McMaster University, Department of Economics, Health Aging and Society

ECON 2CC3/HLTHAGE 2C03 - Health Economics and its Applications to Health Policy
Fall 2020

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Course Outline

- **Instructor**: Anastasios Papanastasiou, Ph.D.
- **Office hours**: Office hours will take place online via the "Zoom" application, by appointment only. Please send me an email to arrange for an appointment.
- **e-mail**: papanasa@mcmaster.ca
 - Please use your *McMaster email account* and include the course number in your emails.

It is your responsibility as a student to be aware of and to abide by the University's policies regarding academic misconduct, e-mail communication, maintaining copies of out-of-class assignments, what to do when you cannot meet a course requirement and the drop date for this semester. To better understand these policies, visit:

https://www.mcmaster.ca/policy/Students-AcademicStudies/AcademicIntegrity.pdf and http://academiccalendars.romcmaster.ca/index.php.

Course Description

This course is an introduction to health policy analysis under the lens of microeconomics. The purpose is to show that many apparently complex issues in health policy can be greatly clarified when they are analysed using principles of microeconomics. We begin with an overview of health and health care systems with an emphasis on the Canadian context, and a concise exposition of the microeconomic tools that we will employ in our analysis. We then introduce modifications to our baseline tools to capture salient features of the demand for health and health care, and extend our toolbox to consider the impact of externalities, risk and asymmetric information. Our focus then turns to the supply of health care and on the impact of institutional arrangements and the role of government in health care markets.

Prerequisites

- Registration in Level II or above
 - Not open to students registered in an Economics program or with credit or registration in ECON 2G03, 2X03 or 3Z03. Students excluded from ECON 2CC3 or those wishing to do further work in Health Economics are referred to ECON 3Z03. May not be used to satisfy Economics unit requirements by students in Economics programs or a minor in Economics.

Class Format

The course contents are delivered online. Weekly modules are designed based on each chapter of the textbook. Each module includes lecture slides, and lecture video(s). You will have the flexibility to work through the slides and lecture videos at your own pace during the week.

Course Materials and Texts

Required Textbook

- **Health Economics**, Jeremiah E. Hurley
 - Electronic Version: An electronic version of the text is available for a price of \$40. The e-book is available for sale through Campus EBookstore. It can be purchased from this site http://www.campusebookstore.com/, by clicking Shop and then selecting e-books. The ISBN for the e-book is 9780666386199. Individuals who purchase the e-book will be emailed a redemption code and instructions on how to access the e-book online.
 - Print Version: Health Economics is now set up to purchase through our website at a price of \$65.00. The direct link to the page on the Campus Store website is https://goo.gl/jtH3tB. On Avenue-to-Learn you will find a PDF document with steps to find the page using the menus available on the Campus Store's site. Print versions (if the Campus Store does not have them in stock) will be printed in a few days. The store can ship to most places in Canada within 2-3 days.

Avenue to Learn

Most of the material required for this course will be distributed through the avenue-to-learn (A2L) website. The course will appear in your A2L homepage a few days after you've registered in Mosaic, but not before the beginning of the academic semester. You are responsible for monitoring the "Announcements" tab in Avenue **on a daily basis**. You are also responsible for using A2L to submit your evaluation components before the posted deadlines.

Course Evaluation - Overview

Component	Date	Weight (% of final grade)
Quizzes (5)	Assigned periodically	60% (12% each)
Final Exam	TBD	40%

Course Evaluation - Details

Quizzes and final exam: The quizzes will involve short answer questions, in the spirit of the end-of-chapter questions from the textbook, and the examples discussed in the lecture videos and slides. The aim of the questions is not testing you on memorization, but on your ability to apply the economic notions discussed in class to real world problems related to health and health-care markets. Some of the questions may ask you to discuss news articles or data and graphs. The duration of the quizzes will be 30 minutes per short answer question.

Final Exam: The final exam format will be similar to the quizzes, except that it is comprehensive and based on the entire course, and will contain more questions.

