

ECONOMICS OF HEALTH CARE

ECONOMICS 2169G-001

Department of Economics

Western University

January 2023

General Information:

Instructor: Mohammad Iftekher Hossain
Office: 4081 SSC
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Email: mhossa87@uwo.ca
Office hours: W 10:30 am – 12:30 pm, In Person, Room: SSC 4081
Class Schedule: M, 9:30 -11:30, Room: UCC 37
W, 9:30 -10:30, Room: UCC 41
Course website: <https://owl.uwo.ca/portal>
Undergraduate inquiries: 519-661-3507 or SSC Room 4075 or econugrd@uwo.ca

Registration:

You are responsible for ensuring you are registered in the correct course. If you are not registered in this course, the Department will not release any of your marks until your registration is corrected. You may check your timetable by using the Login on the Student Services website at <https://student.uwo.ca>. If you notice a problem, please contact your home Faculty Academic Counsellor immediately.

Prerequisite/Antirequisite Note:

Prerequisite Note: The prerequisites for this course are Economics 1021A/B and 1022A/B, or 2001A/B.

Antirequisite Note: The antirequisite for this course is Health Sciences 3090B if taken in 2016

You are responsible for ensuring that you have successfully completed all course prerequisites, and that you have not taken an antirequisite course. Lack of prerequisites may not be used as a basis for appeal. If you are found to be ineligible for a course, you may be removed from it at any time and you will receive no adjustment to your fees. This decision cannot be appealed. If you find that you do not have the course prerequisites, it is in your best interest to drop the course well before the end of the add/drop period. Your prompt attention to this matter will not only help protect your academic record, but will ensure that spaces become available for students who require the course in question for graduation.

Course Description:

Economics of health care helps students apply the tools of economics to make sense of the organization, delivery, and financing of health care. Its objective is to impart an understanding of

the role of economic factors in the development of public policy concerning health and health care. The course uses economic tools of constrained optimization, equilibrium analysis and comparative statics to analyze the economics of health care. The course also discusses various policy options from economic perspectives for the reform of health care services in Canada and other countries.

Course Learning Outcomes:

Students will be able to apply economic reasoning and methods effectively to make sense of the health sector in modern societies. They will be able to identify and explain economic concepts and theories related to the behaviour of economic agents, markets, firm structures, social norms and government policies in the field of health care. They will be able to use elementary cost-benefit analysis to measure the effectiveness of health care policies. Students will be able to identify the institutional features of the Canadian health care system.

Recommended Books/ Resources:

Koebnick and Getze. 2022. Health Economics And Financing, Sixth edition, Wiley.

For the Textbook, please visit the Book Store link:

https://bookstore.uwo.ca/textbook-search?campus=UWO&term=W2022B&courses%5B0%5D=001_UW/ECO2169G

Assessments and Grading:

Your grade point is the total points (out of 100) that you will earn in this course when the semester ends. **Please see the weight below.**

<i>Exam</i>	Date and Time* (Tentative)	Covers (Tentative)	Weight
Midterm Exam 1 (IN-PERSON)	13 Feb, 9:30 - 10:30	TBA	20%
Midterm Exam 2 (IN-PERSON)	13 Mar, 9:30 – 10:30	TBA	15%
Final Exam (IN-PERSON)	TBA	Cumulative	40%
Proposal Submission	14 Feb, 5:00 pm, ET, Online Submission		5%
Essay (2500 – 3000 words)	06 Apr, 5:00 pm, ET, Online Submission		20%

*The midterm and final exams will be in a mixed format, containing some or all of the following types of questions: True/False Questions. Multiple Choice Questions, Questions Require Written Responses, Questions Require Calculations

Essay

The Essay requires the student to identify a topic in health economics, preferably from one of the following areas:

- Drug Pricing in Canada: Rationale, Effects, and the Case for National Pharmacare.
- Economics of Canada Dental Benefit: Rationale, Effects and the Case for Universal Dental Care.
- The Economics of Covid Vaccine; Demand, Supply and Market

- The Economics of Covid Vaccine; Firm's Behavior
- Financing and Delivery of Health Care in Canada
- Economics of Health Insurance: An Assessment of Ontario Health Insurance Policy

Proposal (Optional)

Submission of the proposal is optional. If a student submits the proposal, the weight of the proposal will be 5%, and the weight of the Essay will be 20%. If a student submits a proposal, the student will receive feedback based on the proposal while writing the Essay.

