This course explores the economics of the health services system by examining the health production function, the demand for health capital, health insurance markets, players in health care markets, and the role of government. Emphasis will be placed on microeconomic concepts and empirical readings with health care policy application.

Prerequisites for the Course
Students should already have taken Microeconomic Theory (440.601) and Econometrics (440.606). Students must be comfortable with microeconomic concepts and statistical and regression analysis.

Internet Access
Web and email access is essential. Please be sure to provide me with a reliable email address during the first class. Email will be used routinely to clarify lecture material, respond to questions, and contact the class as needed. Copies of all problem sets, suggested solutions, practice exams, and lecture notes will be made available on the course webpage at blackboard.jhu.edu.

Grading
Your course grade will be based on your performance on a comprehensive final, a group project and two problem sets. The shares of the course grade are as follows:
- Problem Sets 30%
- Group Project 30%
- Final exam 40%

There will be two assigned problem sets worth 15% each. The first problem set will be due on June 19th and the second problem set will be due on July 24th. If you cannot attend class, be sure to email your homework on the day it is due to receive credit.

Each student is required to prepare a group presentation related to a question in health economics. These presentations require students to synthesize existing literature on the topic chosen. On June 5th we will have a short discussion about the presentation schedule, format and expectations. I will also provide a list of potential topics.

There will be an in-class closed book exam on August 21st. Students who do not attend an exam will be given a grade of zero unless they contact the instructor prior to the exam and have written verification of an accepted excuse.

Textbook
The Economics of Health and Health Care, 7th Edition
Sherman Folland, Allen C. Goodman, and Miron Stano

Using previous versions (5th or 6th Edition) of this textbook should suffice. The chapter numbers differ slightly, but most of our material is in both editions.
Lecture Topics

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<th>Lecture #</th>
<th>Topic(s)</th>
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<td>Demand for Health Capital</td>
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<td>June 5</td>
<td>4</td>
<td>Health Insurance Demand; Demand for Medical Care</td>
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<td>Asymmetric Information and Agency &amp; Health Insurance Markets</td>
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<td>Providers: Nonprofit Firms; Hospitals and Long Term Care</td>
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<td>Providers: Physicians; Pharmaceuticals</td>
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<td>Social Insurance</td>
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Additional Readings

Lecture 1: Introduction


Lecture 2: Production of Health


Lecture 3: Demand for Health Capital


**Lecture 4: Health Insurance Demand; Demand for Medical Care**


**Lecture 5: Asymmetric Information and Agency & Health Insurance Markets**


Lecture 6: Nonprofit Firms & Hospitals and Long Term Care


Lecture 7: Provider Markets and Pharmaceutical Markets


Lecture 8: Social Insurance


Lecture 9: Comparative Health Care Systems


**Lecture 10: Health System Reform**


