Professor Details

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Office Hours:  Wednesday 3:00 pm to 4:00 pm
Thursday 3:00 pm to 4:30 pm

Course Purpose

This is an applied microeconomics course. We will be using the principles of microeconomics to examine the demand for health and health care services. We will also be examining the role of and economic justification for government involvement in the promotion of health among vulnerable populations.

The purpose of this course is twofold: (1) to enrich your conceptual and technical understanding of the economic principles influencing the distribution of health care services (i.e., role of economic incentives, competition, and regulation on the availability of health care services, as well as how the twin-criteria of efficiency and equity are used to evaluate programs and policies to improve health and public health) and (2) to teach you a new way of thinking about health issues -- an economic way of thinking.

Learning Objectives

1. To demonstrate, through a series of essay examinations and problem sets, an understanding of health economic concepts, principles, and theories.

2. To demonstrate, through a series of essay examinations, an ability to apply health economic concepts, principles, and theories, as well as empirical evidence to evaluate public health issues.

3. To demonstrate, through class discussions, an ability to critically think through, using economic principles, the public health implications of a variety of health reforms and policies.

4. To demonstrate, through a series of structured assignments, an ability to (a) access and use library and internet resources and (b) assimilate information in scholarly journals and popular news magazines and newspapers.

5. To learn, through essay examinations and class discussions, to (a) think creatively, critically, and cooperatively; (b) accept and receive constructive criticism; and (c) respectfully disagree and agree.

Readings and Other Course Materials

Rental and eBook available at http://www.cengage.com/us/

Required Readings: Posted on Sakai.

Lecture Notes: Outlines of class lectures are posted on Sakai.

Recommended: An introductory microeconomics text may be helpful from time to time.
Course Approach

Each lecture has the following structure: (1) a lecture outline, followed by a list of required reading assignments; (2) a set of motivating questions (these are the questions I will be answering during the lecture); and (3) companion lecture notes. Some lectures have problem sets.

To help you grasp the material and follow all the twists and turns in the lecture, I have carefully outlined my lecture notes. The motivating questions are intended as a guide to the lecture, as well as a study aid that can be used to test your understanding of the lecture material. These notes include summaries of major facts and findings, definitions, and all graphs to be discussed during class. Warning: These notes are not a perfect substitute for my notes. You will need to annotate the notes during the class lecture.

Course Requirements

The course requirements are three problem sets, two 80-minute exams, class participation, a health economics journal, and a final examination. The relative weights for each are as follows:

<table>
<thead>
<tr>
<th>Requirement</th>
<th>Weight</th>
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<tbody>
<tr>
<td>Problem sets</td>
<td>10%</td>
</tr>
<tr>
<td>In-term exams</td>
<td>33% (13% for exam 1, 20% for exam 2)</td>
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<tr>
<td>HE journal</td>
<td>7%</td>
</tr>
<tr>
<td>Class participation</td>
<td>10%</td>
</tr>
<tr>
<td>Final exam</td>
<td>40%</td>
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Exams: Two 80-minute in-term essay examinations given in class on February 10 and March 31 and final examination in class on April 28.

Format of Examinations

My objective is to test conceptual and technical understanding of the course material and evaluation and critical assessment abilities. The exams will be representative of the material covered in class. I will not select obscure points covered only in the readings or minor points made in class. Samples of old exams are available on Sakai.

On examinations be prepared to give examples of particular types of economic models, government interventions, insurance plans, and proposals for change. Graphical analysis may be required to answer some questions.

In preparing for exams, I strongly recommend that you carefully and thoroughly review your class notes, the major readings discussed in class, and old exams. In reviewing these materials, think in terms of the following dimensions: incentives, efficiency, quality, and access.

Health Economics Journal: Applying what you learn is critically important. Over the course of the semester, you will be keeping a health economics journal. In this journal, you will identify at least 10 report briefs, magazine articles, and/or newspaper articles published in 2015 on issues related to health economics or health care reform. In your journal, you will cite the report/article using APA style guide (see https://owl.english.purdue.edu/owl/resource/560/01/), summarize the issue as it relates to health economics (3-5 complete sentences), and identify at least two concepts learned in class (e.g., moral hazard, adverse selection, demand for medical care, demand for health) that are used in the report/article. You will use your journal to participate in class discussion on April 21, the date the journal is turned in for grading.
Procedural Issues

Standards for Written Assignments. All written assignments prepared outside of class must be typed. The font may be no smaller than 11-point. Grades will be lowered for misspellings, poor sentence structure, and failure to correctly use the APA style guide.

Missing an Examination. Make-up examinations are given only if the following procedure has been followed: (1) the student contacts Professor Wolff prior to the examination date and explains why he or she is unable to take the examination and (2) Professor Wolff determines that there is just cause for missing the examination and she gives the student permission to miss the exam. Warning: There are very few explanations that meet "just cause" criteria. Students are strongly encouraged to take the exams as scheduled.

Academic Integrity. The Rutgers University Policy on Academic Integrity is fully and strictly enforced by the Undergraduate Program in Planning, Public Policy, and Public Health. Details on the Rutgers University Policy can be found at http://academicintegrity.rutgers.edu/academic-integrity-policy. Any allegation of dishonesty involving this course will be thoroughly investigated and reported to the Deans' Office.

Professional Conduct. Students are encouraged to participate in the learning process. Your thoughts and insights on class topics are an important contribution to the class. Students who venture to offer their perspectives and questions are guaranteed a respectful, non-discriminatory classroom environment. Be bold, speak up!

ASSIGNMENT DUE DATE SCHEDULE

February 3       Problem Set #1
February 10      *** Examination 1 ***
February 17      Problem Set #2
March 10         Problem Set #3
March 31         *** Examination 2 ***
April 21         Health Economics Journal
April 28         *** Final Examination ***
READING LIST

January 20      Introduction and Course Overview         Lecture 1

January 27      Introduction to Economics and Health Economics     Lecture 2

February 3           Production of Health                  Lecture 3

February 10          EXAMINATION #1

February 17       Demand for Health Care Services        Lecture 5

February 24       RAND Health Insurance Experiment       Lecture 6

March 3 & 10        Demand for Health Insurance        Lecture 7
March 24

**Employer Sponsored Health Insurance**

Lecture 8


**Managed Care**

Lecture 9


March 31

**EXAMINATION #2**

**Role of Government**

Lecture 10

Feldstein, P.J. (2011). Has competition been tried—and has it failed—to improve the US healthcare system? In *Health policy issues: An economic perspective* (pp.269-283). Chicago, IL: Health Administration Press.


April 7

**Government Insurance**

Lecture 11


April 14

**Health Care System Reform**

Lecture 12


April 21

**Course Summary and Review**


April 28

**FINAL EXAMINATION**