If a student does not submit a proposal, the weight of the student's Essay will be 25%.

Please identify your topic and submit a proposal on or before **14 Feb 2023**. In your proposal, please provide some background information about your topic. State the objectives of your study. Outline your analysis and methodology. Please briefly write the economic concepts and tools you plan to use. **The word limit for the proposal is between 400 words and 500 words.** Please submit the proposal in a Word file. You must name your file **surname.givename.docx**. On the cover page, please include your name, student number, and word count (not including tables and bibliography). Please type your proposal in double-spaced, 12-point font, with top, bottom and side margins of 2.5 cm, and be two pages long, excluding the title page, figures, tables, and a list of references. Please add at least five references that you plan to use for your study. **I will send feedback to the students by 25 Feb who will require to update the proposal, methodology, references etc.**

Final Essay (Mandatory)

Your Final Essay is due on **10 Apr 2023 at 5:00 pm**. Please type the final Essay, double spaced, 12-point font, with top, bottom and side margins of 2.5 cm. The length of the Essay must be between 2500 and 2700 words. Please submit the Essay in a Word file and name the file **surname.givename.docx**. Please include your name, student number, and word count (not including tables and bibliography) on your cover page or in your heading.

The grade on this component will be based on both contents and on the quality of your writing (organization, grammar, and style).

If you miss the deadline to submit the proposal, you can submit your Essay directly, and in that case, the weight of your Essay will be 25 points. If you miss the deadline to submit the proposal, you need not take approval from the Academic Counseling.

If a student misses the deadline to submit the Essay, the student will fail this course as per the University policy.

All required papers may be subject to submission for textual similarity review to the commercial plagiarism detection software under license to the University for the detection of plagiarism. All papers submitted for such checking will be included as source documents in the reference database for the purpose of detecting plagiarism of papers subsequently submitted to the system. Use of the service is subject to the licensing agreement, currently between The University of Western Ontario and Turnitin.com (<http://www.turnitin.com>). **Your Essay must be submitted electronically to Turnitin on the Assignments page of the course website.** Late submissions will not be accepted and will be given a zero grade and automatic fail in the course, and these rules are firm.

Important dates for Proposal and Essay:

Week 2: We will discuss the proposal and essay format in one class

14 Feb: Proposal submission (optional) electronically through OWL/ Assignment

25 Feb or before: Students required to update their proposals will be notified.

06 Apr, 5:00 pm: Deadline to submit your Essay

I will announce a day in **Week 2, Week 7 and Week 10** when students will be allowed to book a meeting to discuss the progress of their essays. The meeting is optional and will not be graded.

Policy Regarding Missed Exams:**Midterm Exams****There will be no make up exams for the missed midterm exams.**

If you know in advance that you cannot attend a midterm exam, you must take your documentation to Academic Counselling before that exam. If you miss a midterm exam, you must take your documentation to Academic Counselling within 48 hours of the exam. You must meet the 48 hours deadline; otherwise, the instructor will assign a grade of zero. **If your Academic Counselling accepts your documentation, the percentage for the missed midterm exam will be allocated to your final exam.** Please note that students are required to submit their documentation to Academic Counseling for their approval, not to the instructor.

Final Exam

The final exam will cover material from the entire term. Students who miss the final exam must take their documentation to Academic Counselling and notify the instructor within 24 hours. **Once your Academic Counselling approves your documentation for the missed Final exam, the instructor will set a makeup date.**

All makeup exams in this course may differ in length and format from the originally scheduled exam and maybe essay format.

