

HCMG 101 – HEALTH CARE SYSTEMS
Spring 2020
T/TH 1:30-2:50, SH-DH 351

Scott Harrington

Alan B. Miller Professor and Department Chair, Health Care Management

harring@wharton.upenn.edu

Office hours: Thursdays, 3:00-5:00, 206 Colonial Penn Center, and by appointment

TAs: Nina Underman (nunderman@wharton.upenn.edu) and Mosum Shah

(mosum@wharton.upenn.edu). Office hours to be announced. TA office hours held in the HCMG Lounge, Colonial Penn Center (on Locust Walk across from SHDH), basement. If you cannot make office hours, please make appointment with the TAs or me.

OVERVIEW

This course introduces and examines the main features of the financing and delivery of health care in the United States. It covers health care spending, the relationship between health and health care, private and public health insurance, providers and services, provider reimbursement, health care reform, and factors affecting health policy. The course pays close attention to the economic incentives facing institutions and individuals and to the economic context of important health policy issues.

READINGS

Required: Paul J. Feldstein, Health Policy Issues: An Economic Perspective, 7th ed., available at the PENN Bookstore. (The 7th edition has two new chapters versus the 6th edition. The 6th edition does not reflect recent changes in the health care system and has older data. The 5th edition has the same chapter numbers as the 6th edition and very old data.)

Additional readings are posted on Canvas. If you have problems accessing Canvas, please contact Jennifer Gray, jengra@wharton.upenn.edu.

LECTURES

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

MIDTERM EXAMS

Exam 1 (February 13, in class)	100 pts
Exam 2 (March 24, in class)	100 pts
Exam 3 (April 28, in class)	100 pts
Writing assignment (April 14)	50 pts

The exams will be non-cumulative and a combination of multiple choice, identification, and short answer questions. *Exams must be taken when scheduled and can only be made up with an excused absence pursuant to University rules.*

WRITING ASSIGNMENT

You are required to write a 200-250 word reaction/opinion/analysis of an article or blog post dealing with health care in the form of a “letter to the editor.” Candidate articles/posts will be posted to Canvas during the semester. **Due date: April 14.**

I will grade the assignment based on substance (what you say) and exposition (how you say it). 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. A regrade can result in an increase, decrease, or no change in points.

BONUS QUIZZES

There will be four **unannounced bonus quizzes** during the semester. Each quiz will deal with material from the previous class. You will earn 4 points for a correct answer and 2 points for an incorrect answer. Your quiz points will be added to your exam and writing assignment points to derive your point total. **Quizzes cannot be made up for any reason.** You should not ask me to do so.

GRADING

Your grade will be based on your total number of points (including quiz bonus points):

A+, A, A- range: 315 and above (315 is 90% of the 350 exam and writing assignment points)
B+, B, B- range: 280 – 314 (80-89% of 350)
C+, C, C- range: 245 – 279 (70-79% of 350)
D+, D, range: 210 – 244 (60-69% of 350)

Plus and minus cutoffs will depend on class performance and be close to endpoints of the relevant range. ***Those cutoffs will not be disclosed.***

CLASS PROTOCOL

Attendance is important; participation is encouraged. You should seek to arrive on time and, unless you inform me prior to class or become ill during class, stay throughout. Please remain quiet unless participating and abide by the rules announced in class regarding electronics. Protocol violations may be penalized by point deductions at my discretion.

GUEST SPEAKERS

- **Molly Candon, PhD**, Research Asst. Professor, Dept. of Psychiatry, Penn Center for Mental Health
- **Stephanie Doupnik, MD, MSHP**, Assist. Professor of Pediatrics, School of Medicine
- **Emily Largent, JD, PhD, RN**, Asst. Professor, Medical Ethics and Health Policy, School of Medicine
- **Sean McElligott**, Director of Market Access, Scientific and External Strategy, Janssen Pharma.
- **Ingrid Nembhard, PhD**, Associate Professor of Health Care Management, The Wharton School
- **Ravi Parikh, MD, MPP**, Instructor, Medical Ethics and Health Policy, School of Medicine
- **Mitesh Patel, MD, MBA, MS**, Asst. Professor of Medicine and Director of Penn Medicine Nudge Unit
- **Julie Sochalski, PhD, FAAN, RN**, Associate Professor of Nursing, Associate Dean for Academic Programs, School of Nursing

SCHEDULE

Jan. 16 & 21: U.S. health care spending in a global context

- Feldstein, Chapters 1-2
- Laugesen, M. and S. Glied. Higher fees paid to U.S. physicians drive higher spending for physician services compared to other countries. Health Affairs 30(9): 1647-56. Sept. 2011.

