

THE WHARTON SCHOOL
University of Pennsylvania
HEALTH CARE MANAGEMENT DEPARTMENT

HCMG 101 – HEALTH CARE SYSTEMS – Section 001
SPRING 2009
T/TH 1:30 – 2:50, SHDH 350

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TAs (office hours held in Colonial Penn Center, ground floor):

John Barkett: jbarkett@wharton.upenn.edu (office hours: TBA)
Joyce Kim: kimjoyce@wharton.upenn.edu (office hours: TBA)
(If you cannot make office hours, please make appointment with TAs or me)

OVERVIEW

This course introduces and examines the main features of the U.S. health care system. It covers providers of care, the relationship between health and health care, private and public insurance and related financing mechanisms, government regulation, and the impact of health policy on key stakeholders. While developing an understanding of the U.S. health care system, you also will learn how to apply basic economic reasoning to examine health policy issues.

READINGS

Required: Paul J. Feldstein, Health Policy Issues: An Economic Perspective, 4th ed., available at the PENN Bookstore.

Additional background articles for the lectures will be posted on the course's Wharton Web Café site: <http://webcafe.wharton.upenn.edu/hcmg/>. The readings may be supplemented or revised during the course of the semester. Non-Wharton students will need a Wharton ID to access the web page.

Wharton IDs can be obtained by going to Wharton Computer Consulting in Room F35, Jon M. Huntsman Hall, or apply online at <http://accounts.wharton.upenn.edu/>. If you experience problems obtaining an account or accessing web café, please contact Janet White, jawhite@wharton.upenn.edu.

LECTURES

Outlines/slides for lectures will be posted on the Web Café site prior to class. Speakers may expand or cover additional material beyond the slides.

EXAMS AND QUIZZES

Midterm (March 5, in class)	100 pts
Non-comprehensive Final exam (May 8, 9:00 am)	100 pts
Writing assignment (Due April 9)	40 pts
5 unannounced, bonus quizzes	≤ 25 pts

Exams will be 80% multiple choice and 20% short answer. *Exams must be taken when scheduled and can only be made up with an excused absence pursuant to University rules.*

Each quiz will have one true-false or multiple choice question based on the previous class day's lecture. A correct answer earns 5 points; an incorrect answer earns 2.5 points. *Quizzes cannot be made up for any reason. If you are late, you will not get credit. (Don't ask.) I reserve the right to rescind any or all quiz points in response to any attempt to game the system.*

Your grade will be based on your total number of points. A+, A, A- range: 216 and above. B+, B, B- range: 192 – 215. C+, C, C- range: 168 – 191. D+, D, D- range: 144 – 167. Plus and minus cutoffs will depend on class performance, but will likely be close to endpoints of the relevant range. Those cutoffs will not be disclosed.

WRITING ASSIGNMENT

You are required to write a 100-250 word reaction/opinion/analysis of a newspaper article dealing with the U.S. health care system in the form of a "letter to the editor." Candidate articles will be identified from current articles during the semester. **Due date: April 9.**

I will grade the assignment, equally weighting substance and exposition. Given the class size, it is infeasible for me to provide you with written or oral feedback apart from any brief written comments on your original assignment. If you request a regrade, both TAs will read your assignment and refer it to me for further review if they feel an adjustment may be warranted. Any regrade can result in an increase, decrease or no change in points.

CLASS PROTOCOL

Attendance is important. Class participation is encouraged. You should arrive on time and, unless you inform me prior to class or become ill during class, stay until the end. You should remain quiet unless answering or asking a question. *Failure to abide by these rules may result in one or more fines (point deductions) solely at my discretion.*

LECTURERS

I will give about half the lectures. The remainder will be taught by other experts within the PENN community. The current roster includes:

- **Tanquy Brachet, PhD**, Assistant Professor of Anesthesiology and faculty member, The Center for Outcomes Research
- **Guy David, PhD**, Assistant Professor of Health Care Management (Wharton).
- **Patricia Danzon, PhD**, Celia Moh Professor, Health Care Management (Wharton).
- **Jalpa Doshi, PhD**, Research Assistant Professor of Medicine, Division of General Internal Medicine, School of Medicine
- **Eric Keuffel, ABD**, Health Care Management (Wharton).
- **Stacey McMorrow, ABD**, Health Care Management (Wharton)
- **Mark V. Pauly, PhD**, Bendheim Professor (Wharton), Health Care Management, Business and Public Policy, Insurance and Risk Management, and Economics.
- **Daniel Polsky, PhD**, Associate Professor in the School of Medicine and Health Care Management (Wharton); Director of Research, Leonard Davis Institute of Health Economics.
- **Jeffrey Silber, PhD, MD**, Director of the Center for Outcomes Research; Associate Professor of Pediatrics and Anesthesiology in the School of Medicine and Health Care Management (Wharton).
- **Kevin Volpp, MD, PhD, MA**, Associate Professor in the School of Medicine and Health Care Management (Wharton).