Students who miss any assessment must follow Western University's procedures to approve their absence to receive accommodation. If a student does not get approval from Academic Counselling for a missed exam, the instructor will assign a grade of zero for that exam.

Course Schedule (Tentative):

Please see the tentative course schedule below.

Introduction

Economic Principles as Conceptual Tools

Microeconomic Tools for Health Economics

The Demand and Supply Curves

Price Sensitivity

Consumer Choice and Demand

Production of Health

The production, Cost and Technology of Health Care

Markets

Social Determinants of Health

Midterm 1

Economic Efficiency

Cost-Benefit Analysis

Cost-Effectiveness Analysis

Cost-Utility Analysis

Demand and Supply of Health Insurance

Midterm 2

Equity, Efficiency and Need

Government Intervention in Health Care Market

Social Insurance

International Comparison of Health and Health Expenditure

The Canadian Health Care System

Essay Submission

Final Examination

Professionalism, Privacy, and Copyright:

- Students are expected to follow the [Student Code of Conduct](#).
- All lectures and course materials, including slides, presentations, outlines, and similar materials, are protected by copyright. Students may take notes and make copies of course materials for their own educational purposes only.
- Students may not record lectures, reproduce (or allow others to reproduce), post or distribute lecture notes, assessments, or any other course materials publicly and/or for commercial purposes without written consent.
- Recordings (audio or video) are not permitted without explicit written permission. Permitted recordings may not be distributed or shared.

Please Note Department & University Policies for Winter 2023

The University expects all students to take responsibility for their own Academic Programs. Students should also check their registration to ensure they are enrolled in the correct courses.

1. **Guidelines, policies, and your academic rights and responsibilities** are posted online in the current Western Academic Calendar at: <http://westerncalendar.uwo.ca>. Claiming that "you didn't know what to do" is not an acceptable excuse for not following the stated policies and procedures.
2. Students must familiarize themselves with the "**Rules of Conduct for Examinations**" http://www.uwo.ca/univsec/pdf/academic_policies/exam/administration.pdf.
3. **Cheating as an academic offence:** Students are responsible for understanding what it means to "cheat." The Department of Economics treats cheating incidents very seriously and will investigate any suspect behavior. Students found guilty will incur penalties that could include a failing grade or being barred from future registration in other Economics courses or programs. The University may impose further penalties such as suspension or expulsion.
4. **Plagiarism:** Students must write their essays and assignments in their own words. When taking an idea/passage from another author, it must be acknowledged with quotation marks where appropriate and referenced with footnotes or citations. Plagiarism is an academic offence (see Scholastic Discipline for Undergraduate Students in the Western Calendar at http://westerncalendar.uwo.ca/PolicyPages.cfm?Command=showCategory&PolicyCategoryID=1&SelectedCalendar=Live&ArchiveID=#Page_20).

Western University uses software to check for plagiarism and students may be required to electronically submit their work. Those found guilty will be penalized as noted in point 3.

5. It is a Department of Economics policy that **NO** assignments be dated, stamped, or accepted by staff. Students must submit assignments to the instructor.
6. **Appeals:** University policies and procedures for appealing a mark can be found in the Student Academic Appeals section in the current Western Academic Calendar at: http://westerncalendar.uwo.ca/PolicyPages.cfm?Command=showCategory&PolicyCategoryID=1&SelectedCalendar=Live&ArchiveID=#Page_14. **Please note the relevant deadlines.**

Department of Economics procedures for appealing a mark can be found here: https://economics.uwo.ca/undergraduate/program_counselling/responsibilities_policies.html#appeals. The Department will not consider an appeal unless an attempt has been made to settle the matter with the instructor first. Students who remain dissatisfied with the outcome may proceed to submit an appeal to econugrd@uwo.ca. Please follow the instructions and use the appeal form shown in the above link.

