

## HPAM-GP 4831-001 Topics in Domestic Health Policy Spring 2022

### **Instructor Information**

- Sherry Glied
- Email: sg162@nyu.edu
- Office Hours: By appointment.

## **Course Information**

- Class Meeting Times: Monday 4:55 6:35 pm
- Class Location: 194 Mercer Street, Room 208

## **Course Description**

This course will further extend students' understanding of how microeconomics can help to understand health and health care issues.

## **Course and Learning Objectives**

This course will address the following CAHME competencies:

• The ability to understand how policy and delivery processes work, and to consider the demographic, cultural, political and regulatory factors involved in and influencing health policy and management decision-making.

[This competency will be assessed through Assignment 3, which focuses on changing technological costs.]

• The ability to synthesize evidence, and apply statistical financial, economic and cost-effectiveness tools/techniques in organizational analysis.

[This competency will be assessed through Assignments 1, 2, and 3, which require students to apply statistical and economic techniques.]

• The ability to present convincingly to individuals and groups the evidence to support a point of view, position or recommendation.

[This competency will be assessed through Assignments 1, 2, and 3, in which students will be required to support a policy or management position.]

• The ability to communicate and interact productively (via listening, speaking and writing) on matters of healthcare with a diverse and changing industry, work force and citizenry.

[This competency will be assessed through Assignments 1, 2, and 3, in which students will be required to write policy and management memos.]

Assignments, exams, and class participation in the course will assess progress against these competencies, and no student will receive a B or higher without demonstration of satisfactory progress towards mastery of each competency.

#### Learning Assessment Table

Assignments, exams, and discussion board participation in the course will assess progress against these competencies, and no student will receive a B or higher without demonstration of satisfactory progress towards mastery of each competency. Expected levels of competency are denoted below:

#### Level of Competency

In addition, the level of competency expected to be achieved should be denoted, according to the following key:

[1] = Basic: Foundational understanding of knowledge/skill/competency

[2] = Intermediate: Student demonstrates greater depth of understanding of this knowledge/skill/competency and can use this ability to analyze a problem

[3] = Advanced: Student demonstrates expertise in this knowledge/skill/competency and can use this ability to evaluate, judge, and synthesize information

## Learning Assessment Table

Program Competency	Corresponding Course Learning Objective	Corresponding Assignment Title (Memo, Team Paper, Exam, etc.)	Denote Level of Competency Expected to Achieve via the Assignment (basic = 1, intermediate = 2, advanced = 3)
The ability to understand how policy and delivery processes work, and to consider the demographic, cultural, political and regulatory factors involved in and influencing health policy and management decision-making.	Be able to apply economic theories to understanding the organization of the health care system, health behaviors, and the impact of policy.	Assignment #1, #2, #3	3, 2, 2
The ability to synthesize evidence, and apply statistical financial, economic and cost- effectiveness tools/techniques in organizational analysis	Become familiar with the techniques health economists use to assess policy effects.	Assignment #3	2
The ability to present convincingly to individuals and groups the evidence to support a point of view, position or recommendation.	Be able to use evidence to make policy recommendations.	Assignment #1,2,3	2, 2, 3

## **Course Readings**

This course uses some textbook chapters (available at the library), and supplemental journal readings.

• Bhattacharya, Jay., Timothy Hyde, & Peter Tu, Health Economics. New York: Palgrave Macmillan, 2014.

## Assessment Assignments and Evaluation Individual Assessment (100 points each)

Homework Assignments (75% - 25% each):

Three homework assignments will assess your ability to understand course material as well as related research evidence, and to analyze content in order to make evidence-based decisions and recommendations. These homework assignments also ask you to use written communication skills to present your findings and recommendations.

Final Examination (25%)

#### **Assignment Instructions**

All papers are to be submitted via the NYU Classes course site as WORD documents at least 1 hour before the start of class on their due date (3:55 pm). Be sure your name is part of the document file name.

#### Grading

Assignments 1, 2, and 3 will ask you to examine a policy/management issue and to use data to support your answer. Each paper will be graded out of 50. In your response, you should:

- (1) Compose a clear, coherent, concise argument [20 points]
- (2) Apply theories learned in class [10 points]
- (3) Relate your analysis to at least one idea mentioned in the readings [5 points]
- (4) Analyze evidence accurately [5 points]
- (5) Use evidence to support your argument [10 points]

#### **Detailed Course Overview**

#### Lecture 1: March 28, 2022-Obesity Policy and Economics

Resources

Cawley, J. (2013). <u>The economics of obesity</u>. The Oxford handbook of the social science of obesity, 120-137.

Petimar, J., Gibson, L. A., Yan, J., Bleich, S. N., Mitra, N., Trego, M. L., ... & Roberto, C. A. (2022). <u>Sustained Impact of the Philadelphia Beverage Tax on Beverage Prices and</u> <u>Sales Over 2 Years</u>. American Journal of Preventive Medicine.