Jan. 23 & 28: The value of medical spending

- Feldstein, Chapter 22 (21 in 6th ed.)
- Goodell, S., Cohen, J., and P. Neumann. Cost savings and cost-effectiveness of clinical preventive care. Robert Wood Johnson Foundation Policy Brief No. 18. Sept. 2009.
- Pearson, F., Ollendorf, D., and R. Chapman, New cost-effectiveness methods to determine value-based prices for potential cures: What are the options? Value in Health, June 2019.

Jan. 30: Guest speaker—Molly Candon on health vs. health care

- Feldstein, Chapter 3
- Health, income, and poverty: where we are and what could help. Health Affairs Policy Brief. October 2018.

Feb. 4: Key concepts in health insurance

- Feldstein, Chapters 6, 20 (19th in 6th ed.)
- Burman, L., Khitatrakun, S., and S. Goodell. Tax subsidies for private health insurance: Who benefits at what cost? Robert Wood Johnson Foundation Update. July 2009.
- High-deductible health plans. Health Affairs Policy Brief. February 2016.

Feb. 6: Guest speaker—Stephanie Doupnik on evidence to action: pediatric mental health services

Feb. 11: Key concepts in health insurance, cont.

Feb. 13: EXAM 1

Feb. 18: The uninsured and the Affordable Care Act (ACA)

- Feldstein, Chapter 7 and Chapter 38 (36 in 6th ed.)
- Explaining health care reform: questions about health insurance subsidies. Kaiser Family Foundation Issue Brief. November 2018.

Feb. 20 & 25: Medicare

- Feldstein, Chapter 8
- An overview of Medicare. Kaiser Family Foundation Issue Brief. February 2019.
- The facts on Medicare spending and financing. Kaiser Family Foundation Issue Brief. June 2018.

Feb. 27: Medicaid

- Feldstein, Chapter 9
- 10 things about Medicaid: setting the facts straight. Kaiser Family Foundation Issue Brief. April 2018.

March 3 & 5: Hospital and health system reimbursement and competition

- Feldstein, Chapters 15 and 16 (14 and 15 in 6th ed.), 17 (16 in 6th ed.)

March 10 & 12: SPRING BREAK**March 17: Physicians and reimbursement**

- Feldstein, Chapters 10, 11, 13 (12 in 6th ed.)
- Private contracts between doctors and Medicare patients. Kaiser Family Foundation Issue Brief. January 2017.

March 19: More on provider reimbursement and value-based care

- Spread of ACOs and Value-Based Payment in 2019

March 24: EXAM 2**March 26: Guest speaker—Julie Sochalski on nursing workforce**

- Feldstein, Chapter 24
- Nurse practitioners and primary care. Health Affairs Policy Brief. May 2013.

March 31: Quality of care and medical malpractice liability

- Feldstein, Chapter 14
- Mello, M., et al. National costs of the medical liability system. Health Affairs 29(9): 1569-1176. September 2010.

April 2: Guest speaker—Emily Largent on fraud and abuse**April 7: Guest speaker—Ingrid Nembhard on patient experience****April 9 & 14: Guest speaker—Sean McElligott on pharma and biotech**

- Feldstein, Chapters 25, 26, 27, 28
- Biosimilars. Health Affairs Policy Brief. July 2017.
- Frank, R. and L. Nichols. Medicare drug price negotiation. New England Journal of Medicine. October 10, 2019.

April 14: LETTER TO EDITOR DUE**April 16: Guest speaker—Mitesh Patel on digital health****April 21: Guest speaker—Ravi Parikh on predictive analytics in health care**

- Adamson, A. and H. Welch, Machine learning and the cancer-diagnosis problem—No gold standard. New England Journal of Medicine, December 12, 2019.

April 23: A brief look at health care financing in selected countries

- Feldstein, Chapter 34 (32 in 6th ed.) and Chapter 36 (34 in 6th ed.)

April 28: EXAM 3