

Course: Economics 398 (Topics in Health Economics)

Term: Spring 2022

Professor: Avraham Stoler (e-mail: [astoler@depaul.edu](mailto:astoler@depaul.edu))

Office: NA this quarter. But email me for a zoom office hour if needed!

Text: Health Economics by Bhattacharya, Hyde & Tu

**Goals:**

**Teach students some topics in health economics not covered by other classes which are highly relevant today.**

Topics will include: the economics of health externalities (chapter 20) which covers how people (or firms) affect each other (which is called an externality in economics). For example, getting a COVID19 vaccine likely protects others from getting sick, not just yourself, since it is likely associated with lower likelihood to infect others. For older vaccines, we know it is true. The second topic chosen for this quarter is economic epidemiology (or the economics of pandemics), which is covered by chapter 21. We will also cover prospect theory (chapter 23) and time inconsistency and health (chapter 24). Those chapter discuss psychological effects and other bounds to “consumer rationality” as defined by economists, and their relevance to health. Both come under the heading of behavioral health economics, an important newer field.

**Give students some ‘hands on’ industry knowledge (as opposed to theoretical models) about the health industry.**

We will focus on different models of how to provide health care: the American model (chapter 18), Nationalized health care (chapter 16), and social health insurance (chapter 17). This knowledge will be valuable to those of you who wish to work in the health industry.

**Discuss research with students, to help them develop research skills, learn how research is done, and how to read (and form opinion on) a paper.**

Even if you do not plan to be an academic, reading, evaluating, understanding and critiquing a paper (or the research process) will be highly useful to you in many careers. For simplicity, we will cover 3 different papers, one a week, which I have worked on. This will allow students the opportunity to ask the author of a paper (myself) why certain choices were made as well as other questions on the research process. Those weeks will be similar to going to a seminar presentation, but since I will be the only professor it will be a lot easier to ask questions and have a useful discussion for students.

**Grading:** there will be 10 quizzes of 10% each. Quizzes start at week 2 and continue until week 11 (finals week). This avoids the stress of an assignment or exam that is a very large part of your final grade.

Each quiz will allow you 3 hours of work. No extensions (unless there is disability, in which case please talk to me about it as soon as possible). It is more than enough for an exam with 10 multiple choice questions. The exam is also open book in the attempt to make it as stress free as possible (and when you get a job, you are allowed to open a book right?).

However, please note that the 3 hours will not be enough time to learn the material, so please come prepared. The quizzes are not at a particular time of the day. Do them when convenient – just remember to finish before the deadline (last day for submitting). Once you started a quiz, you cannot stop and retake it – so please choose a convenient time.

Quizzes will test student on two main things: being familiar with economic concepts covered in class (knowledge) and being able to use those concepts (understanding).

Memorization per se is not emphasized. I will not ask you what footnote 27 in page 123 said or anything similar to that. Your focus should be on remembering and understanding the main economics concepts (as opposed to specific examples) and on your ability to use those concepts in a scenario which may be slightly different than the book.

**Homework:**

Every week, I will assign problems directly from the book itself to help with learning. I highly encourage you to solve them, and to use online solution guides (widely available online for \$5-\$10 a month) to check your solutions (if needed). Homework are not mandatory and need not be submitted. My plan is for your workload to be moderate, not excessive. Problems assigned are likely to reappear in quizzes with or without small changes 😊

**Other:**

Student work in this course will fulfill the Social Behavioral and Cultural Inquiry Learning Outcomes and Writing Expectations of DePaul's Liberal Studies Program

**Disability:**

I provide accommodations to students with documented disabilities. Please talk to me early in the class – it is difficult to provide accommodations without appropriate advance warning. I expect this to not be an issue with three hour quizzes - but happy to discuss.

**If you need help:**

This is especially relevant nowadays. I am flexible and happy to help. Please note that it is a LOT easier to help you if you communicate any difficulty in a timely way. Don't be shy, let me know! Example: someone in your family is ill. You need 2 days extension for a quiz. You ask in advance and receive it (and I delay publication of quiz results 2 days). If you do not ask, I will publish quiz results, and you can no longer take the quiz because solutions have been published! So whenever practical, **please let me know** and I will do my best to help.

**Zoom sessions:** Zoom sessions are 'mandatory'. I will not reduce your grade if you miss a couple, but they are important to your success. They will be recorded for those who cannot make it, but please try to attend. Especially when we discuss my own research, participation is useful and there is no perfect substitute for attending (or at least watching the recording). Please note zoom sessions should be relaxed, informative, useful conversations, and to help achieve that goal I do not generally allow attendance as "a blank square". Please use a camera if practical.

**Grading:** For your general information only – this is my ‘typical’ curve but I may adjust it a bit depending on circumstances. Any adjustment will be in your favor, not the opposite. My final grading curve will be at least as generous as below:

90+ A

85-89 A-

80-84 B+

75-79 B

70-74 B-

65-69 C+

60-64 C

55-59 C-

0-54 Sorry.

**Class Outline by week:**

- I. Introduction to the class; Review and discussion of a paper.
- II. Review and discussion of a paper.
- III. Review and discussion of a paper.
- IV. Chapter 16 (nationalized health care)
- V. Chapter 17 (social health insurance)
- VI. Chapter 18 (the American model)
- VII. Chapter 20 (health externalities)
- VIII. Chapter 21 (economics of pandemics)
- IX. Chapter 23 (prospect theory)
- X. Chapter 24 (time inconsistency and health)