This course will examine a variety of policy issues in the organization and financing of health care. We will be spending a fair amount of time on the conceptual underpinnings of national health reform and trying to see if we think it has a chance of working.

Prerequisites

This course assumes an introductory course in microeconomics, such as PAD 503 or HPM 511, and an introductory course in statistics, such as PAD 505. It is also assumed that students are generally familiar with the organization and financing of the health care system and the basics of Medicaid, Medicare, and managed care, roughly equivalent to HPM 500, either through coursework or work experience.

Requirements and Format

I intend this course to be a collegial exercise in which you talk at least as much as I do. To this end, I would like to more or less dispense with lectures, save for the more technically complex topics where there may be some disparity in backgrounds that needs redressing, and run things as a seminar. To aid in this objective, each student will prepare a one-page (written or typed) paper every week which identifies and critiques one important substantive issue in the reading for the week. These papers, which will be used to structure class discussion, will be due by noon on Tuesdays before class, preferably as e-mail attachments. There will be a penalty for late papers. You should feel free to challenge the arguments made by authors, identify areas where you think their evidence is weak or their reasoning nonsensical, outline an alternative perspective, or indicate who you think has the better of a particular exchange and why. These papers will be graded on a plus/check/minus basis.

In addition to these exercises, there will be a take home final exam and a group presentation on a major aspect of the just enacted national health reform plan. These presentations will require you to describe the problem your particular feature was intended
to solve, assess the likelihood that it will in fact have the intended effect, and examine the
issues that are likely to arise in implementation. I will be discussing these presentations in
more detail in an early class. The last class period will be reserved for these
presentations. Grades will be assigned on the basis of forty percent for bi-weekly papers
and participation and thirty percent each for the final and presentations.

Books, etc.

There are no assigned texts. In the interests of trying to keep your textbook costs
down, I have decided to assign things that are readily available on line, either through
electronic subscription at the University Library or on the Web sites of the publishing
institutions. In addition, I will distribute interesting things via e-mail from such sources as
The Wall Street Journal and The New York Times as they cross my desk. Health care is
likely to remain a significant political issue, so there should be a fair amount of discussion
in the press about a variety of issues that we will be examining over the course of the
semester.

While there aren’t any assigned texts, there are three books that I would strongly
suggest that you pick up and take a look at over the course of the semester. All are well-
written, not quantitative, and will give you a good feel for the day-to-day operations of the
health care system. They both provide a lot of examples of theories and models that we
will be coming back to repeatedly over the course of the semester. One is Hospital, by
Julie Salamon, which is a report on Maimonides Hospital in Brooklyn that pays a lot of
attention to how the hospital is managed and how executives maneuver in the crowded
New York City health care market. The second is Better, by Atul Gawande, which is an
review of a number of different quality improvement efforts. A final book is How Doctors
Think, by Jerome Groopman, which describes a lot of the huge literature on physician
decision making. A couple of other recommendations are attached to particular sessions.

Topics and Readings (all required)

August 30--Introduction and Housekeeping

September 6-- Is or should health care be a market good? Pt I–Consumers

       Kenneth Arrow, "Uncertainty and the Welfare Economics of Medical Care"
and Law (October 2001)
       (If you’re unclear about Arrow after reading, try the explanation by Uwe Reinhardt
in “Health Care, Uncertainty and Morality” in the Economix blog on the New York Times
website for August 13, 2010.)

       W. G. Manning et al., "Health Insurance and the Demand for Medical Care"
Thomas Buchmueller and Paul Feldstein, "Consumers' Sensitivity to Health Plan Premiums" Health Affairs (1996)

Melinda Beeuwkes Buntin, Cheryl Damberg, Amelia Haviland, Kanika Kapur, Nicole Lurie, Roland McDevitt, and M. Susan Marquis “Consumer-Directed Health Care: Early Evidence About Effects On Cost And Quality” Health Affairs, November/December 2006; 25(6): w516-w530

Kristen Carmen et al “Evidence that Customers are Skeptical About Evidence Based Health Care” Health Affairs (June 3, 2010)


Recommended: Gayle Salik Pink Ribbon Blues
September 13–Is Medical Care a Market Good? Pt. II–Providers

Uwe Reinhardt and Arnold Relman, "Debating For-Profit Health Care and the Ethics of Physicians" Health Affairs (1986)


Atul Gawande “Cowboys and Pit Crews” New Yorker News Desk Blog (May 26, 2011)

Lena Sun, “Hospitals Courting Primary Care Docs” Washington Post (June 20, 2011)
Gardiner Harris “Family Physician Can't Give Away Solo Practice” New York Times (April 23, 2011)

Recommended: Julie Salamon, Hospital (entire) 
Jerome Groopman How Doctors Think

September 20--What Makes Health Care Costs Grow?