Rummo, P. E., Noriega, D., Parret, A., Harding, M., Hesterman, O., & Elbel, B. E. (2019). <u>Evaluating A USDA Program That Gives SNAP Participants Financial</u> <u>Incentives To Buy Fresh Produce In Supermarkets</u>. Health affairs (Project Hope), 38(11), 1816–1823. https://doi.org/10.1377/hlthaff.2019.00431

#### Lecture 2: April 4, 2022-Hospitals and Vertical Integration

Resources

Bhattacharya, Jay, Timothy Hyde, & Peter Tu, Health Economics. New York: Palgrave Macmillan, 2014. Chapter 6 – Skip Section 6.3 for now.

Baker, George P. and Thomas N. Hubbard. "Contractibility and Asset Ownership: On-Board Computers and Governance in U.S. Trucking." The Quarterly Journal of Economics, 11, no. 4 (2004): 1443-1479. Read only the introduction.

"Coase call: The theory of the firm.". The Economist, 29 July 2017: 59.

Melnick, Glenn, and Lois Green. "Four Years Into a Commercial ACO for CalPERS: Substantial Savings and Lessons Learned." Health Affairs Blog, 17 April 2014.

Burns, L. R., & Pauly, M. V. (2012). <u>Accountable care organizations may have difficulty</u> avoiding the failures of integrated delivery networks of the 1990s. Health Affairs, 31(11), 2407-2416. -- focus on abstract, intro, conclusion

Roberts, E. T., McWilliams, J. M., Hatfield, L. A., Gerovich, S., Chernew, M. E., Gilstrap, L. G., & Mehrotra, A. (2018). Changes in health care use associated with the introduction of hospital global budgets in Maryland. JAMA internal medicine, 178(2), 260-268.

McWilliams, J. Michael, Laura A. Hatfield, Bruce E. Landon, Pasha Hamed, and Michael E. Chernew. "<u>Medicare spending after 3 years of the Medicare Shared Savings</u> <u>Program.</u>" New England Journal of Medicine 379, no. 12 (2018): 1139-1149. -- -- focus on abstract, intro, conclusion

Assignment 1: Write a 2-3 page (600 words) memorandum analyzing how electronic health records will affect the industrial organization of the health care system. Are electronic health records the GPS of medicine? Provide evidence based on the readings and at least one of the <u>NCHS data briefs</u> on the use of electronic health records. Due before Lecture 3.

#### Lecture 3: April 11, 2022-Quality

Resources

Bhattacharya, Jay, Timothy Hyde, & Peter Tu, Health Economics. New York: Palgrave Macmillan, 2014. Chapter 5, pages 92-93 only

Christianson, Jon B., and Douglas Conrad. "Provider payment and incentives." In Oxford Handbook of Health Economics, edited by Sherry Glied and Peter C. Smith. Oxford, UK: Oxford University Press, 2011.(SKIM)

Mukamel, Dana B., Simon F. Haeder, and David. L. Weimer. "Top-down and bottom-up approaches to health care quality: The impacts of regulation and report cards." Annual Review of Public Health 35 (2014): 477-497.

Klein, Benjamin. Brand Names.

Kessler, DP. Evaluating the Medical Malpractice System and Options for Reform. The Journal of Economic Perspectives, Vol. 25, No. 2 (Spring 2011), pp. 93-110

#### Lecture 4: April 18, 2022-Prescription Drugs

Resources

Bhattacharya, Jay, Timothy Hyde, & Peter Tu, Health Economics. New York: Palgrave Macmillan, 2014. Chapter 12

Lakdawalla, DN, DP Goldman, PC Michaud, N Sood, R Lempert, Z Cong, H de Vries, I Guttierez. (2009) <u>US Pharmaceutical Policy in a Global Marketplace</u>. Health Affairs 28: 1, w138-w150.

Sertkaya et al. (2014) Executive summary

Grabowski, Henry G., Joseph A. DiMasi, and Genia Long. "The roles of patents and research and development incentives in biopharmaceutical innovation." Health Affairs 34, no. 2 (2015): 302-310.

Dubois, Pierre, Olivier De Mouzon, Fiona Scott-Morton, and Paul Seabright. "<u>Market size</u> and pharmaceutical innovation." The RAND Journal of Economics 46, no. 4 (2015): 844-848.

Assignment 2: Joseph Stiglitz recommends that, at least in some cases, we should move from patents to prizes. Using the theories and evidence from class, and the information in the Bain and Co. study to discuss whether you might (or might not) want to use a prize instead of a patent for a Covid-19 vaccine or a Covid-19 treatment. Due before Lecture 5.

FDA – Joseph E. Stiglitz, "<u>Prizes, Not Patents</u>", PAECON. net, issue no. 42, 18 May 2007, pp. 48-49

Bain and Co.

