OVERVIEW
This course examines the structure of health care systems in different countries, focusing on financing, pricing and reimbursement, delivery systems and adoption of new technologies. We study the relative roles of private sector and public sector insurers and providers, and the effect of system design on cost, quality, efficiency and equity of medical services. Some issues we address are normative: Which systems and which public/private sector mixes are better at achieving efficiency and equity? Other issues are positive: How do these different systems deal with the tough choices, such as decisions about new technologies? Our main focus is on the prototypical systems in four large OECD countries—Germany, Canada, Japan, and the United Kingdom—but we also look at other countries with interesting systems—including Italy, the Netherlands, Chile, India, and Singapore—and at developing countries. We will draw lessons for the US from foreign experience and vice versa.

READINGS
A course pack of readings is available from Wharton Reprographics. All readings are required, unless marked on the syllabus as “**Optional.” You are expected to come to class having read the readings assigned for that class.

CLASS PARTICIPATION
Please bring name cards to each lecture. Your participation at each lecture is strongly encouraged. Ten percent of your final course grade is determined by the quantity and quality of your comments and questions in lecture.

QUIZZES
There will be approximately three brief in-class quizzes covering the basic concepts from assigned readings for a given subject. Quiz dates will not be announced in advance.

TAKE-HOME MIDTERM
There will be a take-home midterm approximately half way through the semester (date TBA). The midterm will pose short essay questions similar in style to those on the final (in-class) exam.

TERM PAPER AND PRESENTATION
Students will write a brief (about 10 pages) paper on how the health care system in a particular country has approached a specific health issue, service or technology. You may work in groups of up to four students, or individually. The technology could be a specific medical device, drug or biologic, information system, insurance product, or quality control system. The service could be long-term care, hospice, AIDS treatment etc. The paper can be either normative/evaluative— is the health care system’s approach to this resource allocation challenge likely to enhance efficiency or equity (as you define it) —or it can be positive/managerial—what business opportunities and obstacles does the technology face in this country, and what strategies will contribute to its
success. You may choose one of the countries studied in class or some other country. The US can be used as a benchmark for comparison but the US should NOT be the main focus of the paper. The paper should not duplicate material covered in class or in the assigned readings. The paper is due in class November 30th (NO EXCEPTIONS). Paper copy is appreciated; please also email the paper to Jennifer Laverty jlaverty@wharton.upenn.edu. The papers will be presented and discussed in class.

FINAL EXAM
An final exam is scheduled on the University exam date for 10:30 M/W classes (December 16, 9-11am, room TBA). The final will consist of a combination of essay questions similar in style to those on the midterm and short-answer questions similar in style to those on the quizzes.

GRADING
<table>
<thead>
<tr>
<th>Component</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Paper</td>
<td>30%</td>
</tr>
<tr>
<td>Final exam</td>
<td>40%</td>
</tr>
<tr>
<td>Take-home exam</td>
<td>10%</td>
</tr>
<tr>
<td>Quizzes</td>
<td>10%</td>
</tr>
<tr>
<td>Class participation</td>
<td>10%</td>
</tr>
</tbody>
</table>

WEB CAFÉ
You can locate the webCafe for this course using either the webcafe home page (http://webcafe.wharton.upenn.edu) or a student information portal. Students who are registered for the course and who have a Wharton email account will automatically have access to the webcafe. If you do not have a Wharton account, you can apply for one online at http://accounts.wharton.upenn.edu for students who are already officially registered for the class. If you have problems, contact the webcafe consultants at the WCIT computer consulting office or online. Class handouts and other materials will be posted on the webcafe.

CLASS SCHEDULE AND READINGS

Introduction and Overview

Wednesday, September 9
A1 “The Health of Nations” The Economist, July 15, 2004

Trends and Framework of Analysis

Monday, September 14
B1 OECD, Ch. 3 ”Health Care Reform” in Economic Survey: The United States. pp. 105-126

The US Health Care System: Overview and Proposed Reforms

Wednesday, September 16
C2 OECD, Ch. 3 ”Health Care Reform” in Economic Survey: The United States. pp.127-137

C4 The Economist “This is going to hurt” (2009).

Optional background
** Schoen et al, Commonwealth (2009) “Fork in the road”

Germany I: Overview and Recent Insurance Reforms Monday, September 21


D3 Ognyanova and Busse, “Health Fund Now Operational” Health Policy Monitor (2009)

Germany II: Reimbursement and Cost Control; Disease Management; Long-term Care September 23

E1 In Vivo contracting article (July/August not yet published)

E2 “DRGs by Stealth” PPR August 2003.


