Health Economics

BC3050 (Spring 2022)

Instructor: Professor Morgan C. Williams, Jr.
Email: mcwillia@barnard.edu
Office Hours: MW 2:35 PM – 3:35 PM (Appointment Only)
Office Hours Scheduling: All office hours appointments can be made, at least 24 hours in advance, using the Calendly: https://calendly.com/mcwillia/officehoursspring2022

Course Information

Class Meeting Times: MW, 10:10 AM – 11:25 AM
Class Location: TBD

Notes: This syllabus is subject to change as we approach and move forward with the Spring 2022 semester. This course intends on meeting in-person throughout the Spring 2022 semester unless public health conditions or Barnard College suggests otherwise. I strongly suggest that all students review the College’s Health & Safety guidance well before the first day of classes.

Course Description

Health economics is an expansive and growing field within the larger microeconomic literature. From examining the impact of Medicaid on health care utilization to the public health consequences of marijuana legalization, health economics offers a variety of profound economic insights and policy recommendations. This course uses many familiar concepts from microeconomic theory and econometrics in order to better understand health and healthcare—with students engaging economic models describing the demand for health, addiction, medical care, health insurance, and risky behaviors in addition to interpreting important empirical evidence within these spaces.

Prerequisites

The main prerequisites for this course are Intermediate Micro Theory (BC 3035 or UN 3211) and at least an undergraduate statistics course.

Learning Objectives

Through this course, students will be able to:

1. Apply fundamental microeconomic techniques to a diverse set of issues related to health and health care markets.
2. Demonstrate their proficiency of important institutions and policies playing an influential role in the determination of health and economic behavior within healthcare markets.
3. Evaluate empirical evidence using familiar techniques statistics and econometrics.
Course Materials


Academic Integrity

Academic integrity is a vital component of the scholastic experience at Barnard College. All students enrolled in this class required to read, and strictly abide by, the Honor Code which states the following:

_We, the students of Barnard College, resolve to uphold the honor of the College by engaging with integrity in all of our academic pursuits. We affirm that academic integrity is the honorable creation and presentation of our own work. We acknowledge that it is our responsibility to seek clarification of proper forms of collaboration and use of academic resources in all assignments or exams. We consider academic integrity to include the proper use and care for all print, electronic, or other academic resources. We will respect the rights of others to engage in pursuit of learning in order to uphold our commitment to honor. We pledge to do all that is in our power to create a spirit of honesty and honor for its own sake._

Information for Students with Disabilities at Barnard College

Academic accommodations are available for students with documented disabilities. Please visit the Center for Accessibility Resources & Disability Services (CARDS) website for more information. Students can also reach them directly at (212)-854-4634 or send an email to cards@barnard.edu. Students requesting accommodations must first meet with a CARDS staff member. Upon registering, students are required to request accommodation letters each semester in order to notify faculty and are encouraged to do so very early in the semester in order to ensure access to the necessary accommodations. For students who are already registered with CARDS, please schedule a time to meet with me outside of class in order to discuss your accommodations for the course and bring your faculty notification letter at that time.

Barnard College Policy on Religious Holidays

_Barnard College’s Policy on religious holidays_ states that members of any religious group may, without penalty, absent themselves from classes when required in compliance with their religious obligations. Please notify me in advance of religious holidays that might coincide with course obligations in order to schedule mutually acceptable alternatives.

Grading Policy and Assignments

1. Class Attendance and Participation (10%)
2. Problem Sets (30%)
3. Midterm Exam (Online) (30%)
4. Final Exam (30%)
Course Deliverables

Class Attendance and Participation:

Students are expected to attend, and be active participants in, all lectures. In order for us all to contribute to a lively classroom environment throughout the semester, students are fully expected to have completed all of the required readings and should come prepared to answer questions throughout that week’s lecture.

Problems Sets:

Four problem sets will be graded based on the completion of each exercise in its entirety. You are strongly encouraged to solve for the correct solutions given that you will be asked to do so on the midterm exam. I will drop the lowest grade among these submissions. You must submit these assignments online via Courseworks by the beginning of the specified lecture as outlined in the course schedule (see the Semester Overview Section below for assignment dates). All solutions will be posted under the appropriate Courseworks tab after the specified due date. As a friendly reminder, I unambiguously do not accept late submissions and providing any form of unoriginal work (e.g., copying the work of others or work from previous semesters) will result in a zero for that assignment.

Midterm Exam:

An in-class exam will be given on March 9, 2022. Additional details will be provided on the format early in the semester.

Final Exam:

An in-class exam will be given during May 11, 2022. Additional details will be provided on the format early in the semester.

Semester Overview

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<tr>
<th>Dates</th>
<th>Topic</th>
<th>Assignment Due</th>
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<tr>
<td>January 19th</td>
<td>Demand for Health: The Grossman Model</td>
<td>• Student Info. Form</td>
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<td>Jan. 24th, 26th</td>
<td>Health and Education</td>
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<td>Jan. 31st, Feb. 2nd</td>
<td>The Demand for Health Insurance</td>
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<td>Feb. 7th, Feb. 9th</td>
<td>Adverse Selection</td>
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<td>Feb. 14th, Feb. 16th</td>
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<td>Feb. 21st, Feb. 23rd</td>
<td>The Hospital Industry</td>
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<td>Feb. 28th, Mar. 2nd</td>
<td>Physician Labor Markets and Behavior</td>
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Detailed Course Overview

Week One: Demand for Health: The Grossman Model

Required Reading:

- BHT, Chapters 1-3

Supplemental Reading:


Week Two: Health and Education

Required Reading:

- BHT, Chapter 4

Supplemental Reading:

**Week Three: The Demand for Health Insurance**

**Required Reading:**
- BHT, Chapter 7

**Supplemental Reading:**
Week Four: Adverse Selection

Required Reading:

- BHT, Chapters 8-10

Supplemental Reading:


Week Five: Moral Hazard

Required Reading:

- BHT, Chapter 11

Supplemental Reading:


**Week Six: The Hospital Industry**

Required Reading:

• BHT, Chapter 6

Supplemental Reading:


**Week Seven: Physician Labor Markets and Behavior**

Required Reading:

• BHT, Chapter 5

Supplemental Reading:

Week 8: MIDTERM EXAM

Week Nine: Infant Health

Required Reading:


Supplemental Reading:


Week Ten: Health Externalities in Theory and Practice
Required Reading:

- BHT, Chapters 20-21

Supplemental Reading:


Week Eleven: Gun Violence in the U.S.

Required Reading:


Supplemental Reading:


Week Twelve: The Consequences of Lead Exposure

Required Reading:

Supplemental Reading:


**Week Thirteen: Economics of Substance Abuse**

Required Reading:


Supplemental Reading:


**Week Fourteen: Marijuana Legalization**

Required Reading:

Supplemental Reading:


**Week Fifteen: FINAL EXAM**