#### Lecture 5: April 25, 2022-Health Care Professionals

#### Resources

Bhattacharya, Jay, Timothy Hyde, & Peter Tu, Health Economics. New York: Palgrave Macmillan, 2014. Chapter 5, pages 83-88 only

Glied, Sherry, Ashwin Prabhu, and Norman Edelman. "<u>The Cost of Primary Care</u> <u>Doctors.</u>" Frontiers in Health Policy Research

Gross, Tal, & Miriam J. Laugesen. "The Price of Health Care: Why is the United States an Outlier?" Journal of Health Politics, Policy, and Law, 43, no. 5 (2018): 775-778 only.

Ketel, Nadine, Edwin Leuven, Hessel Oosterbeek, and Bas van der Klaauw. "The Returns to Medical School: Evidence from Admission Lotteries." American Economic Journal: Applied Economics, 8, no. 2 (2016): 225-232, conclusion, and figures only.

Kravitz, Richard L.. "<u>Physician Incomes in the Twenty-First Century: Time for a New</u> <u>Social Contract.</u>" Journal of General Internal Medicine, 29, (2014): 1425-1426.

Goldin, Claudia, and Lawrence F. Katz. "<u>The Cost of Workplace Flexibility for High-</u> <u>Powered Professionals.</u>" The ANNALS of the American Academy of Political and Social Science, 638 (2011), 45-67.

#### Lecture 6: May 2, 2022-Costs and Equity

#### Resources

Bhattacharya, Jay, Timothy Hyde, & Peter Tu, Health Economics. New York: Palgrave Macmillan, 2014, Chapter 13

Chandra, A., & Skinner, J. (2012). Technology growth and expenditure growth in health care. Journal of Economic Literature, 50(3), 645–680. Read only p.645-650, bottom of 661-675.

White, C. (2013). Contrary to cost-shift theory, lower Medicare hospital payment rates for inpatient care lead to lower private payment rates. Health Affairs, 32(5), 935-943.

Geruso, M. and T. Layton. <u>Upcoding: Evidence from Medicare on Squishy Risk</u> <u>Adjustment.</u> Sections 1 and 8 only

Glied, S. (2020) Competition in Health Care Markets (to be circulated).

Assignment 3: Select a disparity in health outcomes using the <u>spotlights or data</u>. Explain whether the problem is related to the Chandra/Skinner hypothesis about expenditure growth and analyze a potential solution using the discussions in the readings. Use at least one piece of empirical evidence from AHRQ to buttress your argument. Due before Lecture 7.

#### Lecture 7: May 9, 2022-Equity

#### Resources

Schelling, T. (1981). Economic Reasoning and the Ethics of Policy.

Challenges To Reducing Discrimination And Health Inequity Through Existing Civil Rights Laws A Chandra, M Frakes, A Malani - Health Affairs, 2017

Zewde, Naomi, and Christopher Wimer. "<u>Antipoverty impact of Medicaid growing with</u> state expansions over time." Health Affairs 38, no. 1 (2019): 132-138.

Health Inequalities and Infectious Disease Epidemics: A Challenge for Global Health Security Sandra Crouse Quinn and Supriya Kumar Biosecurity and Bioterrorism: Biodefense Strategy, Practice, and Science 2014 12:5, 263-273

## **NYU Classes**

All announcements, resources, and assignments will be delivered through the NYU Classes site. The instructor may modify assignments, due dates, and other aspects of the course as we go through the term with advance notice provided as soon as possible through the course website.

## **Academic Integrity**

Academic integrity is a vital component of Wagner and NYU. All students enrolled in this class are required to read and abide by Wagner's Academic Code. All Wagner students have already read and signed the Wagner Academic Oath. Plagiarism of any form will not be tolerated and students in this class are expected to report violations to me. If any student in this class is unsure about what is expected of you and how to abide by the academic code, you should consult with me.

# Henry and Lucy Moses Center for Students with Disabilities at NYU

[This statement is required to appear in all syllabi:]

Academic accommodations are available for students with disabilities. Please visit the Moses Center for Students with Disabilities (CSD) website and click on the Reasonable Accommodations and How to Register tab or call or email CSD at (212-998-4980 or mosescsd@nyu.edu) for information. Students who are requesting academic accommodations are strongly advised to reach out to the Moses Center as early as possible in the semester for assistance.

## NYU's Calendar Policy on Religious Holidays

NYU's Calendar Policy on Religious Holidays states that members of any religious group may, without penalty, absent themselves from classes when required in compliance with their religious obligations. Please notify me in advance of religious holidays coinciding with assignment due dates and exams to schedule mutually acceptable alternatives.

## **Class Policies**

#### Attendance

You should attend all live sessions. Any absence must be explained and justified beforehand; your grade will be lowered if you do not do so.

## Late assignments

Extensions will be granted only in case of an emergency, out of respect for those who abide by deadlines despite hectic schedules. Late submissions without prior permission will be penalized by ½ a letter grade per day (e.g., B+ to B).