   Annette Gelijns and Nathan Rosenberg, “The Dynamics of Technological Change in Medicine” Health Affairs (1994)


   Michelle Mello and Troyen Brennan “The Controversy Over High Dose Chemotherapy with Autologous Marrow Transplant for Breast Cancer“ Health Affairs (2001)

   GF Anderson et al “It’s the Prices, Stupid: Why the United States is so Different From Other Countries”Health Affairs (2003)


Recommended: If you can find one (it’s out of print), pick up a copy of Serious and Unstable Condition by Henry Aaron. It dates from the last time we tried to do health reform, but it’s diagnosis of why health care costs continue to rise is spot-on. Expect to hear about it in class.

September 27—Health Insurance—What is it, why don’t people have it and will health reform fix it?

Kaiser Commission on Medicaid and Uninsured “The Uninsured: A Primer” (October 2009)


Health Affairs Health Policy Brief, “Examining The Future Direction Of The Pre-Existing Condition Insurance Plan Program” (August 2010)—also on website of Robert Wood Johnson Foundation

Timothy Stotzfus Jost Health Insurance Exchanges and the Affordable Care Act: Key Policy Issues (Commonwealth Fund, 2010)

October 4 --Regulation as the Europeans do it (or, do either Michael Moore or Mitch McConnell have a clue?)

Everyone will be assigned to read one of following case studies:

Health Systems in Transitions reports from European Observatory:

--Canada
--United Kingdom
--Germany
--France

AND two of the following articles:

Tim Doran and Martin Roland “Lessons from Major Initiatives to Improve Primary Care in the United Kingdom” Health Affairs (May 2010)

Barbara Starfield “Reinventing Primary Care: Lessons from Canada for the United States” Health Affairs (May 2010)

Jeffrey Borkan et al “Renewing Primary Care: Lessons Learned from the Spanish Health Care System” Health Affairs (August 2010)

Tsung-Mei Cheng “Understanding the ‘Swiss Watch’ Function of Switzerland’s Health System” Health Affairs (August 2010)

Nick Black “Liberating the NHS—Another Attempt to Implement Market Forces in
October 11--Regulation as We Do it: From Rate Setting to Death Panels

Medicare Payment Advisory Commission: Medicare payment basics
a. in-patient hospital
b. doctors--


James Robinson “Hospitals Both Cut Costs and Cost Shift in Response to Medicare” Health Affairs (July 2011)


William Hsiao et al “Vermont’s Single Payer Plan” Health Affairs (July 2011)


Atul Gawande “Letting Go” New Yorker (August 2, 2010)

Thomas Smith and Bruce Hilner “Bending the Cost Curve in Cancer Care” New England Journal of Medicine (May 26, 2011)


October 18--The Organization of Care – Developments in Technology, Organization and Politics


James C. Robinson and Jill M. Yegian, “Medical Management After Managed Care”, Health Affairs Web Exclusive, May 19, 2004

James Robinson, “Managed Consumerism in Health Care” Health Affairs (November/December 2005)

“Accountable Care Organizations” Health Affairs Health Policy Brief (July 27, 2010)
Also available on Website of Robert Wood Johnson Foundation

Daniel Fields et al “Driving Quality Gains and Cost Savings through Adoption of Medical Homes” Health Affairs, (May 2010)

October 25 - Quality of Care—Is There a Quality Chasm?

Institute of Medicine Crossing the Quality Chasm: A New Health Care System for the 21st Century Executive Summary


Douglas McCarthy et al Aiming Higher:Results from a State Scorecard on Health System Performance, 2009—Executive Summary (Commonwealth Fund)


Recommended: Atul Gawande Better, entire

November 1—The Future of Health Reform—Reducing Regional Disparities in Spending?

Atul Gawande “The Cost Conundrum” New Yorker June 1, 2009


November 8 --Medicaid and State Health Policy

Kaiser Commission on Medicaid and the Uninsured Medicaid: A Primer (2010)

Alan Weil, “There’s Something About Medicaid” Health Affairs (2003)

Lynn Ethridge and Judith Moore “The New Medicaid” Health Affairs (2003):

Todd Gilmer and Richard Kronick “Volume and Prices Drive Big Variations in Medicaid Spending” Health Affairs (July 2011)


Kaiser Commission “Optimizing Medicaid Enrollment” (April 2010)

November 15 --Long Term and Institutional Care-

Richard Johnson” The Strains and Drains of Long Term Care” (Urban Institute website)


David Cutler, “The Reduction in Disability Among the Elderly” Proceedings of the National Academy of Science (2001)

Charles Brecher and James Knickman, " A Reconsideration of Long Term Care Policy" JHPPL(1985)


November 22—Day off to encourage early panicking over presentations

December 6 — Presentations/Distribution of final.