 (regular session)
Withdrawal with grade of W or F  
(Advisor and instructor signatures ARE required) Week 8 – Week 12 (regular session)

**ADMINISTRATIVE WITHDRAWALS**
A basic requirement of this course is that you will participate in all class meetings and conscientiously complete all required course activities and/or assignments. Keep in touch with me if you are unable to attend, participate, or complete an assignment on time. If you miss more than half of the required activities within the first 25% of the course without contacting the course instructor, you may be administratively withdrawn from this course. Administrative withdrawal may have academic, financial, and financial aid implications. Administrative withdrawal will take place after the full refund period, and if you are administratively withdrawn from the course you will not be eligible for a tuition refund. If you have questions about the administrative withdrawal policy at any point during the
semester, please contact me.

**INCOMPLETES**
A grade of incomplete (I) indicates that a ‘substantial portion’ of the work in a course has been satisfactorily but not entirely completed by the student as of the end of the semester. The incomplete can be given to a student facing a hardship such that such that it would be unjust to hold the student to the established time limits for completing the work. Poor performance in a course is not grounds for an incomplete. Please visit the Office of the Registrar’s website at [http://registrar.iupui.edu/incomp.html](http://registrar.iupui.edu/incomp.html) in awarding incompletes. Incompletes must be removed within a time period specified, but the time period may not exceed one year after the semester in which the student was enrolled in the course. The incomplete will revert to an ‘F’ if not completed within the specified timeframe.

**GRADE CHANGES**
Under certain circumstances, students can seek grade changes for previously taken courses if they believe that a grade has been calculated or assigned incorrectly. A student who is seeking a grade change must first contact the instructor and ask for the grade change. In the event the instructor does not change the grade, the student can file a Change of Grade Petition with the Registrar’s Office. A student has 90 days after the conclusion of a course to appeal a grade. The Change of Grade petition form is located at the Office of the Registrar’s website at [http://registrar.iupui.edu/grdfrm.html](http://registrar.iupui.edu/grdfrm.html).

**FINAL EXAM SCHEDULE**
The final exam is held on the day and time set in the final exam schedule. Students who have more than three final exams in one day or insufficient time to get from one exam to another should consult with me to resolve the conflict.