Notes:

- All evaluation components will be administered through avenue-to-learn.
- If you are unable to take the exam during the prescribed dates for health or personal reasons, you must submit an MSAF with the correct weight of the missed examination component, no later than the day of the exam.
- Students that are aiming to improve their writing skills and have an interest in health policy are especially encouraged to enroll in the course.
- Knowledge of introductory microeconomics and math/stats is not a pre-requisite.
 However, students with credit in intro micro are especially encouraged to enroll in the course.
- Some of examination questions may involve the discussion of recent news articles. For such questions, marks will be allocated based on the soundness of your arguments on the basis of microeconomics principles, which we will introduce in the first part of the course.

• Because you are taking these exams on your own, we cannot invigilate the same way that we invigilate in-person exams. So, you can use your notes and textbook during the quiz/exam. However, the short time frame means that you should prepare (study) ahead of time. You are expected to complete each evaluation component without the aid of other students.

University Policies

- Academic Accommodation for Religious, Indigenous and Spiritual Observances: Students who require academic accommodation due to an Observance must submit a RISO form to their Faculty office, electronically or in person, normally within ten working days from the beginning of each term in which they are anticipating a need for Accommodation. For further information, consult McMaster University's Policy on Academic Accommodation for Religious, Indigenous and Spiritual Observances.
- Academic Accommodation of Students with Disabilities: Students who require
 academic accommodation must contact Student Accessibility Services (SAS) to make
 arrangements. Academic accommodations must be arranged before classes or
 academic work begins, and for each term of study. Student Accessibility Services can
 be contacted by phone 905-525-9140 ext. 28652 or e-mail sas@mcmaster.ca. For
 further information, consult McMaster University's Policy for Academic
 Accommodation of Students with Disabilities.
- Academic Integrity Statement You are expected to exhibit honesty and use ethical behavior in all aspects of the learning process. Academic credentials you earn are rooted in principles of honesty and academic integrity. Academic dishonesty is to knowingly act or fail to act in a way that results or could result in unearned academic credit or advantage. This behavior can result in serious consequences, e.g. the grade of zero on an assignment, loss of credit with a notation on the transcript (notation reads: "Grade of F assigned for academic dishonesty"), and/or suspension or expulsion from the university. It is your responsibility to understand what constitutes academic dishonesty. For information on the various types of academic dishonesty please refer to the Academic Integrity Policy. The following illustrates only three forms of academic dishonesty:
 - 1. Plagiarism, e.g. the submission of work that is not one's own or for which credit has been obtained.
 - 2. Improper collaboration in group work.
 - 3. Copying or using unauthorized aids in tests and examinations.
- Authenticity/Plagiarism Detection Some courses may use a web-based service (Turnitin.com) to reveal authenticity and ownership of student submitted work. For courses using such software, students will be expected to submit their work electronically either directly to Turnitin.com or via an online learning platform (e.g. A2L, etc.) using plagiarism detection (a service supported by Turnitin.com) so it can be checked for academic dishonesty.

Students who do not wish their work to be submitted through the plagiarism detection software must inform the Instructor before the assignment is due. No penalty will be

assigned to a student who does not submit work to the plagiarism detection software. All submitted work is subject to normal verification that standards of academic integrity have been upheld (e.g., on-line search, other software, etc.). For more details about McMaster's use of Turnitin.com please go to www.mcmaster.ca/academicintegrity.