7. **Systematic adjustments of a class grade distribution** (either up or down) can occur in Economics courses. The fact that grades have been adjusted is **not** grounds for an appeal.
8. Note the following **add and drop deadlines**:
 - Deadline to add a second term half course: **Tuesday, 17 Jan, 2023**
 - Deadline to drop a second term half course: **Tuesday, 07 Mar, 2023**

Policy Regarding Makeup Tests and Final Examinations

Faculty of Social Science policy states that oversleeping or misreading an exam schedule is NOT grounds for a makeup. This rule applies to midterm and final exams in the Department of Economics.

Policies Regarding Academic Accommodation

- Academic accommodation will not be granted automatically on request. Students must demonstrate by documentation that there are compelling medical or compassionate grounds before academic accommodation will be considered. The Faculty of Social Science's policies on academic accommodation are found at https://counselling.ssc.uwo.ca/procedures/academic_consideration.html
- **Accommodation for Students with Disabilities:** Students with disabilities or accessibility challenges should work with Accessible Education (formerly SSD, see http://academicsupport.uwo.ca/accessible_education/index.html), which provides recommendations for accommodation based on medical documentation or psychological and cognitive testing. The accommodation policy can be found here: [Academic Accommodation for Students with Disabilities](#).
- **Rewriting Exams and Retroactive Reweighting are NOT Permitted:** Students who proceed to write a test or examination must be prepared to accept the mark. Rewriting tests or examinations, or retroactive reweighting of marks is **not** permitted. Students must also book travel arrangements **AFTER** final exam dates have been posted as they must not conflict with tests or final exams.
- Unless medically incapable of doing so, students must notify their instructor prior to the test date or at least within **24 hours** when requesting a makeup exam. Failure to follow this procedure may result in denial of academic accommodation and a grade of zero. Students should also set up an appointment as soon as possible to meet with their instructor. If the instructor is not available, send an email message to the instructor, copying the Undergraduate Coordinator at econugrd@uwo.ca. **Notifying instructors of a missed exam does not automatically entitle students to a makeup.**

- For medical illnesses, students may consult Student Health Services and request a Student Medical Certificate from the physician. If assessed by an off-campus doctor, students must obtain a certificate from his/her office at the time of the visit/assessment. Student Medical Certificate (SMC) is available here: https://www.uwo.ca/univsec/pdf/academic_policies/appeals/medicalform.pdf
- **Documentation for Accommodation:** Individual instructors are not permitted to receive documentation directly from a student, whether in support of an application for consideration on medical grounds or for other reasons.
- **Western University policy on Consideration for Student Absence** is available here: https://counselling.ssc.uwo.ca/procedures/probation_rtw/appeals.html
- **Religious Accommodation:** Students should consult the University's list of recognized religious holidays and should give reasonable notice in writing, prior to the holiday, to the Instructor and an Academic Counsellor if their course requirements will be affected by a religious observance. Additional information is given in the [Western Multicultural Calendar](#).

Policy Regarding Class Attendance and Engagement:

If the instructor deems a student's attendance or engagement in the class to be unsatisfactory, that student may be prohibited from writing the final examination. Examples of unsatisfactory class engagement include frequent absences from an in-person or synchronous online class, lack of assignment submissions, and inadequate use of online course materials. Instructors who intend to make use of this policy will notify the student in advance.

Statement on Mental Health and Support Services:

Students under emotional/mental distress should visit http://uwo.ca/health/mental_wellbeing/ for more information and a complete list of resources on how to obtain help.

Statement on Remote Proctoring:

While Western intends to hold most classes, mid-terms, and finals in person, the London-Middlesex Health unity may require western to teach in a remote format. If this occurs, all assessments will be done remotely and may involve the use of remote proctoring software (i.e., Proctorio, ProctorTrack). Instructors will provide information on the details should the need arise.

Guidelines for Essay Courses

Essay Courses¹

An essay course is a course in which the cumulative amount of written work, excluding written work in examinations, is at least 2,500 words (for a half course).