LECTURE TOPICS AND READINGS

I. HEALTH AND MEDICAL SPENDING

Jan. 15 Course description and overview

Jan. 20 - 22 National health expenditures and demand for medical care

- Feldstein Chapters 1-2
- Catlin, et al. National health spending in 2007. Health Affairs 28(1): 246-261. Jan/Feb 2009.
- Chernew, M., R. Hirth, and D. Cutler. Increased spending on health care: How much can the United States afford? Health Affairs 22(4): 15-25. July/August 2003.
- Reinhardt U., Hussey P., Anderson G. U.S. health care spending in an international context. Health Affairs 23(3):10-25. May/June 2004.

Jan. 27 Value of medical care spending

- Feldstein Chapter 3, 5
- Russell, Louise, Preventing chronic disease: an important investment, but don't count on cost savings. Health Affairs 28(1): 42-45. Jan/Feb 2009.

II. HEALTH INSURANCE

Jan. 29 - Feb. 3 Health risk and health insurance basics

- Feldstein Chapters 6-7

Feb. 5 The uninsured and the role of government (Mark Pauly)

- Feldstein Chapters 7, 30, 33
- Pauly, Mark V. Blending better ingredients for health reform. Health Affairs 27: w482-w491. Sept. 24, 2008.

Feb. 10 Controlling costs through the private sector

- Feldstein Chapters 19-20
- Claxton, Gary, et al. Health benefits in 2008. Health Affairs 27: w492-w502. Sept. 24, 2008.

Feb. 12 More on health care reform

- Feldstein Chapters 34, 36
- McDonough, John, et al. Massachusetts Health Reform Implementation. Health Affairs 27: w285-w297. June 3, 2008.

Feb. 17 Medicare (Jalpa Doshi)

- Feldstein Chapter 8
- Medicare at a Glance, Kaiser Foundation.

Feb. 19 Medicaid (Jalpa Doshi)

- Feldstein Chapter 9
- Medicaid at a Glance, Kaiser Foundation.

III. HEALTH CARE PROVIDERS AND SUPPLY OF MEDICAL CARE

Feb. 24 Recapitulation and overview

Feb. 26 Physicians (Daniel Polsky)

- Feldstein Chapters 4, 11, 12, 23

Mar. 3 Medical liability and insurance

- Feldstein Chapter 13
- Thorpe KE. The Medical Malpractice ‘Crisis’: Recent Trends and the Impact of State Tort Reforms. Health Affairs – Web Exclusive. w4-w20. January 21, 2004.

Mar. 5 MIDTERM EXAM (in class)

Mar. 17 Return and review midterm exam

Mar. 19 Hospitals (Kevin Volpp)

- Feldstein Chapters 15 and 16

Mar. 24 For-profit vs. not-for-profit hospitals

- Feldstein Chapter 14
- Reinhardt UE. The economics of for-profit and not-for-profit hospitals. Health Affairs 19(6):178-186. November/December 2000.

Mar. 26 Nursing and workforce issues (Stacey McMorrow)

- Feldstein Chapter 24

Mar. 31, April 2 Pharmaceuticals / biotechnology (Patricia Danzon)

- Feldstein Chapters 25, 26, 27 and 28
- Danzon, Patricia and M. Furukawa. Prices and Availability of Pharmaceuticals: Evidence from Nine Countries. Health Affairs – Web Exclusive. w3-521 – w3-536. October 29, 2003.

IV. OTHER TOPICS

April 7 To be announced

April 9 To be announced (WRITTEN ASSIGNMENT DUE)

April 14 Health and behavior (Tanguy Brachet)

- Feldstein Chapter 31

April 16 Disparities in health care

- Eliminating Racial/Ethnic Disparities in Health Care: What are the Options? Kaiser Foundation, October 2008.
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April 21 – 23 International comparison of health care systems (Eric Keuffel)

- Feldstein Chapter 32
- Savedorf, W. What should a country spend on health care? Health Affairs 26: 962-970. July/August 2007.

April 28 Review and wrap-up