Instructors:

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Class Time / Location

Time: Tuesdays 3.30-6.30 pm  
Location: JMHH F55

Overview of Course

This course provides a thorough understanding of two key pillars of the US health care sector: payers and providers. We spend several classes on each segment, discussing the institutions, current trends, success factors and analyzing prevailing strategies. We shall consider:

- US healthcare costs overview
- Insurer landscape, interaction with drug cos, and competition
- Role of government health programs and employers
- Provider payment reform, competition, and consolidation
- Payer and provider growth strategies
- Investing strategies

The course will draw on a range of information sources: presentations by industry experts and executives, recent academic research in these areas, recent cases, and selected industry publications. The course will also ask students (in teams) to conduct focused investigations into payer and provider strategies that extend our knowledge of these topics. Student investigations will be shared with the class at the end of the semester.
Conduct of the Course

This course is co-taught by Atul Gupta and Brad Fluegel, as well as several guest lecturers from the industry. We will meet every Tuesday afternoon. Students can meet with Profs. Gupta/Fluegel by appointment.

Course Requirements

Students are expected to attend all lectures and participate actively in class discussions. There will be one individual assignment with short-essay questions based on the assigned readings and class discussions. In addition, there will be one or two in-class exercises. Students will be assigned to groups to work on a semester-long group project. Teams will present their work in the last class of the semester and submit a short project report (up to 5 pages) of findings. Groups will also be asked to submit a 1 page project proposal in early March so faculty can review and provide feedback. Each group will also be assigned as a “peer reviewer” for another group’s project. The peer group will formally respond to the project presentation with a brief critique/comments of their own. Peers can provide interim feedback during the semester as well.

Projects should be oriented around asking a question related to payer or provider strategy and work toward answering it. Please avoid preparing an industry landscape style report. For example, an interesting project topic would be, “Does managed care reduce costs or improve quality for Medicare?” In contrast, “Growth of managed care in Medicare” would not be a suitable topic. You should stake out a position with regard to your topic and present evidence/research supporting your position. Wherever relevant, cite references or discussions from the class. You should also discuss prevailing counter perspectives on the topic, and explain why you believe these arguments fail or succeed. Interviews with individuals knowledgeable about the topic are strongly encouraged.

Project groups will be assigned by the 3rd class since enrollment takes time to stabilize. The goal will be to create teams of students from a mix of backgrounds and programs.

Grading

Grades will be based on
- Group project and report (30%)
- Assignment and class exercise (40%)
- Class attendance and participation (30%)

Required Readings

Instructors will usually assign 2-3 relevant articles for each class. Students are expected to read these in preparation for the class. We will make articles available on Canvas or the weblink will be available in the syllabus. We will use the textbook “The US Healthcare Ecosystem: Payers, Providers, Producers” by Prof. Lawton Burns (McGraw Hill) as a reference throughout the course and recommend students get themselves a copy or arrange access to it.

Sequence of Topics and Readings
JAN 18 COURSE OVERVIEW AND HEALTH CARE COSTS (Note: Meet on zoom)

Class introduction and overview

Guest Speaker:
- Jeff Levin-Scherz, MD MBA FACP, Managing Director and Population Health Leader, Willis Towers Watson

Learning Objectives:
1. Review the long history of programs aimed to control the total cost of American health care
2. Describe commonly held misconceptions about what drives health care costs, and how to address health care cost inflation.
3. Illustrate how to evaluate initiatives that purport to lower health care costs

Readings:
- Burns Chapter 3: (optional) What is a healthcare system?
- Burns Chapter 6: Rising healthcare costs

PART I: PAYERS

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JAN 25 INSURERS: LANDSCAPE AND ECONOMICS

Guest Speakers:
- Richard Montwill, Former SVP Corporate Strategy, Optum
- Rebecca Madsen, Chief Consumer Officer, United Healthcare

Readings:
- Burns Chapter 17: Private health insurance and managed care organizations

FEB 1 INSURER STRATEGY

Guest Speakers:
- Craig Sammit, former President/CEO of BCBS Minnesota
- John Espinola, Chief Strategy and Product Officer, Premera Blue Cross

Readings:
FEB 8  
**GOVERNMENT PROGRAMS: MEDICAID AND MEDICARE**

**Guest Speakers:**
- Steve Wood, Co-founder and Partner, Clear View Solutions

**Readings:**
- Burns Chapter 18: Medicare
- Burns Chapter 19: Medicaid and the ACA
- Burns Chapter 25 *(optional)*: The federal bureaucracy, the US congress, and healthcare policy

FEB 15  
**PAYER-PHARMA INTEGRATION**

**Guest Speaker:**
- Amy Bricker, President, Express Scripts

**Readings:**
- Burns Chapter 16: Contracting for prescription drug benefits: role of employers, insurers, and pharmacy benefit managers
- Burns Chapter 21 *(optional)*: The pharmaceutical sector

FEB 22  
**EMPLOYERS/CONSUMERS**

**Guest Speakers:**
- Sally Wellborn, Advisor, Wellborn advisory services and former SVP Benefits, Walmart

**Readings:**
- Burns Chapter 15: Employer-based health insurance
• Whaley, Christopher M., Christoph Dankert, Michael Richards, and Dena Bravata. "An Employer-Provider Direct Payment Program Is Associated With Lower Episode Costs" Health Affairs 40, no. 3 (2021): 445-452.

PART II: PROVIDERS

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MAR 1  CORE EXAMS – NO CLASS

MAR 8  SPRING BREAK – NO CLASS

MAR 15  PROVIDER CONSOLIDATION AND ANTI-TRUST

Guest Speaker:
• Subbu Ramanarayanan, Managing Director, NERA Consulting

Readings:
• Burns Chapter 11: Hospitals
• Burns Chapter 12: Hospital diversification, restructuring and integration

MAR 22  HEALTH SYSTEMS GROWTH STRATEGY

Guest speaker:
• Patrick Conway, CEO Care Solutions, Optum
• Scott Powder, Chief Strategy Officer, Advocate Aurora Health

Readings:
• Burns Chapter 13: Organized ambulatory care

MAR 29  HEALTH SYSTEMS INVESTING AND DIVERSIFICATION

Guest Speakers:
• Kurt Wrobel, President Geisinger Health Plan and EVP, Insurance operations

Readings:

PART III: PUTTING IT ALL TOGETHER

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APR 5 INVESTING IN HEALTHCARE

Bob Kocher, Partner at Venrock

Aaron Martin, EVP and Chief Digital Officer at Providence Health System and Managing General Partner for Providence Ventures

Readings:
• Burns Chapter 24: Healthcare information technology

APR 12 HEALTH CARE STARTUPS CLASS EXERCISE

APR 19 GROUP PROJECT PRESENTATIONS