To pass an essay course, students must exhibit a minimal level of competence in Essay writing in addition to comprehension of the course content.

English Language Proficiency for Assignment of Grades²

Written work that demonstrates a lack of English proficiency will be failed or, at the discretion of the instructor, returned to the student for revision to an acceptable level.

To foster competence in the English language, *all instructors will take English proficiency into account when marking*. This policy applies to all courses, not only essay courses.

Recycling of Assignments

Students are prohibited from handing in the same paper for two different courses. Doing so is considered a scholastic offence and will be subjected to academic penalties.

Plagiarism

Plagiarism is defined as "the act or an instance of copying or stealing another's words or ideas and attributing them as one's own."³

Plagiarism applies to ALL assignments including essays, reports, diagrams, statistical tables, and computer projects. Examples of plagiarism include:⁴

- Submitting someone else's work as your own
- Buying a paper from a mill, website, or other source and submitting it as your own
- Copying sentences, phrases, paragraphs, or ideas from someone else's work, published or unpublished, without citing them
- Replacing selected words from a passage from someone else's work and using it as your own without citing them
- Copying multimedia (graphics, audio, video, internet streams), computer programs, music compositions, graphs, or charts from someone else's work without citing them
- Piecing together phrases and ideas from a variety of sources without citing them
- Building on someone else's ideas or phrases without citing them

Plagiarism is a serious scholastic offence. Possible consequences of plagiarism include a mark of 0% on the assignment, a mark of 0% for the course, and expulsion from the University.

Instructors may require students to submit written work electronically to <http://www.turnitin.com>.

¹From the UWO Academic Handbook. See

http://www.uwo.ca/univsec/pdf/academic_policies/registration_progression_grad/coursenumbering.pdf

² From the UWO Academic Handbook. See http://www.uwo.ca/univsec/pdf/academic_policies/exam/english.pdf

³Excerpted from HC Black, *Black's Law Dictionary*, West Publishing Co., 1999, 7th ed., p. 1170.

⁴ Adapted from the San José State University Plagiarism Tutorial <https://libguides.sjsu.edu/plagiarism>

This is a service that assists instructors in detecting plagiarism.

Students seeking further guidance on avoiding plagiarism should consult their instructor. *Claiming ignorance is not an acceptable excuse.*

The key to avoiding plagiarism is to correctly cite reference sources.

Referencing and Citation Guidelines

The Economics Department has adopted the citation guidelines used in *The Chicago Manual of Style*, 16th edition. Chicago: University of Chicago Press, 2010. You can find an online version on the Western Libraries website. Go to <https://www.lib.uwo.ca/essayhelp/index.html> and click on 'style guides'. For off-campus access, use the *OffCampus Access* sign-in on the Library's homepage.

Economics papers often use the in-text **author-date** style of citations and references. Details and examples of this style are shown in chapter 15 of the *Chicago Manual of Style Online*. See also the handy "Chicago-Style Citation Quick Guide" under Tools on the homepage.

In the body of an essay, in-text citations list the last names of the authors of the piece that are referenced, the year of publication, and, where relevant, page numbers. In-text citations refer the reader to a complete list of bibliographic references at the end of the Essay. Papers that cite multiple works by the same author(s) with the same publication year should add a lowercase letter after the date in both the in-text citation and References (e.g., 1993a and 1993b). In doing so, the in-text citation points the reader to the relevant work.

Examples of in-text citations:

Diamond (1981, 1982) and Mortensen (1982a, 1982b) find these externalities can cause an inefficient level of search activity...

The "new view of unemployment" which emerged during the 1970s emphasized the importance of turnover in the labour force and the brief duration of many employments spells (Hall 1970, 1972; Perry 1972; Marston 1976).

The primary objectives of the LMAS are "1. To provide measures of the dynamic...the Labour Force Survey" (Statistics Canada 1990, 5).

