Objectives  The purpose of this course is to apply economics to an analysis of the health care industry, with special emphasis on the unique characteristics of the US healthcare markets, from pre-hospital to post-acute care. This course focuses on salient economic features of health care delivery, including: the role of nonprofit providers, the effects of regulation and antitrust activity on hospitals, the degree of input substitutability within hospitals, competition in home health care, public versus private provision of emergency medical services, the effect of specialty hospitals and ambulatory surgery centers, innovative models of primary care delivery, defining and improving medical performance in hospitals, specialization and investment in physical and human capital, and shifting of services between inpatient and outpatient settings and its effect on health care costs and quality.

Grading
- Class Participation  15%
- Midterm Exam  60%
- Student presentation  25%

WebCafe
We have established a CANVAS room for HCMG852. This will serve as our primary communication channel. All class materials will be posted the following URL: https://canvas.upenn.edu/courses/1309276. You can log on using your usual Wharton username and password. Registered students will automatically have access. Others can get an account online at: http://accounts.wharton.upenn.edu. In case of any problems, you can apply in person at F35 JMHH, which is the Wharton computer consulting office. If you have questions about using CANVAS, contact the CANVAS Team at: courseware@wharton.upenn.edu.

Readings: All readings will appear in an electronic format on Canvas. Note that all readings below are suggested and hence, optional. Most readings will be discussed in the classroom.
Dates, Topics and Reading Assignments

Thursday, January 14

Introduction to the U.S. Healthcare Industry and its Unique Characteristics


Tuesday, January 19

On the Objectives and Behavior of Nonprofit Hospitals in the U.S.


Thursday, January 21

Why do For-Profit and Nonprofit Providers Coexist in the Same Market?


Tuesday, January 26

Cost-Shifting and Cross-Subsidization Behavior of Hospitals and Physicians


Thursday, January 28

Current Myths of Healthcare Reform, Dr. Donald Casey, Managing Director, Alvarez & Marsal Health Industry Group

Neprash, Hannah T, Michael E. Chernew, Andrew L. Hicks et al., “Association of Financial Integration Between Physicians and Hospitals With Commercial Health Care Prices” *JAMA Internal Medicine*, 2015; 175(12): 1932-1939


Tuesday, February 2

Do Nonprofit Hospitals Justify their Tax Exempt Status?, Ralph Muller, Chief Executive Officer, University of Pennsylvania Health System

Thursday, February 4

Clinical Integration: How Competitors can Collaborate?, Steven Levin, MBA, Managing Director of The Chartis Group and Keith Dickey, PhD, Principal, The Chartis Group

Tuesday, February 9

Introduction to Antitrust and Regulation in Health Care


Arizona v. Maricopa County Medical Society, Supreme Court of the United States, 1982 (457 U.S. 332, 102 St.Ct. 2466, 73 L.Ed.2d 48).


Thursday, February 11

Antitrust Laws, Regulation and Competition, Jeffrey H. Perry, J.D., Partner at Weil, Gotshal & Manges LLP, former Assistant Director, Mergers IV Division, Bureau of Competition, Federal Trade Commission.

Tuesday, February 16

Innovation in Primary Care


Thursday, February 18

A Consumer-Driven Culture of Health, John Keith, Principal, Deloitte Consulting LLP


Tuesday, February 23

The Changing Landscape of Health Care Delivery, Somesh Nigam, Ph.D., Senior Vice President and Chief Informatics Officer of Independence Blue Cross of Philadelphia.

Thursday, February 25

Retainer-Based Medicine, Wayne Lipton, Chief Executive Officer, Concierge Choice Physicians

Tuesday, March 1

Personalized Healthcare, Dr. Andrea Klemes, Chief Medical Officer of MDVIP

Thursday, March 3

Public versus Private Emergency Medical Services


---- SPRING BREAK ----

Tuesday, March 15

Regulation, Competition and Vertical Integration in Home Health


Neuman, Patricia, Juliette Cubanski, and Anthony Damico., “Medicare Per Capita Spending By Age And Service: New Data Highlights Oldest Beneficiaries”, Health Affairs, February 2015 34: pp. 2335-339


Thursday, March 17

An Overview of the “In-Home Medical Equipment and Services” Industry, Richard Chesney, Founder and Chief Executive Officer of Healthcare Market Resources

Tuesday, March 22

Division of Labor and Specialization: the Case of Hospitalists in the US


Thursday, March 24

Hospital of the Future: Hospitalists Leading the Change, Dr. Laurence Wellikson, Chief Executive Officer of the Society of Hospital Medicine

Tuesday, March 29

The Challenges of Managing a Home Health Agency, David Baiada, MBA, Practice Leader, Home Health, Bayada Nurses.

Thursday, March 31

Hospice Care – Dr. Adam Groff, Hospice Practice Leader and Division Director, Bayada Nurses and Assistant Professor at Geisel School of Medicine at Dartmouth and at The Dartmouth Institute for Health Care Policy & Clinical Practice.

Tuesday, April 5

Defining and Improving Health Care Organization Performance, Dr. Craig Samitt, Executive Vice President and Chief Clinical Officer for Anthem, Inc.

Thursday, April 7

MIDTERM EXAM  (1:30 PM – 2:50 PM)
Tuesday, April 12

**Innovation in Consumerism, Accountable Care and Population Health**, Dr. Alan London, Chief Medical Officer of AristaMD and Senior Strategy Advisor for BDC Advisors

Thursday, April 14

**A Hospital System Model of Disease Management**, Dr. David A. Horowitz, Senior Medical Director for Quality and Chief Medical Officer of Penn Care at Home, University of Pennsylvania Health System


Tuesday, April 19 – Tuesday, April 26

**Student Presentations**