- Conduct Expectations As a McMaster student, you have the right to experience, and the responsibility to demonstrate, respectful and dignified interactions within all our living, learning and working communities. These expectations are described in the Code of Student Rights & Responsibilities (the "Code"). All students share the responsibility of maintaining a positive environment for the academic and personal growth of all McMaster community members, whether in person or online. It is essential that students be mindful of their interactions online, as the Code remains in effect in virtual learning environments. The Code applies to any interactions that adversely affect, disrupt, or interfere with reasonable participation in University activities. Student disruptions or behaviors that interfere with university functions on online platforms (e.g. use of Avenue 2 Learn, WebEx or Zoom for delivery), will be taken very seriously and will be investigated. Outcomes may include restriction or removal of the involved students' access to these platforms.
- **Course Modification**: The instructor and university reserve the right to modify elements of the course during the term. The university may change the dates and deadlines for any or all courses in extreme circumstances. If either type of modification becomes necessary, reasonable notice and communication with the students will be given with explanation and the opportunity to comment on changes. It is the responsibility of the student to check his/her McMaster email and course websites weekly during the term and to note any changes.
- Courses with an On-Line Element Some courses may use on-line elements (e.g. email, Avenue to Learn (A2L), LearnLink, web pages, capa, Moodle, ThinkingCap, etc.). Students should be aware that, when they access the electronic components of a course using these elements, private information such as first and last names, user names for the McMaster e-mail accounts, and program affiliation may become apparent to all other students in the same course. The available information is dependent on the technology used. Continuation in a course that uses on-line elements will be deemed consent to this disclosure. If you have any questions or concerns about such disclosure please discuss this with the course instructor.
- **Faculty of Social Sciences E-mail Communication Policy**: Effective September 1, 2010, it is the policy of the Faculty of Social Sciences that all e-mail communication sent from students to instructors (including TAs), and from students to staff, must originate from the student's own McMaster University e-mail account. This policy protects confidentiality and confirms the identity of the student. It is the student's responsibility to ensure that communication is sent to the university from a McMaster account. If an instructor becomes aware that a communication has come from an alternate address, the instructor may not reply at his or her discretion.

- **Online Proctoring** Some courses may use online proctoring software for tests and exams. This software may require students to turn on their video camera, present identification, monitor and record their computer activities, and/or lock/restrict their browser or other applications/software during tests or exams. This software may be required to be installed before the test/exam begins.
- **Copyright and Recording** Students are advised that lectures, demonstrations, performances, and any other course material provided by an instructor include copyright protected works. The Copyright Act and copyright law protect every original literary, dramatic, musical and artistic work, including lectures by University instructors

The recording of lectures, tutorials, or other methods of instruction may occur during a course. Recording may be done by either the instructor for the purpose of authorized distribution, or by a student for the purpose of personal study. Students should be aware that their voice and/or image may be recorded by others during the class. Please speak with the instructor if this is a concern for you.

Course Schedule

Week	Dates	Contents	Assessment
1	Sept. 8 th to Sept. 11 th	Health and Health Care Systems	
		Chapter 1	
2	Sept. 14 th to Sept. 18 th	Efficiency and Equity	
		Chapter 2	
3	Sept. 21st to Sept. 25th	The Basics of Markets	Quiz 1 – Thursday 1-3pm, Covers Chapters 1 and 2
		Chapter 3	
4	Sept. 28 th to Oct. 2 nd	The Basics of Markets	
		Chapter 3	
5	Oct. 5 th to Oct. 9 th	Individual level demand for and production of Health Chapter 5	Quiz 2 – Thursday 1-3pm, Covers Chapter 3

6	Oct. 12 th to Oct. 16 th	Mid term Recess	
7	Oct. 19 th to Oct. 23 rd	Individual level demand for and production of Health Chapter 5	
8	Oct. 26 th to Oct. 30 th	Health Care as an Economic Commodity Chapter 7	Quiz 3 – Thursday 1-3pm, Covers Chapter 5
9	Nov. 2 nd to Nov. 6 th	The Demand for Health Care Chapter 8	
10	Nov. 9 th to Nov. 13 th	The Demand for Health Care Insurance Chapter 9	Quiz 4 – Thursday 1-3pm, Covers Chapters 7 and 8
11	Nov. 16 th to Nov. 20 th	Systems of Health Care Finance Chapter 11	
12	Nov. 23 rd to Nov. 27 th	Health Care Funding Chapter 12	Quiz 5 – Thursday 1-3pm Covers Chapters 9 and 11
13	Nov. 30 th to Dec. 4 th	Pharmaceuticals Chapter 15	
14	Dec. 7 th to Dec. 9 th	Review for Final exam	