New York University
Robert F. Wagner Graduate School of Public Service
Health Economics and Payment Systems: Top Domestic Policies (HPAM-GP 4831.001)
Spring 2012
Tuesday, 6:45-8:25pm
Silver Center 2011

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COURSE OBJECTIVES

Building on 11.4830, this course examines US domestic health policy issues from an economics perspective. Topics covered will be influenced by the current policy topics under discussion in the US. We will focus on the tradeoffs and contrasts between a market-based versus a government-based system. There will be a strong focus on applying theoretical insights from 11.4830 and interpreting the relevant empirical literature.

The focus of this course is on achieving the following competencies:

- The ability to synthesize evidence, and apply statistical, financial, economic and cost-effectiveness tools/techniques in organizational analysis
- 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
- The ability to present convincingly to individuals and groups the evidence to support a point of view, position or recommendation

Relevant content for the following competencies is also included:

- 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

LEARNING OBJECTIVES

At the end of this course, students will be able to:

1. Understand key statistical methods commonly used in the health economic literature in order to evaluate the strengths and weaknesses of policy options to improve health and health care delivery,
2. Define health and describe the methods commonly used to measure it in order to understand the way in which public policies are effective at improving health outcomes,
3. Identify common forms and root causes of market failure in health care markets and discuss the role of government intervention to address these failures,
4. Describe the factors that affect the demand for health and health services in order to predict responses price, quality, and other factors commonly influenced by health policies,
5. Describe the factors that affect the supply for health and health services in order to develop policies that ensure adequate quantity and quality of health services are delivered,
6. Understand key concepts in health insurance including moral hazard and adverse selection in order to understand the dynamics of health insurance markets.

PREREQUISITES

P11.1018 Microeconomics for Public Management, Planning and Policy Analysis
P11.1011 Statistical Methods for Public, Nonprofit and Health Management
P11.4830 Health Economics: Principles

Students must have a working knowledge of basic economic and statistical concepts such as supply-demand analysis, elasticity, economic surplus analysis, decision-making by firms under perfect and imperfect competition, hypothesis testing and multivariable regression. Students are also expected to have a basic understanding of the U.S. health care delivery system.

BLACKBOARD AND EMAIL

All course materials will be posted on the Blackboard site for this class. Students can login to Blackboard at [http://classes.nyu.edu/](http://classes.nyu.edu/) using your NYU net ID and password. Some class announcements will be distributed via e-mail (as well as posted on Blackboard), thus, it is important to actively use your NYU e-mail account, or have appropriate forwarding set up on NYUHome (https://home.nyu.edu/).

READINGS


**Health Care Economics References**


**Other Required Readings**

All other readings are posted on Blackboard.

COURSE REQUIREMENTS
Readings

Before each class, students should complete the readings for that week and be prepared to summarize and discuss them in class.

Assignments/Exams

Two take home assignments and a final exam will focus on problem solving with questions that involve quantitative and graphical analysis, interpretation, and writing (essay questions). Exam questions could anything from multiple choice responses to open-ended, essay questions. Both exams will be closed note and closed book. Both topics in lectures covered in lecture and/or readings are “fair game” for the tests.

Class Participation

Participation and discussion are expected. Throughout the semester, discussion questions and newspaper articles may be distributed in class or posted on Blackboard, and students will be encouraged to comment on them in class or in discussion forums on Blackboard.

Grading

Overall course grades will be based on the following weights:

- 20% take-home assignment 1
- 20% take-home assignment 2
- 50% final exam
- 10% class participation

ACADEMIC INTEGRITY

As members of the NYU Wagner community, we are all expected to adhere to the highest standards of intellectual and academic integrity. Wagner, as a community, has adopted a disciplinary process, which is available at http://www.nyu.edu/wagner/current/policies/. It is important that all Wagner students are aware of both the type of activities that qualify as infractions and the consequences of academic dishonesty. You are encouraged to review the academic code as soon as possible and to use it as a resource to guide you academically and professionally.

COURSE SCHEDULE

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<tr>
<th>Date</th>
<th>Topic</th>
<th>Readings (Assignments)</th>
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| March 20   | Health care reform and cost control        | • Orszag PR, Emanuel EJ. Health Care Reform and Cost Control. NEJM 363;7 601-3.  
|            |                                            | • Assignment 1 posted. |
March 27  Childhood Obesity: Economic Origins, Consequences, and Opportunities.

- Trasande L. How much should the US invest in childhood obesity prevention? Health Affairs, 2010 Mar-Apr;29(3):372-8

April 3  Protecting Children from Environmental Exposures: An Economic Priority.


Assignment 1 due at start of Class ELECTRONICALLY to leonardo.trasande@nyu.edu.

April 10  Innovation in Health Care -- from Pharma to IT and Elsewhere. (Guest Lecturer: Dan Makarov)

- Folland, Chapter 17.
- Danzon PM and Pauly MV, “Insurance and New Technology: From Hospital to Drugstore” Health Affairs, 2001
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<tr>
<th>Date</th>
<th>Assignment</th>
<th>Lecture/Source Details</th>
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  • Jessica Greene Paper on Consumer Behavior.  
  Assignment 2 due at start of class ELECTRONICALLY to leonardo.trasande@nyu.edu. |
  • Koh HK, Sebelius KG. Promoting prevention through the Affordable Care Act. N Engl J Med 2010  
  • Pauly MV, The Trade-Off Among Quality, Quantity, And Cost: How To Make It—If We Must. *Health Affairs* 30, NO. 4 (2011): 574–580  
  • Van Den Bos et al. The $17.1 Billion Problem: The Annual Cost Of Measurable Medical Errors *Health Affairs*, 30, no.4 (2011):596-603 |

**Final Exam Due May 15, 5pm**