E4 Reinhard Busse “Disease Management Programs In Germany’s Statutory Health Insurance System” Health Affairs 23 (May/June 2004): 56-66

Canada I: Overview and Structure Monday, September 28

F1 Health Systems in Transition: Canada – HIT Summary, European Observatory on Health Systems and Policies

F2 Health Systems in Transition: Canada – Organizational relationships and financial flows in Canadian HC system (3p)


Canada II: Cost Control and Current Issues Wednesday, September 30


**United Kingdom I: Background and the Internal Market**

*Monday, October 5*


H2 Klein, “Why Britain is Reforming its National Health Service – Yet Again” *Health Affairs* July/August 1998


**Wednesday, October 7**

**Latin America: Chile** Prof. Mark Pauly, Wharton

P1 “ISAPRE: Private Health Care in Chile”


P3 “Chile: Healthcare and Pharmaceuticals Background” Economist Intelligence Unit - Executive Briefing, 11 February 2005 (6p.)


**Monday, October 12**

**United Kingdom II: Recent Reforms and Issues**


I5 “NHS goes to the PROMS” *BMJ* June 28 2008.

**Wednesday, October 14**

**Regulation of Pharmaceuticals I: Prototypes**

J1 Seget, “Pricing and Reimbursement in Europe” in Pharmaceutical Pricing Strategies pp.97-154

J2 Pearson SD, Rawlins MD. “Quality, Innovation, and Value for Money: NICE and the British National Health Service” *JAMA* November 23/30, 2005
J3 Siva, N. “The drug price is right – or is it?” The Lancet April 18, 2009.


Fall Break: No Class

Monday, October 19

October 21  Singapore: Overview and Medical Savings Accounts - Prof. Mark Pauly, Wharton

O1 Ramesh, “Health Policy in the NIEs” Social Policy and Administration. 2003 37(4):361-375. [Just focus on Singapore.]


O3 Pauly and Goodman, “Tax Credits for Health Insurance and Medical Savings Accounts,” Health Affairs, Spring 1995, 125 – 139.


October 26  Rationing by Cost-Effectiveness Analysis

N1 Chalkidou et al. “Comparative Effectiveness Research and Evidence-Based Health Policy: Experience from four countries” Milbank (2009)


N4 Kobelt, “Health Economics: An Introduction to Economic Evaluation” OHE 1996. (Skim: This has more detail than you need but is an excellent summary and has many examples).

October 28  Japan I: Background and Legal Issues - Prof. Arnold Rosoff, Wharton


Others readings TBD

November 2  Japan II: Health Care System Structure and Cost Control - Prof. Naoki Ikegami, Keio University


**November 2**  
**4:30-6:00pm Special Lecture: Long Term Care: The Japanese Model**

X1 Campbell and Ikegami, “Japan's Radical Reform of Long Term Care” *Social Policy Administration* Feb. 2003 37(1)

X2 Campbell, Ikegami et al., “Comparing Long Term Care Spending in Germany, Japan and the US.” Poster, Annual Meeting of the Gerontological Society of America, Nov. 2008

**Ikegami, “Games Policy-Makers and Providers Play: Introducing Case-Mix-Based Payment to Hospital Chronic Care Units in Japan.” *JHPPL* 34(3) June 2009

**November 4**  
**India - Jay Desai, CEO, Universal Consulting India**


Q5 Ma, Lu and Quan, “From a National, Centrally Planned Health System to a System Based on the Market: Lessons from China.” *Health Affairs* 27(4): 937-947.

**November 9**  
**Health Care in Developing Countries I**


R2 Priorities in Health Chapters 2,3,4,5 eds. Jamison et al. WHO 2006 (Skim)


R4 Glennerster, Kremer et al. “The Price of a Life” Foreign Policy (2p.) Issue 148, p26, 2p, 3 charts, 2 graphs, 4c

**November 11**  
**Health Care in Developing Countries II**


November 16  Public-Private Insurance  Cristian Baeza, McKinsey, formerly World Bank (TBC)


S3 Hsiao, “Experience of Community Health Financing in the Asian Region.” In Health Financing for Poor People eds. Preker and Carrin. Also “Preface”.

November 18  Regulation of Pharmaceuticals II: Differential Pricing, TRIPs, Generics etc.


L2 Quick, “Ensuring access to essential medicines in the developing countries: A framework for Action.” Clinical Pharmacology and Therapeutics April 2003


L4 PPR, “BRIC markets offer growth opportunities, but at what price?” PPR Oct. 2008 13(10)

November 23  The Italian National Health Service - Prof. Eugenio Anessi


November 25  What Do Cross-National Comparisons Prove?


November 30 Recap and review + Outcomes Measurement/P4P/Quality

Student Presentations I Wednesday, December 2
Papers Due, 10:30 (email and hard copy in class)

Student Presentations II Monday, December 7

Student Presentations III Wednesday, December 9

FINAL EXAM Wednesday, December 16
9am-11am, location TBA