The list of references at the end of the Essay should be titled References or Works Cited. It should provide complete bibliographic information about each source cited. In addition, students should also provide adequate referencing of any data sources. This can be done in a data appendix following the text of the paper and before the References.

Examples of the format and content of references can be found here:
<https://www.lib.uwo.ca/files/styleguides/ChicagoStyleAuthorDate.pdf>.

Writing an Economics Essay: Starting Points

To start a written assignment, review your professor's instructions. Read published work written by economists, which will give you examples of the structure and content of economics writing. Examples are readings in the course outline, journals, working papers, etc.

Two helpful sources that give information about how to write for economics are:

McCloskey, Dierdre N. 2000. *Economical Writing, 2nd edition*. Prospect Heights, Illinois: Waveland Press.

Greenlaw, Steven A. 2006. *Doing Economics: A Guide to Understanding and Doing Economic Research*. New York: Houghton Mifflin Co.

Writing an Economics Essay: Resources

The **Resources Link** on Western University's Department of Economics website (<http://economics.uwo.ca/resources/index.html>) provides a link to a list of sources for published and unpublished economic papers, articles, books, theses, government publications, data, etc. Western Libraries has a very useful economics resource page <https://guides.lib.uwo.ca/economics>.

DB Weldon Library has a collection of bibliographies, indexes, handbooks, and periodicals in economics. Library holdings, the online library catalogue, and other resources are available electronically from the Western Libraries Homepage <http://www.lib.uwo.ca/>. These can be accessed off-campus with the OffCampus Proxy Server on the Library main page.

Students are encouraged to take a library orientation tour to learn about where sources of information are located both physically and online. Consult library staff for questions

The New Palgrave Dictionary of Economics is the most comprehensive dictionary of economics in existence today. It is available online through the library catalogue, or in print in Weldon's Reference section (call # HB 61.N49 2008 v. 1-8).

EconLit (Economic Literature) is an electronic bibliography of literature from 1969 to the present. It covers journals, collected articles, books, book reviews, dissertations, and working papers. It also provides citations, selected abstracts, and links to Western's full-text resources. Students can also print records by downloading marked records to a text file, sending marked records by email, or exporting them to a citation manager such as *Zotaro*. For a list of citation software, see <https://www.lib.uwo.ca/essayhelp/citationmanagementsoftware.html>.

CANSIM (Canadian Socio-economic Information Management System) is Statistics Canada's database of time series data covering a variety of economic aspects of Canadian society. Access the database by a Title Search on the Western Library's Catalogue, or from the Library's list of Databases under "Research Tools" on the Library's homepage.

Western Undergraduate Economics Review (WUER)

The Department of Economics encourages students to consider submitting their essays to the *Western Undergraduate Economics Review*, a journal published annually by the Department that showcases student work in economics. For further information, please visit http://economics.uwo.ca/undergraduate/undergraduate_economics_review.html.

Essay Prize in Economics

Two prizes may be awarded at the end of the academic year. One prize is for a student registered in a 2100-level course, and one is for a student registered in a 2200 or higher level course. Each prize is valued at \$500.

Students can only win the Essay Prize in Economics once. Economics 4400E is not eligible for this prize as it has its own essay award.

Instructors will nominate student essays for the prize. The Essay should be submitted to the Undergraduate Coordinator for consideration by the Essay Prize Committee, which will decide the winner. The Essay Prize Committee will consist of the Undergraduate Program Director, WUER Faculty Advisor, and one other faculty member. The decision of the Committee is final and cannot be appealed.

Papers will be judged on content, originality, use of references, spelling, and grammar.

The grade given to the paper will not influence the decision of the Essay Prize Committee as all comments by the original marker will be removed.

The deadlines for instructor submissions are:

Fall courses: 01 Jan
Winter courses: 01 May

The winner of the essay prize is encouraged to submit their paper to the Western Undergraduate Economics Review. Other appropriate papers may also be submitted.